KraussMaffei
Pioneering Plastics

KraussMaffei Group GmbH

2025 SUSTAINABILITY REPORT
TRUE BLUE

CONTENTS

ABOUT THIS REPORT

This report documents the sustainability activities of KraussMaffei Group GmbH (hereinafter KraussMaffei or KraussMaffei Group), headquartered in Parsdorf near Munich, Germany. The reporting period covers the year from January 1 to December 31, 2025.

We have prepared this document with the utmost care. However, we do not warrant or represent that the content is accurate, complete or up to date. Use of this information is at your own risk. We do not accept any liability for any loss or damage that may result from the use of the content of this report.

Dr. Alexandra Coffey, Director Corporate Communications, Marketing & Sustainability, is responsible for this report. She can be contacted with any questions and suggestions at **alexandra.coffey@kraussmaffei.com**.

Contents

ESRS 2 GENERAL DISCLOSURES

Contents

General basis for preparation of sustainability statements (BP-1)

Scope of consolidation and reporting limits

KraussMaffei Group GmbH acts as a holding company for KraussMaffei Technologies GmbH (Parsdorf, Germany) and Krauss-Maffei Corporation (Florence, Kentucky, USA). The financial statements of KraussMaffei Group GmbH apply to these entities on a consolidated basis. Accordingly, we have also collected the data for this sustainability report on a consolidated basis and present it here.

KraussMaffei Group is a subsidiary of China National Chemical Equipment (Luxembourg) S.à r.l. and is thus part of the Sinochem Group. The ultimate parent company of the Group is Sinochem Holdings Corporation Ltd.

If consolidated information is not available, we have made this clear. The corporate structure of KraussMaffei Group GmbH with its worldwide locations and subsidiaries is shown on page 20.

The upstream value chain is covered by the following systems: Analysis of purchasing data, risk analysis of all suppliers using software (page 58), determination of the CO_2 footprint of purchased goods and transport, see page 27 (Scope 3). We can only model the downstream value chain to a limited extent because we rely on data from customers, which is only selectively available to us or which we are permitted to use solely for analyzing machine operation due to data protection regulations.

Reporting standard

Reporting is carried out on a voluntary basis. The company is not required to publish a non-financial report for 2025 in accordance with the European Union's Corporate Sustainability Reporting Directive (CSRD). However, we have aligned the structure and content with the corresponding reporting standards, the European Sustainability Reporting Standards (ESRS), to ensure we are as well prepared as possible for the upcoming reporting obligation. This report is therefore based on the simplified drafts of the ESRS produced by the European Financial Reporting Advisory Group (EFRAG) as at the end of the reporting period (November/December 2025). We expect these to be adopted by the European Union in 2026 and to apply from the 2027 financial year. For a better overview, the Annex contains an index of all ESRS datapoints presented in this report with a direct reference.

In accordance with the requirements of the ESRS, we hereby set out further applied principles and specific provisions:

Assumptions, estimates, and sources

The metrics presented in this report are generally based on our own data. General estimates or assumptions have not been used. An exception is the assessment of risks in the supply chain: here we use an external software solution that partly uses AI-based estimates and average values for the analysis of country and industry risks. If sources other than our own have been used in the reporting, we have made this clear.

Contents

Calculation information

Minor mathematical deviations may occur in totals or percentages as a result of rounding. The base year for comparative metrics is 2024, as a comprehensive, Group-wide database was established for the first time in that year.

Information on time horizons

Where time horizons are specified in the report, we define them as follows:
- Short term: Within one year following the end of the reporting year
- Medium term: From the end of the short-term period up to a period of five years
- Long term: Any period exceeding five years

Disclosures in relation to specific circumstances (BP-2)

If special circumstances within the meaning of ESRS 2 (BP-2) apply to relevant disclosure requirements, we have indicated this accordingly.

Withheld information

For maximum transparency, we publish all available data and metrics in this report and do not withhold any relevant information. The exception is risk management: in line with our due diligence, we also identify financial risks and opportunities for each key issue. We quantify these and base them on a monetary metric. We have withheld these from this report for competitive reasons.

Reporting errors in previous reporting periods

The last sustainability report for 2024 contains three errors:
- On page 90, the value for 2024 has changed for the following figures:
  Scope 1 6,661 t CO_{2e} instead of 6,584 t CO_{2e} (reason: difference in factor determination)
  Scope 2 11,153 t CO_{2e} instead of 10,776 t CO_{2e} (reason: difference in factor determination)
  Scope 3: 271,304 t CO_{2e} instead of 2,197,519 t CO_{2e} (reason: formula error)
- The emission value of waste has also changed (p. 93). Instead of 14,882 t CO_{2e}, it was 1,903 t CO_{2e} for 2024. As a result, the total value of waste is 8,993 tons instead of 8,987 tons for 2024
- With regard to business travel, due to an error in the calculation of emission factors for the year 2024, the figure has also changed from 9,117 t CO_{2e} to 13,521 t CO_{2e}.

The role of the administrative, management, and supervisory bodies with regard to sustainability matters (GOV-1)

Our organizational structure ensures that sustainability at KraussMaffei is embedded as a strategic topic within the highest committees and bodies.

Contents

Composition of the administrative, management, and supervisory bodies

The highest decision-making body is the Supervisory Board. This 12-member board is composed of equal numbers of representatives from the employer and employee side.

The six employee representatives consist of three works council members, two representatives from the IG Metall trade union, and one representative from management. In the reporting period, the board was composed as follows:

Employer representatives

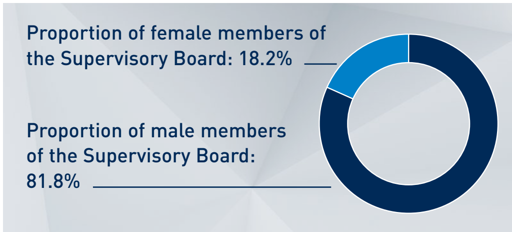
- Jianzhong Kang, Member of the Supervisory Board (until February 28,2025), Deputy Managing Director of China National Chemical Equipment Company Limited
- Dr. Hans Ulrich Golz, Senior Advisor/Consultant (since March 1, 2025)
- Xiaoxu Li, Member of the Supervisory Board (until June 30, 2025), Commercial Director of Sinochem Equipment Technology (Qingdao) Company Limited Note: This position was not filled until December 31, 2025.
- Yang Shihao, Chair of the Supervisory Board, Vice President of Sinochem Holding Corporation Ltd.
- Xiaofeng Zhang, Member of the Supervisory Board, Deputy Managing Director of Sinochem Equipment Technology (Qingdao) Company Limited
- Dr. Gunnar Merz, Member of the Supervisory Board, Management Consultant
- Dr. Karlheinz Bourdon, Member of the Supervisory Board, Management Consultant

Employee representatives

- Sibylle Wankel, Deputy Chair of the Supervisory Board, 1st representative of the IG Metall Munich office
- Susanne Meyer, Member of the Supervisory Board, Chair of the Group Works Council
- Markus Klein, Member of the Supervisory Board, Deputy Chairman of KraussMaffei Technologies GmbH Works Council
- Sascha Dudzik, Member of the Supervisory Board, 1st representative and treasurer of the IG Metall branch office Hanover
- Robert Weinmüller, Member of the Supervisory Board, Head of Storage and Transport
- Helmut Hackner, Member of the Supervisory Board, Head of Commercial Order Processing

The following members are independent representatives:

- Dr. Karlheinz Bourdon, Member of the Supervisory Board, Management Consultant
- Dr. Hans Ulrich Golz, Senior Advisor/Consultant (since March 1, 2025)
- Dr. Gunnar Merz, Member of the Supervisory Board, Management Consultant
- Sibylle Wankel, Deputy Chair of the Supervisory Board, 1st representative of the IG Metall Munich office
- Sascha Dudzik, Member of the Supervisory Board, 1st representative and treasurer of the IG Metall branch office Hanover



The proportion of independent members of the Supervisory Board is 45.5%.

Note: In the reporting period, one member of the Supervisory Board resigned and the position was not filled until December 31, 2025. The Supervisory Board had 11 members as at the cut-off date of December 31, 2025, which was used to calculate the percentage.

The Management Board of KraussMaffei Group GmbH was composed as follows in the reporting year:
Chi Zhang, Chairman of the Management Board (CEO)
Yong Li, Chief Administrative Officer (CAO)

Skills and expertise for the management of material impacts
The Management Board has overall responsibility for developing, approving, and updating the key corporate policies that KraussMaffei uses to ensure sustainable development. In addition, the Management Board is responsible for ensuring that the company fulfills its due diligence obligation to identify, manage, and, if necessary, optimize all impacts of its business activities on the economy, environment, and people, as well as the associated risks and opportunities. Management regularly exchanges information with the departmental heads in the Group functions who are responsible for the issues identified as material.

The company ensures that the administrative and supervisory bodies have, or have access to, appropriate knowledge and skills in the area of sustainability. This is achieved through the targeted integration of external expertise and the consideration of relevant skills when filling relevant positions.

Responsibilities
The following responsibilities apply with regard to the management of material impacts, risks, and opportunities.

ESRS 2: Chief Executive Officer
ESRS E1: Environmental, Energy, and Occupational Safety Officer
ESRS E2: Environmental, Energy, and Occupational Safety Officer
ESRS E5: Environmental, Energy, and Occupational Safety Officer
ESRS S1: Vice President Corporate HR
ESRS S2: Vice President Global Procurement
ESRS S4: Managing Director of all legal operating units within KraussMaffei Group
ESRS G1: Chief Executive Officer

Integration of sustainability-related performance in incentive schemes (GOV-2)
There were no remuneration or incentive schemes linked to sustainability-related performance for the members of the controlling bodies in the reporting period. However, in 2025 we developed an incentive system for those employees who receive a variable bonus

Contents

payment. This takes into account aspects of sustainability and corporate culture. Members of the management bodies are included in this.

Statement on due diligence (GOV-3)

To fulfill our due diligence obligations, we have established processes for identifying, evaluating, prioritizing, and managing significant and actual potential impacts, risks, and opportunities with regard to the environment, social factors, and corporate governance. Our due diligence processes cover our own business activities as well as the upstream and downstream value chain, to the extent that this is appropriate within the scope of our business activities and opportunities for influence. They are based on all national and international laws that apply to us. Key application areas and methodologies are:

Risk management: Regular mapping of industry and country risks in our supplier base as well as screening of general political, economic, and environmental risks (see page 11)

Supplier assessment: Screening of sustainability performance of our suppliers (for details see page 12)

Documentation: Systematic recording of targets and KPIs, comprehensive roll-out of IT-based documentation solutions

Requirements: Written presentation of key sustainability requirements for different target groups (Code of Conduct for suppliers, Corporate Guideline No. 2 (Compliance and Ethics Code) for our staff, etc.)

Risk management

Our internal control and risk monitoring system is an elementary component of our corporate due diligence. This covers key areas of the company.

The risk management system is based on an Enterprise Risk Management (ERM) approach. As an integral part of the corporate organization, the ERM takes into account both risks and opportunities. The approach is based on the internationally recognized COSO standard (Committee of Sponsoring Organizations of the Treadway Commission). Risk management is designed to identify material risks and opportunities at an early stage, assess them appropriately, and manage them effectively, thereby providing a central basis for sound management decisions.

The following tools are used for the risk monitoring and control system:

- Management Board meetings

- Annual planning and forecasting, investment planning, monthly and quarterly reporting
- Production and capacity planning, sales and market analyses
- Cross-divisional coordination of projects, strategic development projects, patent coordination
- Risk workshops
- Purchasing and supplier management
- Customer account management, sales financing, liquidity planning
- Personnel planning and development
- Group auditing, compliance management, internal control system

As part of a regular risk assessment process, the responsible risk managers document the identified risks and opportunities in standardized forms and forward these to central risk management. As a result, we have identified the following risks arising from sustainability matters:

Geopolitical risks: The global economic environment remains characterized by geopolitical tensions, trade uncertainties, and weak economic development. Conflicts, increasing trade barriers, and stricter export and sanctions regimes are dampening demand and the willingness to invest, especially in sectors relevant to KraussMaffei Group. In addition, volatile financial markets, inflation risks, and potential supply chain disruptions are increasing planning uncertainty. KraussMaffei Group counters these external risks through increased market and scenario monitoring, diversified procurement strategies, and ongoing adjustments to sales, price, and cost structures.

Plastics industry risk: The plastics industry remains in a period of subdued development. Global plastic production rose to 430.9 million tons in 2024, but growth has remained moderate for several years. In the future, demand is expected to be driven primarily by the construction and health care sectors and by the increased use of technical plastics in the automotive, electronics, and industrial sectors. The Asia-Pacific region is likely to remain one of the most important growth markets.

At the same time, the industry is facing increasing regulatory pressure and growing sustainability requirements. Weaknesses in important customer industries such as construction, automotive, and electronics may dampen demand and affect planning security. Stricter requirements regarding recycling, recyclable content, and recyclable design drive up costs and accelerate the need for transformation. Changing consumer expectations and the increasing awareness of plastic waste also increase the risks to the development of demand. While bioplastics, advanced recycling technologies, and circular economy approaches offer long-term opportunities, their implementation requires significant investment and adaptation along the value chain. In addition, the "use instead of ownership" trend could further reduce demand for traditional plastic applications.

Overall, market shifts, tighter regulatory requirements, weaknesses in customer industries, and changing customer preferences pose significant risks in terms of sales, margins, and market positioning.

Environmental risks: Increasingly stringent environmental and sustainability regulations are driving up requirements for products, processes, and supply chains in the plastics machinery industry. Specifications regarding materials, chemicals, emissions, recycling, and ESG reporting obligations are leading to increasing compliance and investment requirements. Under EU regulations, certain single-use plastic packaging formats will be banned from 2030, and legal requirements regarding the recyclability of packaging placed on the market are increasing significantly.

For KraussMaffei Group, this entails risks, particularly with regard to cost structures, product conformity, and market access. KraussMaffei Group is countering these risks by actively monitoring the market and competition and continuously developing procurement, compliance, and innovation approaches.

Top-level management is regularly informed about strategic risks via a detailed risk report and must provide signatures to show that they have taken note of this. Other documents that inform management about risks include:

- Opportunity and risk reports of the parent company of KraussMaffei Group GmbH, China National Chemical Equipment (Luxembourg) S.A.R.L (CNCE Lux)
- Opportunity and risk reports of the German individual companies as part of the management report

Special risk management in Purchasing
To ensure that our expectations of responsible conduct are also met in our upstream value chain, a special risk management process applies to procurement. Here, a software-based risk analysis assigns different levels of risk to all direct suppliers. This is done on the basis of a classification of the suppliers:

(i) in countries at risk and in countries not at risk (country risk), the location where the contractual partner is based is decisive for the assessment; and
(ii) in a risk or non-risk product group/industry category, depending on the goods or services supplied (commodity risk); and
(iii) on the basis of web screening for suppliers. Optionally, the analysis can also include
(iv) self-reports to be completed by suppliers;
(v) information on individual risky suppliers provided by the company.

Re (i): Country risks are determined on the basis of 11 different publicly available indices and classified as: no risk, low risk, mid risk, high risk, critical risk. These indices address the human rights and environmental risks mentioned in the LkSG, as far as is evident from the indices. We use the software tool Prewave to monitor our suppliers globally.

Re (ii): Prewave uses its own in-stock data on over 100,000 suppliers to determine product groups/industrial risks. These suppliers are classified in industries (ISIC standard) and commodity groups. Prewave has a history of incidents in the individual industries and for individual product groups for the over 100,000 suppliers. Prewave also evaluates this frequency of incidents according to no risk, low risk, mid risk, high risk, and critical risk.

Re (iii): In addition, AI-based web screening is carried out for certain suppliers (for the suppliers presenting the highest risks). This involves checking social media, news, and other information available online on the basis of a supplier keyword and risk keyword search to see if reports are available on the individual suppliers and what these are. Reports are communicated to the user as "risk alerts".

Re (iv): Optionally, risk identification can be supplemented by the results from the supplier self-reports that the risky suppliers have to fill in.

Re (v): Optionally, individual suppliers can be specifically analyzed for risks.

The results from (i) to (iii) and optionally (iv) and (v) are combined and together constitute the supplier's 360° risk score.

In our Supplier Code of Conduct, we refer to the whistleblower system in this context and explicitly encourage violations to be reported there. The Supplier Code of Conduct also states that neither KraussMaffei nor its suppliers and business partners accept any form of discrimination against persons who, to the best of their knowledge and belief, have given legitimate evidence to KraussMaffei. Further information on the whistleblower system is publicly available on our website.

Internal audits

Our control systems also include internal audits. These are carried out by the Internal Audit department. In 2025, we carried out three projects:

- Internal audit at Breda site (NL)
- Internal follow-up audit at Florence site (USA)
- Internal audit at Manningtree site (UK)

Risk management and internal controls over sustainability reporting (GOV-4)

The information presented in this sustainability statement is researched by a project team in the individual departments and text is prepared. Sustainability Management and the specialist departments then review the content planned for publication. Any uncertainties that arise are checked again with the departments and corrected if necessary. The version with approved content is then submitted to management for release for publication. An internal control system for sustainability reporting based on the four-eyes principle is currently being developed.

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

Business model

KraussMaffei develops, manufactures, and distributes both individual and standardized machines and systems for producing and processing plastics and rubber, as well as accompanying service solutions. With 30 locations in 17 countries, we have a global presence. We divide our portfolio into the following areas:

Injection molding machinery: Injection molding technology machinery, installations, digital tools, and services – i.e. the melting of supplied plastic granules and molding of the fluid material in a closed mold.
Reaction process machinery: Reaction process machinery, installations, digital tools, and services – i.e. the combination of several substances in one tool to trigger targeted chemical reactions under the influence of pressure, temperature, concentration, and duration, at the end of which a defined mold is created.
Extrusion technology: Extrusion technology machinery, installations, digital tools, and services – i.e. the defined melting of fed granules, powders, or pastes in a heated cylinder by means of one or two rotating screws in order to press the plasticized material through a shaping tool in a continuous process.
Additive manufacturing: Additive manufacturing (3D printing) machinery, installations, digital tools, and services for – i.e. the layered construction of a structure using a wide variety of materials that have previously been plasticized by an extruder in accordance with previously digitized modeling.

Our business model has not yet been assessed with regard to the European Taxonomy Regulation.

Upstream value chain

In 2025, we sourced raw materials, semi-finished products, materials, and services from 9,397 suppliers. The purchasing volume is spread across five major material groups: mechanical systems, electrical systems, hydraulic systems, installations, and general commodities and services.

Procurement

We handle supplier markets in the US, China, and Eastern Europe with local buyers based at our locations there. The Purchasing department is headquartered in Parsdorf, Germany. This also has global responsibility for the material groups. Both direct and indirect purchasing are organized by categories that are the responsibility of Category Managers. In addition, there is a central office in Parsdorf that organizes and monitors all purchasing processes and regulations. All KraussMaffei Group's purchasing activities are regulated in Group policy no. 8. This defines roles, governance, procedures, and processes for global procurement. The Vice President Global Procurement is responsible for content. The purchasing managers or employees responsible for the local functions and locations are responsible for implementing the policy.

KraussMaffei Group GmbH and KraussMaffei Technologies GmbH are subject to German Supply Chain Due Diligence Act (LkSG). The

Contents

Act requires the companies concerned to implement certain due diligence measures in order to prevent or minimize violations, particularly human rights violations, in their own business area and also along their supply chain. The central Purchasing department informs the Human Rights Officer about all aspects of sustainability in the context of purchasing and procurement. The Human Rights Officer reports on this directly to the management of both companies at least once a year. All new suppliers undergo onboarding, which includes screening of their sustainability performance. All suppliers must take note of our Supplier Code of Conduct. The Supplier Code of Conduct is a binding part of the contract for all suppliers with whom a framework agreement is concluded. We have developed a special risk management process for procurement. Details are shown on page 11.

Downstream value chain

The machinery, systems, digital tools, and services are exclusively used by business customers. Our customers' main industries are shown in the chart below. In individual cases, the machines and systems supplied by KraussMaffei can also be used to produce goods that can be used for both civil and military purposes (dual use). In the case of exports, KraussMaffei is subject to applicable national and international export control regulations.

Strategy

KraussMaffei is one of the world's leading manufacturers of machines and systems for producing and processing plastics and rubber. We stand out from our competitors in key areas:

- **Technological diversity:** We pool expertise in four technology areas: extrusion, injection molding and reaction technology, and additive manufacturing.

- **Quality:** In our processes we use appropriate processes and management systems to ensure product quality and usually document this with certificates.
- **Partnership:** We offer our customers custom machine construction. At several locations, we operate a technical center in which we develop and test individual processes and system concepts together with customers.
- **Cost-effectiveness:** In addition to custom machine construction, customers can obtain standardized system concepts from us and thus implement particularly economical solutions.
- **Digitalization:** Our digital solutions, especially in the area of system control and networking, open up new potential for customers to increase efficiency.
- **Service:** We create sustainable added value for our customers with individual services – from financing offers to industrial retrofitting of machines and systems.
- **Durability:** Our machines have a long service life. We strive to make them as resource-efficient as possible. They are also designed to conserve energy and resources during operation. In addition, they make a significant contribution to closed material cycles in the plastics industry with recycling solutions.
- **Customer proximity:** We are present in 17 countries worldwide and are always close to our customers with our numerous trade and service partners.
- **Understanding:** Our customers are found in a wide variety of industries. Over the decades, we have built up a wealth of knowledge and experience to meet their requirements.

These advantages result in clear benefits for our customers. Cultivating and expanding these in a targeted way is at the heart of our strategy for sustainable business development.

Significant changes

On June 27, 2025, KraussMaffei Automation GmbH was fully merged into KraussMaffei Technologies GmbH and dissolved as a single entity. Tthe Schwaig site was organizationally integrated into the Parsdorf site. As of December 3, 2025, KraussMaffei Technologies GmbH sold its subsidiary PLAMAG GmbH, Plauen (Germany) to the Callista Group.

Interests and views of stakeholders (SBM-2)

The following table lists our most important stakeholders and their interests, viewpoints, and expectations of the company. To ascertain these interests, we do not conduct standardized surveys in the traditional sense but collect feedback from direct and personal contact that we initiate and maintain through many channels in day-to-day business.

Stakeholder analysis

Stakeholder group	Stakeholder	Type of participation and/or source of information	Expectations of the company
Employees	Own employees	Employee surveys, discussions with employees, incident reporting system, whistleblower system	Good working conditions, health and safety at work, fair pay, training opportunities, professional development
	Temporary workers	Occupational health and safety discussions, incident reporting systems, whistleblower system, exchange with operational managers and personnel service providers	Good working conditions, health and safety at work
Employee representatives	Works council	Discussions with trade unions, HR interviews	Good working conditions, health and safety at work
	Supervisory Board	Regular board meetings	Good financial results, productivity, compliance with all regulations
	Trade union	Employees membership, collective bargaining	Company obligation to provide information, IG Metall membership
Suppliers	Other suppliers of materials, transport service providers, electricity suppliers, contractors, waste and waste water treatment service providers	Supplier base in SAP, direct contacts to the company's purchasing manager	Good payment terms, fast payment, long-term business relationship
Customers	Customers	Customer base in SAP and in sales (direct customers for service and new machines)	Favorable payment terms and short delivery times, good payment terms, good quality and good service, information on sustainability
	Distributor/intermediary	Negotiated contracts between representatives and the company	Favorable payment terms and commission, short delivery times, information on sustainability
Science	Universities, research	Sponsorship & research partnerships	Regular exchange with the company and willingness to conduct research and financial participation
Cooperation partners	Research institutions	Direct project-based dialog	Reliability, financial contribution, active participation
Government agencies	Municipalities	Reporting and information requirements	Compliance with all laws and generation of business taxes
	Local and national legislation	Regulatory system of the respective countries	Regulatory system of the respective countries
Civil society	Municipalities	Direct dialog	Active contribution to social coexistence (sponsorship of local initiatives, job creation, use of local suppliers and services)
Investors	Shareholders	Composition of the Supervisory Board, regular reports to shareholders	Good performance, stability, revenue growth, liquidity

Stakeholder analysis

Stakeholder group	Stakeholder	Type of participation and/or source of information	Expectations of the company
Lenders and other creditors	Banks	Annual financial statements and financial reporting, ESG questionnaires, periodic reporting under financing agreements	Financial solvency, stability
Insurers	Insurance companies	Risk assessments, audits/inspections, claims reporting, insurance contracts, information on occupational safety, compliance and risk management	Financial solvency, stability, security measures
Other	Industry associations	Membership	Payment of membership fees, active participation in projects and working groups
	Media	Public relations	Transparent and regular information
	Potential employees	Employer branding	Transparency in the recruiting process

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

We are aware of the impact resulting from our daily activities based on our business model

- as an employer, we have a direct impact on the safety, health, and satisfaction of 3,672 people.
- as a client, we have a direct impact on the economic success of our suppliers and partners.
- as a supplier, our machinery, systems, and digital solutions have a significant impact on improving the performance, efficiency, and sustainability of our customers.
- as a globally active company, we contribute to environmental problems with our energy and resource consumption.
- as a company in the plastics industry, we are jointly responsible for the worldwide production of plastic products and the associated environmental challenges. At the same time, we are already helping to solve these problems with our innovative solutions for their recycling and recyclability.

We have internally analyzed, evaluated, and assessed all aspects associated with these impacts as part of a double materiality assessment. We have compared and assessed these findings with the topics, sub-topics, and sub-sub-topics of the ESRS.

Interaction with strategy and business model

All managing directors of our technology divisions have received the above-mentioned overview so they can derive strategic decisions from it.

Financial effects

The risks and opportunities mentioned above did not result in any exceptional impact on the assets, financial position, and results of operations or the cashflow for the reporting year. We do not provide any public information about the possible impact of risks and opportunities on the short- to medium-term net assets, financial position, results of operations or cashflow. Likewise, we provide information on investments in research and development only at a consolidated level, but not distributed among the individual technologies.

Description of the processes to identify and assess material impacts, risks, and opportunities and the material information to be reported (IRO-1)

We have identified the material impacts, risks, and opportunities (IROs) for the company in an internal analysis process. Internal stakeholders such as the Group Works Council, Global Procurement, Health & Safety, HR, Sales, Product Management, R&D, and the managing directors of the subsidiaries were systematically integrated – the group of internal experts surveyed comprised around 30 people. External stakeholders were taken into account via existing dialog formats, such as customer inquiries on ESG issues, supplier assessments, feedback from rankings (e.g. EcoVadis, SAQ), and via digital channels and trade fair contacts. The results of this work were incorporated into the identification and assessment of the IROs.

In line with our due diligence, the analysis was based on the principle of double materiality, which takes into account both the company's impacts on the environment and society (impact materiality) and the financial risks and opportunities for the company itself (financial materiality). The consulting firm fors earth, Munich, helped us develop the analysis process and evaluate the results.

The methodology was based on ESRS guidelines and comprised three key process steps:

1. Context analysis: Definition of the company-specific framework including scope of consolidation, business activities along the value chain, legal framework, and existing risk and due diligence processes.
2. Identification of impacts, risks, and opportunities: Capturing of potential and actual impacts, risks, and opportunities (IROs) based on internal expertise, external sources, industry-specific standards, and regulatory requirements (e.g. LkSG, CBAM). Documentation and validation were carried out in a structured manner in an Excel template.

3. Materiality assessment: Assessment according to extent, scope, reversibility, and probability of occurrence. For the evaluation, we developed a matrix based on the risk management approach established within the company; human rights-related risks were conservatively assessed. Final approval was given by management.

Material impacts, risks, and opportunities and disclosure requirements covered by the sustainability statement (IRO-2)

In line with the material topics identified in our materiality assessment, we address the following topics of the ESRS standard, including the disclosure requirements, in this sustainability report:

Key topics

Topic	Subtopic
E1 Climate change	Climate change adaptation
	Climate action
	Energy
E5 Resource use and circular economy	Resource inflows, including resource use
	Resource outflows related to products and services
	Waste
S1 Own workforce	Working conditions
	Equal treatment and opportunities for all
	Other work-related rights
S2 Workers in the value chain	Working conditions
	Equal treatment and opportunities for all
	Other work-related rights
S4 Consumers and end-users	Impacts on information to consumers and/or end-users
	Personal safety of consumers and/or end-users
G1 Business conduct	Corporate culture
	Corruption and bribery

KraussMaffei Group GmbH

Brazil
KraussMaffei do Brasil Ltda.

China
KraussMaffei Machinery (China) Co., Ltd.
Shanghai KraussMaffei Machinery Co., Ltd.

Germany
Burgsmüller GmbH
KraussMaffei Extrusion GmbH
KraussMaffei Group GmbH
KraussMaffei Technologies GmbH

France
KraussMaffei Group France S.A.S.

UK
KraussMaffei Group UK Ltd.
Pultrex Ltd.

India
KraussMaffei Technologies India Private Limited

Italy
KraussMaffei Group Italia S.r.l.
Krauss-Maffei Italiana S.r.l.

Japan
Krauss-Maffei Japan K.K.

Colombia
KraussMaffei Group Andina S.A.S.

Korea
Krauss-Maffei Korea Ltd.

Mexico
Krauss Maffei de México S. de R.L. de C.V.

Netherlands
KraussMaffei Group Benelux N.V.*

Switzerland
Krauss-Maffei (Schweiz) AG

Singapore
KraussMaffei Group Singapore Pte. Ltd

Slovakia
KraussMaffei Technologies, spol. s r.o.

Thailand
KraussMaffei Group South East Asia Co., Ltd.

USA
Krauss-Maffei Corporation

* Headquarters Belgium, commercial register entry in Breda (NL)

Some national companies have several locations in the respective country.

E1 CLIMATE CHANGE

Contents

With regard to climate change, we have analyzed the following impacts, risks, and opportunities as material for us:

Subtopic	Description	Type
Adaptation to climate change	Natural disasters can destroy installations, such as hurricanes and floods at sites in the US and China and storms in Germany.	Risk
	Increasing material and procurement costs as a result of CO_2 pricing and CO_2-related price surcharges.	Risk
	The production and operation of our machines generates CO_2emissions, which are mainly due to electricity consumption. The customer's power consumption has the biggest impact. Marketing of lower-carbon machinery, for which customers are willing to pay a premium.	Opportunity
	Reduction of the product's CO_2 footprint (PCF) by improving the design and manufacture of machinery	Positive impact
	Optimizing machines with regard to energy consumption and reject rate reduces waste and emissions during operation (patented APC plus).	Positive impact
Climate action	Reduction of CO_2 emissions thanks to certified energy-efficient buildings.	Positive impact
	Own PV systems mean less dependence on electricity suppliers and rising energy costs.	Opportunity
	The shift in sourcing from local suppliers to suppliers from China is leading to an increase in transport emissions.	Negative impact
	Potential cost benefits through increased use of recycled metals due to CBAM.	Opportunity
	Development of material-efficient injection molding machines with lower metal requirements and additional customer benefits as a result of reduced space and energy requirements.	Opportunity
	Transportation to and from sites within the value chain causes GHG emissions that contribute to climate change.	Negative impact
	Employee business travel (e.g. flying, driving) causes GHG emissions.	Negative impact
	Our industry is helping to replace metal parts with plastic parts, making products lighter (especially in the automotive and aerospace industries).	Positive impact
Climate action	Selected applications and machinery allow our customers to replace production steps (e.g. elimination of separate painting steps by ColorForm technology), which contributes to a reduction of emissions from energy consumption and waste.	Positive impact

Transition plan for climate change mitigation (E1-1)

We want to make a tangible contribution to the necessary transition to a decarbonized economy. To achieve this, management has set the following CO_2reduction targets:

- Reduce CO_2 emissions at our production sites by 50% by 2030, starting from 2024
- Net zero carbon footprint for the new machines (product carbon footprint) by 2045. This target is on a cradle-to-gate basis, i.e. from machine production to leaving the factory for delivery.

- Increase the share of renewable energies in the electricity mix at our production sites to 90% by 2030.
- Reduce energy consumption at our production facilities by 30% by 2035 at the latest, measured by revenue.

Largest decarbonization lever

Along the value chain, our greatest levers and measures to mitigate climate change are:

1) **Reduce emissions during the machine use phase.** We are developing efficient machines and systems for this purpose. The climate change mitigation aspect is part of every new development and is integrated into the specifications drawn up according to customer requirements. The GHG emissions from the use phase of sold machines are potentially the largest share of total emissions, as the machinery is operated over a service life of 20 to 40 years and continuously consumes energy.
2) **Reduce emissions in the upstream value chain.** To achieve this, we are optimizing the design of our machines and systems in order to achieve maximum performance and reliability with as little raw material as possible.
3) **Reduce emissions in production.** We are increasing the proportion of energy from renewable sources and the efficiency of our production sites. After moving our production sites in Parsdorf, Laatzen, Einbeck, and Jiaxing to state-of-the-art production facilities just a few years ago and also investing over EUR 200 million in modernizing our installations in recent years, our production facilities are at a high level of efficiency and, ultimately, climate change mitigation. Accordingly, in the reporting period we have made only occasional investments in modernization with an effect on climate change mitigation, some of which are shown on page XX.

We do not separately identify investments made explicitly to combat climate change or to protect against its impacts. Environmental expenses amounted to approximately EUR 1.3 million in reporting period.

Embedding in the corporate strategy

Our climate change transition plan adheres to our corporate strategy. In line with this, we aim to consolidate and expand our position in the upper market segment of custom machine construction. Energy efficiency and low material reject rates, which have a direct impact on climate change mitigation, are particularly important.

Implementation and informing management and controlling bodies

We have introduced a governance structure to implement our plan. Accordingly, employees responsible for the individual technology areas and the central functions of Operations, Facility Management, and R&D collaborate closely with central Sustainability Management. This regularly coordinates with the Management Board, which in turn reports to the Supervisory Board. This ensures that the management and controlling bodies are kept continuously informed of progress towards achieving the above-mentioned goals. We also use this structure to delegate the management of all climate change-related impacts to those responsible for the technology areas and central functions. At the individual sites, climate protection is anchored organizationally with the respective environmental officer or site management.

Validation

The targets in our transition plan are intended to contribute to the achievement of the Paris climate targets. There is no scientific review of this agreement, for example within the framework of the Science Based Targets Initiative. The targets affecting our own business area can be achieved through our own efforts. The above product carbon footprint (PCF) target is, among other things, dependent on purchased materials. This means we also rely on our suppliers in order to achieve our target in this respect. The progress we have made towards achieving our targets in the reporting year is shown on page 26.

Identification of climate-related risks and scenario analysis (E1-2)

Using our risk management tools, we have analyzed all climate change-related risks identified for our company as part of the double materiality assessment All risks were classified as a transition risk and valued in monetary terms.

Resilience in relation to climate change (E1-3)

The resilience of the company with regard to climate-related risks has been sufficiently investigated using risk management analyses, but we have not taken any additional measures because threshold values were not exceeded.

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

External policies

We support the objective of the 2015 Paris Agreement and aim to contribute to its achievement. We also prioritize Goal 13 of the United Nations' Sustainable Development Goals (SDGs) "Climate action". Ultimately, we are aiming for climate neutrality in line with the European Union's Green Deal. In addition, the UN Global Compact, the Universal Declaration of Human Rights, and the Fundamental Principles and Rights at Work of the International Labor Organization (ILO) are essential policies in this context, since they dictate responsible business conduct which includes climate protection.

Internal policies

These principles are reflected in the following specific instructions for action:

- Policy no. 25 (Environmental and Energy Management System), which applies throughout the Group. In addition to the process for internal audits and inspections, this regulates the further introduction of energy and environmental management systems at our sites.
- ISO 14001 environmental management system and ISO 50001 energy management systems, which have a direct link to climate change mitigation due to their process requirements in terms of energy efficiency and GHG emissions. In 2025, the following sites were certified accordingly: Parsdorf and Laatzen to DIN ISO 14001 and Parsdorf to DIN ISO 50001.
- Code of Conduct for all employees (Compliance and Ethics Code), with which we demand responsible conduct at our own locations.
- Code of Conduct for suppliers (Supplier Code of Conduct), with which we demand responsible conduct in our upstream value chain.

Actions and resources in relation to climate change mitigation and adaptation (E1-5)

Actions related to climate change mitigation

Most of the actions we have taken are aimed at the transition to a decarbonized industry, so they are proactive.
We have the greatest leverage for climate action with our machinery and systems, which significantly reduce the energy and material consumption of our customers during operation. Some examples from the reporting period are listed from page 31 onward.

In 2025, we took the following action for climate change mitigation at our sites and are continuously improving our processes and infrastructure:

Building technology

- Conversion of old compressed air compressors in Abbiategrasso (IT)
- Modernization of heat pumps in Einbeck (D)
- Retrofitting of old lighting with energy-efficient LED lighting in Florence (USA) and Treuchtlingen (D)
- Installation of ceiling fans at the Sucany (SK) site. This swirls rising warm air down to the ground, which has reduced gas procurement for heat generation by 15%.
- Old wooden windows replaced with modern double glazing in Viersen (D) for better thermal insulation
- Old gas heating systems replaced with efficient infrared radiant heaters (dark radiators) in Viersen (D)
- Replacement of old roller doors to prevent heat loss and thus reduce the need for thermal energy in Viersen (D)
- Parsdorf combined heat and power plant

Mobility

- Introduction of a job-bike offer at German sites to reduce emissions from work-related commuting
- Vehicle fleet electrification in Abbiategrasso and Lainate (IT), Rotkreuz (CH), Sucany (SK), and Warrington (UK)
- Reducing commuting from the Treuchtlingen plant to the Parsdorf plant from 4 to 3 trips per week to reduce transport-related emissions.

Supplier & contract changes

- Selection of a local service provider for sulfur disposal instead of the previous service provider (about 60 kilometers away) at the Einbeck (D) site. This will reduce transport-related emissions from 2026.
- Balance sheet marketing of the surplus PV power generated at the Laatzen (D) site to the Einbeck (D) site.
- Balance sheet marketing of the surplus PV power generated at the Parsdorf (D) site to the Viersen, Harderberg, and Treuchtlingen (all D) sites.

Measures to adapt to the impact of climate change

In 2025, there were no reactive measures to adapt to the physical effects of climate change because our production sites are neither located in regions with an increased risk of flooding nor in areas with increased water scarcity. Existing infrastructure, such as infiltration areas and rain catchment basins at individual sites, already provide adequate protection against surface water. Further water storage or flood protection measures were therefore not necessary.

Expenditure

Expenditure for the above measures is spread over many production sites and operational units. Investment in research and development of our products amounted to EUR 26 million.

Targets related to climate change (E1-6)

In accordance with ESRS2 GDR-T, we set out the above-mentioned targets in more detail below. The overall strategic targets relating to climate change as presented in E1-1, starting from 2024, are as follows:

Decarbonization target	Target achievement by	Status of target achievement in 2025 (%)
Reduce CO_2 emissions at our production sites by 50%	2030	**-12%**
Make the carbon footprint of our products climate-neutral. This target is on a cradle-to-gate basis, i.e. from machine production to leaving the factory for delivery	2045	**Phase 1: Reduction of CO_2 by reducing machine weight: implementation in 2025 by PX**
Increase the share of renewable energies in the electricity mix at our production sites to 90%	2030	**+4%**
Reduce Group-wide energy consumption at our production facilities by 30%, measured by revenue	2035 at the latest	**-8%**

Data basis

The metrics are based on the following conditions: we have recorded the emissions of all sites with the exception of smaller, leased sites with fewer than 30 employees. This specifically includes, for example, a KMT spol. development site in Žilina (Slovakia) and the KMT sales offices in Bangkok (Thailand) and Seoul (Korea).

Sources

In the calculation, we used specific emission factors provided to us by the energy providers wherever possible. When adding up location-based emissions, we used the respective country's energy mix where this information was missing due to recording systems not yet being installed. Other emission factors are taken from the climatiq database.

GHG removals and GHG mitigation projects financed through carbon credits (E1-9)

We did not purchase any emission allowances in the reporting period.

Energy consumption and mix (E1-7)

	2024	2025	Change in %
From fossil sources (MWh)	25,983	23,314	-10
From nuclear power (MWh)	Not applicable	Not applicable	Not applicable
From renewable electricity mix (MWh)	Not applicable	Not applicable	Not applicable
From combustion of coal and coal products (MWh)	Not applicable	Not applicable	Not applicable
From natural gas combustion (MWh)	29,679	22,489	-24
From combustion of fuels from other fossil sources (MWh)	448	241	-46
Consumption of purchased or procured electricity, heat, steam, or cooling from fossil sources (MWh)	274	710	159
Total consumption of non-renewable energies (MWh)	**56,383**	**46,754**	**-4**
Non-renewable energy as a proportion of total energy consumption (%)	**89**	**85**	**-4**
Consumption of renewable energies (MWh)	6,661	8,205	4
Renewable energy as a proportion of total energy consumption (%)	**11**	**15**	**4**
Total energy consumption (MWh)	**63,044**	**54,959**	**-13**
Energy intensity (MWh/EUR)	**62.4**	**57.6**	**7.7**

Gross scope 1, 2, 3 GHG emissions (E1-8)

Scope	Emissions in base year (2024) in tCO_{2e}	Emissions in reporting year (2025) in tCO_{2e}	Change in %
Scope 1	**6,661**	**5,072**	**-24**
Scope 2 (location-based)	**n/a***	**8,357**	**–**
Scope 2 (market-based)	**11,153**	**9,966**	**-11**
Scope 3	**271,304**	**239.007**	**-12**
1. Purchased goods and services	241,650	200,789[1]	-19
2. Capital goods	n/a*	8.726	–

Scope	Emissions in base year (2024) in tCO_{2e}	Emissions in reporting year (2025) in tCO_{2e}	Change in %
3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	7,213	5,835	-19
4. Upstream transportation and distribution	5,001	3,806	-24
5. Waste generated in operations	1,903	1,663	-13
6. Business travel	13,521	16,328	21
7. Employee commuting	No data available		
8. Upstream leased assets	Not applicable		
9. Downstream transportation	2,016	1,860	-8
10. Processing of sold products	No customer data available		
11. Use of sold products	No customer data available		
12. End-of-life treatment of sold products	No customer data available		
13. Downstream leased assets	Not applicable		
14. Franchises	Not applicable		
15. Investments	Not applicable		

* Not reported in last report

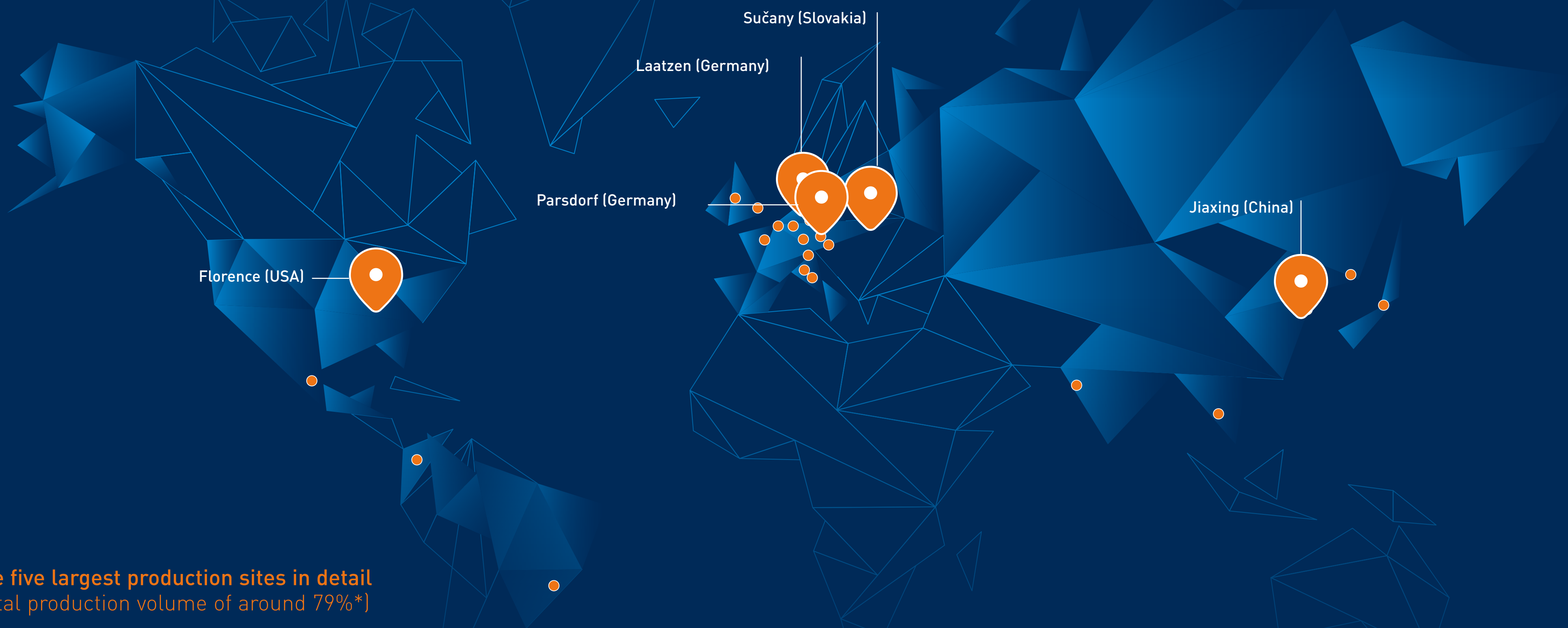
Internal carbon pricing (E1-10)

There is currently no internal carbon pricing system.

Anticipated financial effects from material physical and transition risks and opportunities (E1-11)

All climate change-related risks identified for our company as part of the double materiality assessment were also examined for potential financial impacts using our risk management tools. None of the risks is a threat to the company; all anticipated financial impacts are well below our risk management threshold. We have also quantified the potential financial impacts of the opportunities we have identified, but have not disclosed them for competitive reasons.

Production sites and their environmental footprint



The five largest production sites in detail
(Total production volume of around 79%*)

Florence, USA
- ≈ 39,000 m²
- 3,580 MWh energy consumption
- 1,594 m³ water consumption
- 0% recycling rate
- 0% ISO certificate coverage
- 0% renewable energy quota

Laatzen, Germany
- 97,000 m²
- 6,323 MWh energy consumption
- 8,393 m³ water consumption
- 90% recycling rate
- 100% ISO certificate coverage
- 30% renewable energy quota

Parsdorf, Germany
- ≈ 243,400 m²
- 18,578 MWh energy consumption
- 13,768 m³ water consumption
- 82% recycling rate
- 100% ISO certificate coverage
- 25% renewable energy quota

Sučany, Slovakia
- 50,000 m²
- 3,316 MWh energy consumption
- 2,546 m³ water consumption
- 19% recycling rate
- 0% ISO certificate coverage
- 0% renewable energy quota

Jiaxing, China
- ≈ 60,000 m²
- 4,372 MWh energy consumption
- 18,801 m³ water consumption
- 98% water recycling rate **
- 73% recycling rate
- 0% ISO certificate coverage
- 31% renewable energy quota

* unconsolidated

** The water treatment tank in Jiaxing is used for cleaning the rooms and canteen.

E5
RESOURCE USE AND CIRCULAR ECONOMY

Contents

Protecting our natural resources is part of corporate responsibility for a planet worth living on. A key lever for this is the circular economy, to which we make a direct contribution with our machinery, systems, and solutions. We have analyzed the associated impacts, risks, and opportunities and identified the following as material for us:

Subtopic	Description	Type
Resource inflows, including resource use	The use of recycled metals, plastics, and other materials in manufacturing processes reduces dependence on raw materials. This includes the procurement of recycled steel, aluminum, and other metals for machine parts and components.	Positive impact
	Supply and price uncertainties when procuring expensive, critical raw materials and components (copper and rare earths for pumps and magnets, microchips). The main drivers are geopolitical disputes, exacerbated by potential natural disasters, which can destabilize supply chains and increase production costs.	Risk
Resource outflow related to products and services	KraussMaffei machines can process all types of recycled materials and even wood or other materials, making them attractive to customers operating in markets where there are either recycling quotas or plastic bans.	Opportunity
	KraussMaffei machnes are part of the recycling industry. Extruders enable the separation of plastic waste from additives and contaminants and are used for the production of mixtures.	Positive impact
	Intelligent control systems for machines enable precise predictions for the use of materials and personnel. This forms the technological basis for significantly optimizing the consumption of plastic granules and minimizing the reject rate (waste) in production.	Positive impact
	Retrofitting and regular maintenance give customers the opportunity to improve the energy consumption of an existing machine and extend its service life, meaning that the purchase of a new machine can be avoided	Positive impact
Waste	The manufacturing process generates hazardous waste (e.g. paint, cleaning agents, hydraulic oil, solvents).	Negative impact

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

With regard to resource use and circular economy, legal requirements such as the Circular Economy Act (KrWG) or – for our transport packaging – the Packaging Act (VerpackG) in Germany are binding for us. In addition, the following directives and conventions are relevant for us:

- Regulation (EU) 2024/1781 on establishing a framework for setting ecodesign requirements for sustainable products
- EU Circular Economy Action Plan
- EU Critical Raw Materials Act
- EN 45555 as an EU standard for assessing the recyclability and recoverability of energy-related products
- UN Sustainable Development Goals, in particular Goal 12 (Responsible Consumption and Production), which supports the principles of the circular economy

The Machinery Directive 2006/42/EC defines requirements for the resource-efficient design of our products. Resource protection and the circular economy are therefore fundamental aspects of every new development (see page 30).

Against the background of the above-mentioned external directives, we have developed Group policy No. 25 on environmental and energy management which governs our environmental and energy management processes. Our Parsdorf and Laatzen sites are also certified according to the ISO 14001 environmental management system, which also relates to resource protection through the regulation of waste management.

Management
Corporate decisions in relation to resource protection and the circular economy are of strategic importance to us. They are made by the senior management of the individual technology areas and coordinated with the Management Team. Central Sustainability Management is involved in this process.

Implementation is organized in day-to-day business life via our EMS system. In addition, at least one person is in charge of the responsible handling of waste at each location. If necessary, this person informs site management or Executive Management about significant legal changes, new standardizing regulations, or special incidents relating to waste management.

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

The greatest leverage in resource protection is found where our machines are used on a daily basis. By manufacturing machines and systems for the circular economy and developing the corresponding processes, we can contribute to a higher recyclate processing rate. Some examples from the reporting period:

- **purity glycoLine PU:** Process for the continuous chemical recycling of PUR by depolymerization (see page 76).
- **PX series all-electric injection molding machine** with significantly less weight and space requirement (see page 72).
- **Further development of ColorForm technology** for coating thermoplastic components with PUR flooding, which makes separate coating processes superfluous.
- **New 3-layer PVC pipe head,** which significantly saves material and weight in the production of thin-walled PVC pipes. In addition, the pipe head allows the use of 100% recycled raw material. (see page 75).
- **Redesign of ZE BluePower:** The housings of the new extruders of the BluePower generation have been completely revised and streamlined. This makes them 10–30% lighter (see page 77).
- **Development of a new sidefeeder for recycling applications:** The new side feeder for extruders enables the processing of bulky recycled materials with low bulk density. The increased throughput improves the energy efficiency and economy of the process, makes recycling more attractive, and opens the technology to new applications.

- **Start of the Automation-Startup project:** The aim of this development project is an automated start-up procedure for an extrusion line. This would avoid the waste that would normally occur in conventional start-up processes.

Also:

Participation in research projects

As in the previous year, we also participated in various projects in 2025 to research new recycling processes and thus to conserve resources:

"CircuFilm" consortium project: In 2025, tests were carried out at the technical center in Laatzen on film-like materials from Germany's dual waste management system (Gelber Sack, Fraktion DKR310). These include bags, carrier bags, and shrink films that have been regranulated in the extrusion process under various operating conditions. The aim of these experiments was to compare different methods of decontamination.

Lifetime services

Our machines and systems are well known in the market for their durability. From the outset, KraussMaffei machines are developed and designed for operation over several decades. On average, they are in use for 20 to 40 years. To ensure maximum service life, we see ourselves as a partner to our customers throughout the entire life cycle and offer corresponding services – from regular maintenance to original spare parts and ongoing consulting for efficient operation. We operate seven specialized repair centers worldwide for repairs. As well as the replacement of screw elements or gears, this also includes retrofits with IoT connections. Such industrial reprocessing of parts or whole systems saves about 70% in material compared to new production. In addition, in the Reman, Repair & Used Machines division, we buy specific machines, upgrade them, and then bring them back to market.

Expenditure

Research and development expenditure is only reported on a consolidated basis and, for competitive reasons, is not reported at the level of individual technologies.

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

We aim to reduce the average machine weight by 15% by 2030, based on the 2022 portfolio for injection molding machines. In addition, our overarching objective is to make a significant contribution to implementing closed material cycles in order to effectively reduce the amount of plastic waste. We aim to do this through further developing smart recycling processes and increasing the distribution of relevant technical solutions.

Resource inflows (E5-4)

Our products consist of approximately 90% metal. We do not currently record the total weight of inflow materials or critical raw materials. Rare earths are also contained in certain components that we purchase, for example, for the control of our machines and systems.

In 2025, we did not separately procure strategic raw materials, i.e. those of key economic and technological importance whose supply is highly risky due to high import dependencies, geopolitical uncertainties, or limited substitutability. However, we cannot rule out the possibility that these may have been contained in purchased components, operating equipment or components, for example in semi-conductors.

Resource outflows (E5-5)

We dispose of or recycle all waste in accordance with the legal requirements applicable at our locations. We record all waste disposal quantities and certificates as part of our annual waste report. No accidents or administrative offenses in connection with waste disposal were recorded or reported in 2025. Waste quantities, classifications, and the proportion of recyclates are shown in the following metrics.

Waste generation	Unit in tons	%
Hazardous waste	579.6	9
Non hazardous waste (t)	5,736	91
Total	**6,315.6**	**100**

Percentage of hazardous waste diverted from disposal	Unit in tons	%
Reuse	6.5	84
Recycling	0.9	12
Other recovery measures	0.3	4
Total	**7.7**	**100**

Percentage of non hazardous waste diverted from disposal	Unit in tons	%
Reuse	24	0.5
Recycling	4,278	88.5
Other recovery measures	533.6	11
Total	**4,835.6**	**100**

Percentage of hazardous waste destined for disposal	Unit in tons	%
Incineration	78.4	14
Landfill	0.1	0
Other disposal measures	493.3	86
Total	**571.8**	**100**

Percentage of non hazardous waste diverted from disposal	Unit in tons	%
Incineration	153.4	17
Landfill	236.2	26
Other disposal measures	510.9	57
Total	**900.5**	**100**

S1 OWN WORKFORCE

Contents

Qualified, committed, and satisfied employees are crucial for our corporate success. In this context, the following impacts, risks, and opportunities are important for us:

Subtopic	Description	Type
Health and safety:	Working with heavy materials and sharp tools can result in injury.	Negative impact
	Working with chemicals (e.g. special paints, cleaning agents, isocyanates, epoxy resins) can lead to health problems.	Negative impact
	Occupational accidents not only cause personal distress but also give rise to costs for the employer (including medical expenses, reduced productivity, or, where appropriate, damages or fines for breaches of safety regulations).	Financial risk
Working conditions	More than 80% of the workforce have a guaranteed vacation period above the statutory minimum. This promotes physical and mental health and boosts our attractiveness as an employer.	Positive impact
	The majority of employees have an employment contract of indefinite duration. This leads to greater security due to stable incomes.	Positive impact
	Harassment or violence at work can lead to a toxic work environment, low levels of engagement, health problems, and the loss of important talented individuals.	Potential negative impact
Collective bargaining and social dialog	The interests of employees are represented by elected works councils and are incorporated into company decisions.	Positive impact
Equal opportunities and diversity	Persons with disabilities may have less chance of being hired due to higher employer costs.	Potential negative impact
	In some countries, there are quotas for the proportion of severely disabled people in the company. Failure to comply may result in fines.	Financial risk
Training and development	A wide range of on-the-job and off-the-job training and global career opportunities are supporting the necessary shift towards digitalization and automation, which is a key prerequisite for efficiency and competitiveness in our industry. The entire B2B mechanical engineering industry in Europe needs to catch up.	Financial risk
Work-related rights	There is an inherent risk of forced labor in the company's own operations because the company operates in an industrial environment and employs workers worldwide. This risk is considered low due to the regional focus of our activities on Germany/EU and Eastern China (Shanghai/Jiaxing) and the specific employment structure.	Potential negative impact

Policies related to own workforce (S1-1)

To manage the above-mentioned impacts, minimize the associated risks, and exploit the corresponding opportunities, there are Group-wide binding directives and policies:

- Universal Declaration of Human Rights
- Code of Conduct (Code of Compliance and Ethics)
- Group policy on health and safety (Group policy H&S)
- Work instructions

The **Universal Declaration of Human Rights** defines our Group-wide human rights policy and lays down the basic principles for respecting internationally recognized human and labor rights. It applies to all employees worldwide and addresses in particular material impacts and risks related to discrimination, working conditions, freedom of association, and potential forms of forced labor. The aim is to avoid, reduce, and, if required, address negative impacts on our own workforce.

The guidance includes, among other things, the prohibition of child labor, forced labor, and human trafficking, the guarantee of non-discrimination and equal opportunity, the safeguarding of freedom of association and appropriate working conditions, and the protection of the health, safety and privacy of employees.

It also obliges us to comply with the following internationally recognized standards

- Universal Declaration of Human Rights
- Principles of the UN Global Compact
- Core labor standards of the International Labor Organization (ILO)
- UN Guiding Principles on Business and Human Rights
- The United Nations' Sustainable Development Goals, and in connection with employment particularly Goals 5 (Gender Equality), 8 (Decent Work and Economic Growth), and 9 (Industry, Innovation, and Infrastructure).

To implement the Universal Declaration, specific guidance governs the age assessment and protection of young employees, in particular with regard to occupational safety, instructions, and preventive healthcare. These contribute to the prevention of risks related to hazardous activities and potential labor law violations.

In addition, national legal and regulatory frameworks are key reference points. At our largest locations in Germany, German labor and codetermination law, applicable company agreements, and applicable collective bargaining agreements in the metal and electrical industry are particularly relevant. Collective bargaining agreements negotiated by employers' associations and IG Metall apply to employees who are covered by collective bargaining. These regulate essential aspects of working conditions. Various company agreements also apply to non-executive employees in Germany. These provide a comprehensive and binding level of protection. The resulting standards are – as far as possible and reasonable – also transferred to sites outside this legal framework in order to ensure a uniform minimum

Contents

level for working conditions and employee rights within the Group.

The **Compliance and Ethics Code** defines Group-wide binding principles of conduct to ensure legally compliant, responsible behavior with integrity within the KraussMaffei Group. The guidance applies to all companies and all employees worldwide and, in addition to the Supplier Code of Conduct, also addresses our expectations of business partners if they have a business relationship with KraussMaffei. The Code addresses in particular material impacts and risks related to human rights, working conditions, health and safety, discrimination, harassment, freedom of association, and compliance and integrity requirements. It includes, among other things, requirements for the protection of human dignity, for the outlawing of forced labor, child labor and other human rights violations, for equal treatment and non-discrimination, for the promotion of openness and respectful conduct at work, and for compliance with legal and internal requirements.
The Code also commits us to upholding internationally recognized standards and initiatives, particularly the core labor standards of the International Labor Organization (ILO), the principles of the United Nations Global Compact and the Universal Declaration of Human Rights. In addition, the Code regulates responsibilities, governance structures, and whistleblower and grievance mechanisms for reporting possible violations. The Compliance and Ethics Code thus provides a central framework for preventing and managing identified impacts, risks, and opportunities associated with the company's own workforce.

The **Health and Safety** Group policy sets out a Group-wide framework for health and safety at work. In particular, it includes systematic risk assessment, accident prevention measures, mandatory training, and monitoring processes. Among other things, it addresses risks associated with working with heavy machinery and handling hazardous substances and defines corresponding protective measures and responsibilities.

The Group policy **Performance & Goals**, as well as collective bargaining agreements such as the Collective Agreement on Qualification (TVQ) in force in Germany, promote continuing vocational training and qualification of employees. The aim is to ensure long-term employability and adapt skills to the changing needs of the world of work. Various qualification measures are defined and regular qualification interviews are conducted.

The work instructions, which exist in all areas, operationalize these specifications and regulate specific processes, workflows, and responsibilities, e.g. in the areas of personnel management, occupational safety and health, compliance, purchasing, and data protection. They serve to address identified risks, ensure a uniform approach, and guarantee compliance with legal and internal requirements in day-to-day business.

Processes for engaging with own workforce and workers' representatives and grievance mechanisms (S1-2)

The engagement of our employees and their representatives is a key part of our approach for managing the impacts, risks, and opportunities associated with our own workforce. Through structured dialog formats and established communication channels, we ensure that the perspectives of our employees are systematically recorded and included.

We collect the views and interests of our employees via various formal and informal channels:
- HR managers who maintain close contact with the workforce
- Annual employee dialogs
- Works meetings and townhall meetings (2025 at locations including Parsdorf, Laatzen, Florence, Sučany)
- Dialog with trade union and employee representatives
- Whistleblower system as a confidential channel for concerns and complaints
- Local employee surveys at locations, e.g. at the Sučany site in 2025. No standardized Group-wide employee survey is currently conducted. This is to be introduced in the medium term.

The issues identified via these channels reflect the material impacts, risks, and opportunities associated with our own workforce. These include, in particular, aspects of job security, training, codetermination, remuneration, and flexible working models. In 2025, we identified the following topics from the dialog formats as particularly important for our employees:
- Long-term job security
- Targeted measures for further development (employability)
- Desire for continuity in business development and technology leadership
- Fair and attractive remuneration
- Flexible working models (e.g. hybrid working, working from abroad, job sharing)

The main findings are gathered by the Labor Relations Director and the Vice President Corporate Human Resources, who reports on them directly to management. In this way, we ensure that the perspectives of the workforce are incorporated into the further development of the corporate strategy, personnel strategy, and specific measures. The Corporate Human Resources function is responsible for the engagement of employees and manages and develops the corresponding strategy as well as corresponding guidance, actions, and processes throughout the Group.

Workplace codetermination

Workplace codetermination is an essential part of our company. Employee representatives, particularly members of the IG Metall trade union and works councils, are represented on the Supervisory Board and are thus involved in central control and decision-making processes.

At the sites in Germany, works councils represent the interests of the workforce. In addition, at Group level, there is a quarterly dialog between the employer side and employee representatives. This goes beyond the legal requirements and promotes a trusting social partnership. In these talks, specific measures to improve working conditions are discussed, such as in the area of employee management and company health services such as company fitness or company bicycles.

Contents

In other regions of the world, the principle of formalized representation of interests is not established in a comparable way in some areas. This is taken into account particularly in the context of different regulatory frameworks. At our two largest locations outside Germany – in Slovakia and China – the respective national subsidiaries are also members of a trade union; however, especially in China, employee engagement is primarily focused on well-being at the workplace (working hours, sports programs, catering). In other cases, we use alternative dialog formats to ensure the engagement of employees.

Whistleblower system and grievance mechanisms [ESRS S1-2 §13]

A central channel for expressing concerns is the whistleblower system, which is designed as a formal grievance mechanism and complements the existing dialog formats. Employees and third parties, such as customers or suppliers, can report tips, complaints, or violations confidentially and, if required, anonymously via an external complaints body or internal compliance officers. In addition, the respective supervisors, local management, and the responsible HR and legal departments are also available as additional contact persons for our employees. The channels are accessible throughout the Group and designed in such a way that they can be used without fear of discrimination or reprisals.

Incoming information is reviewed on a risk basis. If negative impacts are detected or threatened, appropriate measures are taken to stop, mitigate, or prevent them. Depending on the circumstances, labor law measures may be taken or infringements may be referred to the competent authorities. The processes are integrated into compliance and risk management structures and are regularly reviewed.

The effectiveness of the mechanisms is regularly assessed in terms of use, awareness, and trust in the system and considered in conjunction with other dialog formats. No reports were received in the 2025 reporting year; this is not interpreted in isolation as an indicator of the absence of risks.

Targets related to own workforce (S1-4)

We want to be one of the top employers in our industry. To achieve this, we aim to continuously improve the safety, health, development, and satisfaction of our workforce. Specifically, we have set ourselves the following goals:

Target	Period	2024	2025
Increase the proportion of women in the total workforce to 20%	2030	15.6%	16.4%
Establish a global assessment methodology to reduce unjustified, gender-based pay differences to +/-5% by 2027.	2027	19.93%	29.8%*
Enable 2h of learning per month for all employees	2030	Not specified	19,6%

*For the explanation, please see p. 44

In addition, this year we have set four new qualitative objectives in the form of planned measures:

Target	Description
Introduction of an HR standard	We want to standardize our HR work worldwide where it makes sense to do so and develop binding regulations for all locations. The HR standard should define the relevant regulations, standards, and options regarding employment at KraussMaffei as well as the responsible HR units.
Grading	The worldwide evaluation of positions and roles according to objective, uniform criteria is a crucial tool for transparent, fair, and performance-based payment. We want to further develop the assessment underpinning this system.
Introduction of training on diversity, equality, and inclusion	Raising awareness among our workforce of the positive effects of diversity, equality, and inclusion is the basis for a corporate culture in line with our values. We aim to further strengthen this foundation.
Introduction of a global employee survey	Employee surveys are currently only carried out at some locations. In the medium term, we want to introduce a global survey so that we are better able to determine and evaluate the wishes and requirements of our workforce.

Structure and diversity of our workforce (S1-5, S1-6, S1-8, S1-11, S1-15)

The following information describes the structure and selected diversity characteristics of our workforce for the 2025 reporting year. It is the basis for understanding developments in our workforce and classifying measures in relation to equal opportunity, diversity, and inclusion. In this context, the identified risks of insufficient inclusion of persons with disabilities and possible financial consequences in the event of non-compliance with statutory inclusion rates are particularly important. In addition, in this sub-section we take into account aspects of equal treatment and non-discrimination.

A total of 3,672 people work for the KraussMaffei Group worldwide. In addition, there are 63 non-employee workers who have been made available to us by other companies as temporary workers. We are currently unable to centrally record the non-employee workers who are not covered by the HR system. The turnover rate rose from 7.2% to 12% in 2025; however, the calculation for the previous year was based solely on resignations by employees so the two figures are not comparable. For the 2025 reporting year, we have correctly calculated the fluctuation rate in accordance with the ESRS definition.

Contents

Employees by gender

Gender	2024	2025
Male	3,348	3,071
Female	614	601
Not specified	0	0
Not reported	0	0
Total employees	**3,962**	**3,672**

Employees by country

Country	2025
Germany	2,254
China	511
Slovakia	385
USA	232
Mexico	71
UK	50
Other countries (< 50 employees per country, including Italy, Japan, France, Netherlands, Switzerland, Thailand, Brazil, India, Colombia, South Korea, Singapore)	169
Total	**3,672**

Employees by employment relationship

Gender	Female 2025	Male 2025	Total 2025
Number of permanent employees	543	2,808	**3,351**
Number of temporary employees	58	263	**321**
Number of employees without guaranteed working hours	0	0	**0**

Contents

Like our previous sustainability reports, we report employees as a headcount at year-end. This includes all temporary and permanent employees, excluding trainees and interns. The gender allocation results from employee self-identification, which is stored in our HR system.

Equal opportunities and diversity (S1-8)

Values such as respect, tolerance, and open-mindedness are embedded in our company. We firmly believe that we should treat all people equally, regardless of gender, origin, religion, belief, disability, age, or sexual orientation. We condemn all forms of discrimination and harassment and take decisive action in suspected cases. No such incident was brought to our attention in 2025.

We pursue targeted measures to promote diversity and equal opportunities within the workforce. Particular emphasis is placed on steadily increasing the proportion of women in the company and in management positions. To achieve this, we optimize job advertisements and recruitment processes to target women more specifically, make work models more flexible, and develop programs to promote female senior executives, including the Women in Leadership initiative.

To measure the effectiveness of these measures, we have set ourselves the target of increasing the proportion of women in our workforce to 20% by 2030. The proportion of women in the total workforce has increased to 16.4% (2024: 15.6%), but remains relatively low. This also reflects the still low representation of women in many engineering occupations. We aim to counteract this structural challenge with our targeted measures in recruiting, work models, and senior executive development.

Gender distribution at top management level:

Gender	Number of persons	%
Male	52	85.2
Female	9	14.8
Diverse	0	0
Not specified	0	0

KraussMaffei defines the top management level as follows: Management of the KraussMaffei Group as well as the senior executives of the two levels below. The Supervisory Board, the highest governing body of KraussMaffei Group GmbH, consisted of 11 members as at December 31, 2025, of whom two are women. The proportion of women on this board is therefore 18.2%. By diversity, we also mean collaboration between different generations and nationalities. We promote this through intercultural training and the creation of inclusive working conditions. Many employees have worked at KraussMaffei for a long time. We involve these employees as mentors in the training of new employees in order to ensure the continuous transfer of knowledge for our company's innovative capacity.

Persons with disabilities (S1-11)

At the end of 2025, the proportion of employees with a disability was 3.4%. In the reporting year, the metric was only queried for companies with more than 50 employees due to system-related settings. In addition, the metric is collected exclusively on the basis of applicable national legal requirements. The definition and severity of a disability may therefore vary from country to country.

To integrate persons with disabilities into our company and make equal participation possible, we take into account individual support needs and create suitable working conditions within the framework of respective local legal requirements.

Compensation metrics (S1-15)

In the 2025 reporting year, the unadjusted gender pay gap was 29.8%. The metric is based on a comparison of average male and female compensation and does not take into account differences in roles, responsibilities, seniority, skills, or employment. In particular, the differing distribution of women and men across different occupational groups and hierarchical levels influences the meaningful value of the metric.

In 2025 the calculation method was adjusted, and the average hourly wage by gender was determined on the basis of total monthly pay with bonuses and weekly working hours. This methodological change limits comparability with the previous year and explains the higher gender pay gap reported for the year under review.

In order to further improve the transparency and comparability of compensation structures, we created the basis for a more differentiated evaluation in 2025. For this purpose, Group-wide job mapping of all non-tariff and management positions was carried out; we are currently working on a systematic position evaluation in the form of a grading. The next step is to calibrate the assessments and compare them with external market benchmarks. The aim is to be able to assess compensation structures more consistently and comparably in future and to better analyze and address potential gender-related compensation differences.

The ratio of the total annual remuneration of the highest paid person to the median annual total remuneration of all employees (excluding the highest paid person) was 10:1 in 2025.

Collective bargaining and social dialog (S1-7)

Collective bargaining and social dialog are very important to us, as workers' representatives, collective agreements, and codetermination rights contribute to taking the interests of our employees into account. They support fair working conditions, employee satisfaction, and productivity. At the same time, due to different regulatory frameworks, not all international sites have similar statutory rights to freedom of association or formalized employee representation. Against this background, we report on collective bargaining coverage and the proportion of employees with employee representation.

	Collective bargaining coverage: proportion of employees under collective agreement	Social dialog: Proportion of employees with employee representation
Germany	89.5%	98.6%
Slovakia	51.4%	0%
France	0%	96.7%
China	0%	99.8%
Japan	0%	96.2%
Korea	0%	100%
Total	60.3%	76%

At KraussMaffei, approx. 60% of employees are covered by collective agreements and employee representatives. Thus, their interests are represented by elected works councils and are directly incorporated into company decisions.

Within the European Economic Area (EEA), collective agreements exist in Germany and Slovakia, which are also the only EEA countries with significant employment. There are no collective bargaining agreements outside the EEA. For employees covered by collective bargaining agreements in Germany, collective agreements for the metal and electrical industry negotiated by employer representatives and the IG Metall trade union apply. In Slovakia, remuneration is based on agreements negotiated by the trade unions ZO OZ KOVO KraussMaffei and ZO FPP pri KraussMaffei. Collective agreements help to ensure that remuneration is adequate and competitive by sectoral and regional comparison.

Formal employee representation currently exists only in Germany. Here, 98.6% of the workforce are represented by works councils and/or trade unions. At Group level, this corresponds to 61% of employees with employee representation. A cross-location and cross-company Group works council exists for the companies of the KraussMaffei Group in Germany. There are currently no European works council or comparable international representative bodies.

In China, the national subsidiary joined the regional trade union in the 2025 reporting year, meaning that the interests of employees are represented by around 60 people across all operational areas. Even in countries without formal employee representation, there is regular exchange between management and employees. In particular, the focus is on everyday work topics as well as local additional services and offerings for employees. In this way, we are also promoting dialog with the workforce there, even though there is no formalized employee representation

Working conditions and social protection (S1-9, S1-10, S1-14)

Working conditions and social protection are essential for us, as stable employment relationships, social protection, and working time-related regulations impact our employees' employment security, well-being, and work-life balance. Crucial in this context are the identified positive impact of social protection through secure employment as well as the improvement of well-being through holiday and working time regulations.

Adequate wages (S1-9)

To ensure social security, our compensation strategy includes offering competitive compensation packages at all KraussMaffei locations worldwide. To achieve this, our local compensation packages are based on the collective bargaining agreements in effect locally (e.g., Germany, Slovakia) and on local benchmarks. With the completion of a global grading project for management and expert roles in mid-2026, we will lay another important foundation for comparing our compensation strategy even more effectively with market data. To ensure market-competitive compensation, we will also examine the issue of living wages in 2026 and launch a benchmarking initiative for Germany as a pilot project, which we will then roll out to all locations worldwide.

Social protection (S1-10)

Secure employment also includes adequate social protection. We grant this to all employees for sickness, unemployment, occupational accidents, unemployment, parental leave, and retirement. In the reporting year, the metric was only queried for companies with more than 50 employees due to system-related settings. We align this provision with the respective legal minimum requirements. However, these do not protect workers in Mexico against loss of earnings due to occupational accidents or incapacity for work. To safeguard employment and thus the livelihoods of our workforce, the majority has an employment contract of indefinite duration with a stable income.

Work-life balance (S1-14)

We support our employees' work-life balance with flexible working models and working time-related regulations that are based on the respective local legal, collective bargaining, and company framework conditions. These include part-time working, hybrid working, and, under certain conditions, working from abroad. The regulations for hybrid working are generally determined locally and take into account the respective market practice as well as applicable national legislation. For our German companies, a Group works agreement applies. According to this, employees can work remotely for up to two days a week as long as this is compatible with their job and operational requirements. There is a global policy for working abroad that sets international standards for cross-border working worldwide. Under certain conditions, KraussMaffei employees can work from other countries in the European Economic Area for up to 30 working days a year as long as this is compatible with their job.

In addition to flexible working models, we also support our employees with family-related leave, e.g. in connection with parental leave or caring responsibilities, within the framework of applicable legal and collective bargaining regulations. Some 78% of our total workforce is entitled to time off work for family reasons, including maternity leave, parental leave, and leave to care for relatives. Again, this metric was only queried in the reporting year for companies with more than 50 employees due to system-related settings.

Training and development of our employees (S1-12)

The training and development of our workforce is essential for us because mechanical and plant engineering is particularly impacted by technological change, digitalization, and increasing automation. At the same time, there is a risk of an increasing shortage of skilled workers across the industry, especially if the necessary skills and competences are not sufficiently built up or further developed. In view of this, we aim to support our employees during the transformation of the industry through training and further education opportunities, qualification measures, and development and career opportunities and to secure the necessary skills within the company in the long term.

To evaluate our training and development activities, we report metrics on participation in performance and development reviews as well as on the average training hours of our staff.

	2025
Percentage of employees who have taken part in regular performance and career assessments	48.7%
Average number of training hours per employee	5

Our HR strategy is geared towards securing and developing the skills required for our technological excellence and innovative strength in the company in the long term. Further training, skills building, and internal development opportunities are key instruments for counteracting the industry-wide shortage of skilled workers and preparing our employees for changing requirements caused by digitalization and automation. Our HR strategy is implemented via a globally oriented HR governance structure. The global HR function falls within the CEO's area of responsibility. Central HR functions in Parsdorf have Group-wide control of strategically relevant topics such as HR Analytics, Talent & Learning, and Compensation & Benefits. The local HR managers implement the measures at the locations and adapt them to local requirements and framework conditions.

KraussMaffei has two globally implemented and standardized processes that ensure a formalized performance and career development assessment. Both processes are clearly defined, known to the employees, and carried out with the involvement of the respective senior executives.

Annual employee dialogs

The annual employee dialogs represent the central global process for structured performance and development assessment. They take place at least once a year. Within the framework of the employee dialogs, the individual contribution to achieving the company goals, the achievement of agreed performance targets (for employees with variable remuneration), and the individual development goals and needs are reflected upon and documented together between employees and their direct supervisors. For employees with PC workstations, implementation and documentation of the employee dialogs is carried out via the Group-wide HR System (SAP SuccessFactors). In 2025, the implementation rate in the HR system was 81%. Objectives, assessments, and development measures can be viewed there by employees at any time.

A standardized PDF form is used for employees in blue collar jobs without permanent IT access. Implementation of the dialogs is monitored manually by the local HR units. Due to this analog process, it is currently not possible to fully capture statistical data for this group of employees in the HR system.

Global talent review process

In addition to the annual employee dialogs, there is a structured, globally rolled-out talent review process which is usually carried out in the middle of the year. The aim of this process is to have a systematic management discussion on the current performance level of selected employees and their medium- and long-term development potential.

The talent review is carried out on the basis of defined criteria and evaluation logics and includes senior executives as well as relevant HR functions. The results are used particularly for succession planning, targeted talent development, and strategic personnel planning. Senior executives are obliged to report the results of the talent review back to the employees concerned in feedback discussions. Based on this, specific development measures are agreed and documented together, which take into account individual development goals as well as the requirements of the organization. In 2025, 2,024 assessments of potential and current performance were returned to HR by senior executives.

Leadership capacity building

In addition to the above, we conducted a global training course on leadership capability building in the reporting year. The aim of the training is to strengthen senior executives in their multiplier role for the development, orientation, and empowerment of employees. In this way, the training supports the implementation of our HR strategy and the further development of leadership and development skills in the company.

Training

We offer an extensive catalog of training to further develop individual strengths. This is delivered in online live training sessions, e-learning, and in-person courses. The training and qualification opportunities are related to our Performance & Goals Group policy, and, in Germany, to collective bargaining regulations such as the Collective Agreement on Qualification (TVQ). The aim is to ensure the long-term employability of our workforce and adapt skills to the changing needs of the world of work.

In the reporting year, we have worked continuously to record training hours, but we have not succeeded in providing information regarding the exact duration of all training courses available at KraussMaffei. In addition, the training hours in 2025 were only collected for regions with significant employment, i.e. more than 50 employees. A total of 17,714 training hours were completed in 398 training sessions. With a total workforce of 3,503 in countries with significant employment, the result is five average training hours per employee.

Contents

Health and safety (S1-13)

The topics of health and safety at work are very important to us, as our activities – especially in production, assembly, and test operations – involve risks associated with heavy machinery, heavy materials, sharp tools, and individual chemical substances. This can result in injuries and health hazards for employees. In addition, occupational accidents and work-related downtime can cause significant organizational and financial impacts. As a result, we implement measures to prevent health and safety risks and to continuously improve work and health protection.

	2025
Proportion of employees covered by the health and safety management system	100%
Deaths due to reportable work-related accidents	0
Deaths due to reportable work-related ill health	0
Reportable work-related workplace accidents	60
Rate of reportable workplace accidents	OSHA rate 2.2
Cases of reportable work-related ill health	0
Days lost	625

Health

Comprehensive occupational medical care is ensured at the large production sites. In addition, some locations offer services to improve health and well-being. In Germany, for example, this includes mental health counseling, free vaccination advice, skin screening, preventive screening, healthy meals, and joint sports activities. The regular health days at the Parsdorf site are particularly popular. KraussMaffei employees in Germany have the opportunity to participate in mental health coaching and counseling for psychological stress via the Fürstenberg Institute. This consulting service for all employees is designed to clarify and solve professional, private, and health issues. It is anonymous and free of charge. We also address mental stress in the work environment, for instance through resilience and stress reduction services as part of our health programs. Creating a modern working environment that takes ergonomic and occupational health aspects into account is our goal. We therefore always consider these aspects at all newly built sites and when purchasing new equipment. This includes, for example, equipping computer workstations with height-adjustable desks, providing lifting aids in production for moving heavy loads, and fitting health-friendly lighting in all areas.

Occupational safety

We record security risks and occupational accidents using a software solution. This makes it easier to optimize the accident risk prevention system in place at all sites. In this system, it is stipulated that there must be a person responsible for occupational health and safety at each site. Each work area at a site is regularly inspected, and potential hazards are analyzed and evaluated under their direction. We also check compliance with all safety standards, directives, and regulations as well as legal requirements.

In addition, in 2025 we introduced an ISO 45001-certified health and safety management system. In particular, the management system includes processes for identifying and assessing hazards and safety risks, for implementing preventive protective measures, for investigating and documenting incidents, and for continuously improving occupational safety and health measures. In this way, we are able to particularly address risks in connection with injuries caused by heavy machinery and tools, health hazards caused by hazardous substances, and work-related breakdowns.

We document accidents and injuries comprehensively – including an illustrated description of the failings that caused the accident. In addition to the precise analysis of the sequence of events, cause of the accident, and nature and severity of the injury, the parts of the body affected are also recorded.

A regular safety meeting takes place at each location. Those responsible discuss measures and make decisions on the implementation of constructive safety equipment or the affixing of warning notices. Every manager is obliged to conduct a safety briefing for new employees. In addition, we regularly raise the awareness of our employees, e.g. in seminars and training sessions and on the intranet.

In our operating instructions and regular employee appraisals, we make every employee aware of the need to report potential health risks immediately. In addition, all employees are clearly prohibited from violating applicable safety regulations. There were no penalties for violations of these prohibitions during the reporting period. The local managers also coordinate their work on cross-location committees. An intensive sharing of best practice to improve occupational health and safety takes place at quarterly Health and Safety Committee meetings and at the annual global meeting of occupational health and safety officers.

Respect for human rights in our business activities (S1-16)

Respect for human rights and protection against discrimination and human rights-related violations are key requirements for us when dealing with our own workforce. Within the framework of the materiality assessment, we have looked in particular at potential risks associated with forced labor in countries with less robust labor law frameworks. However, no actual cases or specific indications of forced labor were identified in the reporting period for our business activities in Shanghai/Jiaxing. This assessment is based in particular on the prevention and control measures implemented, including standardized employment contracts and direct employment relationships, the ban on withholding identity documents, regular internal and external audits, established grievance and whistleblower systems, and HR compliance and control processes.

Based on this, we currently assess the risk of actual human rights violations within our own business activities as low. Nevertheless, we take a preventive approach and implement measures to prevent discrimination, forced labor, and other human rights-related violations.

We condemn all forms of discrimination and all other forms of human rights violations. Accordingly, we do not tolerate any discrimination in our company based on gender, race or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or any other

Contents

relevant form of discrimination, including harassment, in accordance with the principles set out in our Code of Conduct. In 2025, no corresponding suspicions of possible violations of these standards were reported in our company. As of the cut-off date of December 31, 2025, no proceedings were pending in relation to these incidents. Accordingly, there are no fines, penalties, or compensation payments for the reporting period.

We implement various measures and control mechanisms to prevent human rights-related risks and possible discrimination. To prevent human rights-related risks, we use Group-wide established due diligence and control processes that are applied both in the supply chain and in our own business activities. Subsidiaries and international locations are also involved in existing risk and compliance processes.

The risk analysis serves to identify potential human rights risk issues at an early stage and to prioritize areas with increased risk. The assessment is based, among other things, on country and industry risks as well as additional risk and compliance information. Depending on the risks identified, in-depth analyses are carried out and further measures are derived if necessary. In addition, we carry out regular corporate audits and random on-site inspections. The audits include, in particular, adherence to Group-wide requirements relating to working conditions, human rights, and compliance. In addition, there are established whistleblower and grievance mechanisms as well as HR compliance processes.

There are also Group-wide specifications for age testing and for the protection of young employees and trainees. In the course of the recruitment process, legally required information and evidence are taken into account for underage trainees. There are also special protection measures for young workers, including mandatory medical checks for young people, regular safety briefings, working time regulations, onboarding-related information on company policies, and the provision of personal protective equipment. Depending on the training area, additional safety-related training and regular updates on accident prevention regulations are provided. The measures are aimed in particular at preventing health and safety risks and ensuring appropriate working conditions for young workers.

Production sites and their employees

The five largest production sites in detail
Work location of 76%* of employees

Florence, USA
- 210 employees
- 13.8% female quota
- No collective agreement

Laatzen, Germany
- 671 employees
- 15.1% female quota
- 89.6% collective agreement coverage

Parsdorf, Germany
- 1,213 employees
- 15.8% female quota
- 87.5% collective agreement coverage

Sučany, Slovakia
- 361 employees
- 31.6% female quota
- 55.1% collective agreement coverage

Jiaxing, China
- 345 employees
- 14.5% female quota
- No collective agreement

* unconsolidated

S2 WORKERS IN THE VALUE CHAIN

Contents

As a global company, we source goods and services from all over the world. We have analyzed the associated impacts, risks, and opportunities and identified the following as material for us:

Subtopic	Description	Type
Health and safety:	In the upstream supply chain, employees may be exposed to increased health and safety risks when extracting and processing raw materials. Inadequate occupational safety and health standards at suppliers can lead to negative impacts on employees' health and safety.	Negative impact
Work-life balance	We cannot guarantee that ILO standards are fully complied with in our value chain outside our own operations.	Negative impact
Freedom of association, including the existence of works councils	In some countries, collective labor rights are not included in national regulations and therefore cannot be enforced by us.	Negative impact
Secure employment, working hours, adequate wages	Workers employed by indirect suppliers in high-risk countries and sectors may be affected by inadequate working conditions, unreasonable working hours, or inappropriate remuneration practices. Due to limited transparency in deeper tiers of the supply chain, the scope and scale of these potential negative impacts can currently be judged only to a limited extent.	Negative impact
Measures against violence and harassment in the workplace	At suppliers from certain countries, discrimination is possible and likely on the basis of legislation considered discriminatory from a European perspective, or on the basis of cultural and social standards.	Negative impact
Training and skills development	A lack of professional qualifications among the workers in the upstream value chain can lead to losses in quality and thus increased costs in the production of our machines.	Risk
Forced labor	Workers in the upstream value chain may be affected by forced labor, especially in high-risk countries. Risk indicators point to possible causes such as debt bondage, exploitation of migrant labor, and lack of transparency in deeper levels of the supply chain. Due to limited visibility beyond tier 1 suppliers, such negative impacts cannot be ruled out.	Negative impact
	Violations of human and labor rights in our value chain could result in fines if we have knowingly accepted them and taken no action. In addition, this can lead to increased controls by the labor authorities as well as loss of reputation and thus loss of sales.	Risk
Child labor	Indirect suppliers in the upstream value chain may use child labor. Due to limited transparency in deeper levels of the supply chain, this cannot be completely ruled out. Country, industry, and commodity risk analyses indicate that there are increased risks, especially in certain regions and in the mining sector.	Negative impact
	Workers and children in deeper levels of the upstream value chain may be affected by child labor, especially in high-risk countries and risky sectors such as raw materials extraction. Due to limited transparency regarding indirect suppliers, the occurrence of such cases cannot be ruled out. If violations come to light, the consequences may include not only negative impacts on the affected parties but also reputational damage, additional costs for remedial action and supplier management, and termination of business relationships and increased procurement costs in individual cases.	Risk

Contents

As part of the materiality assessment, we have defined workers in the value chain, within the meaning of ESRS S2, primarily as workers in our upstream value chain, especially within our supply chain. The material impacts, risks, and opportunities under ESRS S2 therefore relate in particular to human rights and work-related issues at suppliers and other business partners along the upstream value chain.

Employees of our customers who operate our machinery and systems as part of industrial production processes are considered in the context of ESRS S4 "Consumers and end-users". The decisive factor for this is that these individuals use our products as operators in the context of using the machinery and the relevant impacts result in particular from product safety, machine operation, and the use and provision of product-related information.

Policies related to workers in the value chain (S2-1)

To fulfill our responsibility towards workers in the value chain and to manage the identified impacts, opportunities, and risks appropriately, we adhere to the following laws, directives, and policies:

- Universal Declaration of Human Rights
- Supply Chain Due Diligence Act (LkSG)
- Code of Compliance and Ethics
- Krauss Maffei Supplier Code of Conduct

These particularly address human rights and work-related risks and impacts along the upstream value chain. These include risks related to child labor, forced labor, discrimination, inadequate work and social standards, reduced freedom of association, and health and safety risks at suppliers and other business partners.

The Universal Declaration of Human Rights defines the Group-wide basic principles for respecting internationally recognized human rights and applies worldwide to our own business activities as well as to suppliers and other business partners along the value chain. In particular, it obliges the Group to avoid child labor, forced labor, and compulsory labor as well as human trafficking and expressly refers to the relevant ILO core labor standards.

The Supplier Code of Conduct is the main tool for managing human rights and work-related requirements along the upstream value chain. It defines mandatory requirements for suppliers, their subcontractors, and other business partners in relation to human rights, working conditions, and occupational health and safety.
The Code applies in principle to the entire upstream value chain. Suppliers are encouraged to pass these requirements on along their own supply chains and to monitor compliance with them effectively. For suppliers with framework contracts, the Supplier Code of Conduct is a binding part of the contract documents.

Our Supplier Code of Conduct is based on, among other things, the United Nations' Universal Declaration of Human Rights, the principles of the UN Global Compact, the ILO core labor standards, and OECD Guidelines. It refers explicitly to their implementation along the supply chain.

In the 2025 reporting year, the Supplier Code of Conduct was updated and further developed to take greater account of regulatory requirements and changed human rights and sustainability-related expectations along the value chain.

The Compliance and Ethics Code supplements the above-mentioned guidance and defines the Group-wide principles of conduct for employees and expectations of business partners in the business environment. With regard to workers in the value chain, the Code addresses in particular respect for human rights, compliance with fundamental workers' rights and ILO core labor standards, as well as the prevention of child labor, slavery, debt bondage, other exploitation of workers, and discrimination. In addition, we expect our business partners to comply with applicable laws and the principles set out in the Code within the framework of their business relationship with KraussMaffei.

Engagement with workers in the value chain, existence of channels for workers in the value chain to raise concerns or needs and approaches to remedy (S2-2)

We are currently not in a regular, institutionalized dialog process with workers in the value chain. We take their perspectives into account primarily on a risk basis through our human rights due diligence processes, the whistleblower system, and supplier assessments. The Supplier Code of Conduct stipulates that suppliers allow for confidential interviews with their employees during audits. The aim of this is to identify and assess potential human rights and work-related risks and negative impacts along the supply chain.

There were no specific measures in place to specifically assess the prospects of particularly vulnerable or marginalized workers in the value chain during the reporting year. However, through our existing complaints and due diligence processes, we aim to identify, prevent, or minimize potential negative impacts on workers in the value chain at an early stage.

Similarly, there are currently no global framework agreements or similar arrangements with representatives of workers in the value chain. Their rights and interests are taken into account in particular through compliance with legal requirements, including the German Supply Chain Due Diligence Act (LkSG), as well as through alignment with international norms and standards.

Whistleblower system and grievance mechanisms

Workers in our value chain can raise human rights concerns or information via the Group-wide whistleblower system. The whistleblower system is described in more detail in the section on ESRS S1 and is open to employees, business partners, and other external third parties.

We expect our suppliers to inform their employees and other workers along the supply chain about the available reporting channels and not to hinder access to them. Retaliation or any other form of negative action against individuals who report information to the best of their knowledge and belief is not acceptable. Information relating to human rights risks or negative impacts in the value chain are dealt with within the framework of the existing compliance and due diligence processes.

The Supplier Code of Conduct also provides for remedial and improvement measures in the event of violations of its requirements. In the event of confirmed violations, the supplier is required to implement suitable and appropriate measures within a reasonable period of time in consultation with us. Human rights-related violations of duty within the meaning of the LkSG must be brought to an immediate end. If this is not possible in the foreseeable future, a plan for terminating or minimizing the violation must be drawn up and implemented with a specific timetable.

In the 2025 reporting year, no external reports were received via the whistleblower system, which is why we did not take any specific action against any violations. We are not aware of any actual violations of priority human rights in the reporting period.

Actions and resources related to workers in the value chain (S2-3)

The identified impacts, risks, and opportunities related to workers in the value chain are identified primarily through our human rights-related risk management in the upstream value chain, risk-based supplier audits, contractual requirements, training, and defined remediation and escalation processes. These measures mainly address the material impacts and risks related to work and social standards, health and safety, discrimination, freedom of association, and potential cases of forced labor and child labor in the supply chain.

Risk management in Purchasing

Through the comprehensive risk management process in Purchasing (see page 11), we have conducted a risk assessment of all our suppliers using Prewave software. The risk analysis serves to identify possible human rights risk issues and prioritize ares where particular risks exist. The classification is based on country and commodity/industry category risks as well as AI-supported web screening. Self-reports from suppliers can also be included in the assessment.

In the reporting year, 192 suppliers were classified as risky. This classification describes a potential risk on the basis of the risk system applied and does not yet constitute an established violation. We have removed some of these potential risky suppliers from the supplier base due to the low purchase volume of these suppliers. Of the remaining companies, 23 suppliers were prioritized according to the LkSG classification system.

Depending on the identified risks, risky suppliers are subjected to an in-depth analysis and contacted directly by the Purchasing department to obtain further information and derive further measures on this basis. In addition, our policy statement stipulates that measures to avert potential risks are derived from the results of the risk analysis, management processes are aligned accordingly, and employees, business partners, and suppliers are made aware.

Training on human rights in supply chain

First of all, we informed our own employees about human rights in general and the requirements of the LkSG in an online training session. Participants then honed their understanding of potential human rights violations along the value chain using fictitious case studies. We offered this training to 3,561 people, 2,716 of whom completed it, which corresponds to 74 percent of employees.

In particular, the training supports the management of risks related to forced labor and child labor, discrimination, working conditions, and health and safety in the supply chain by raising relevant employees' awareness of potential risk groupings.

Onboarding new suppliers

All new suppliers undergo onboarding, which includes screening of their sustainability performance. This screening helps us to identify human rights-related and work-related risks at an early stage and take potential risks into account when establishing new supplier relationships.

Supplier requirements, audits, and control measures

Our Supplier Code of Conduct requires suppliers to comply with applicable laws and the requirements and policies set out in them. Suppliers should continuously monitor implementation of these in their companies by means of appropriate management systems and pass the requirements on along their own supply chain.

Where violations of the Supplier Code of Conduct are suspected, we reserve the right to check compliance with the Code by appropriate means, including the involvement of external third parties. This includes requests for information, audits including on-site inspections, and confidential interviews with employees. These inspection and control options address in particular risks related to lack of transparency regarding working conditions at indirect suppliers, possible violations of work and social standards, forced labor and child labor, as well as health and safety risks in the upstream value chain.

Remedial and escalation measures

In the event of a confirmed violation of the Supplier Code of Conduct, the supplier is required to implement suitable and appropriate remedial or improvement measures within a reasonable period of time in consultation with us. Human rights-related violations of duty within the meaning of the LkSG must be brought to an immediate end. If this is not possible in the foreseeable future, a plan for terminating or minimizing the violation must be drawn up and implemented with a specific timetable.

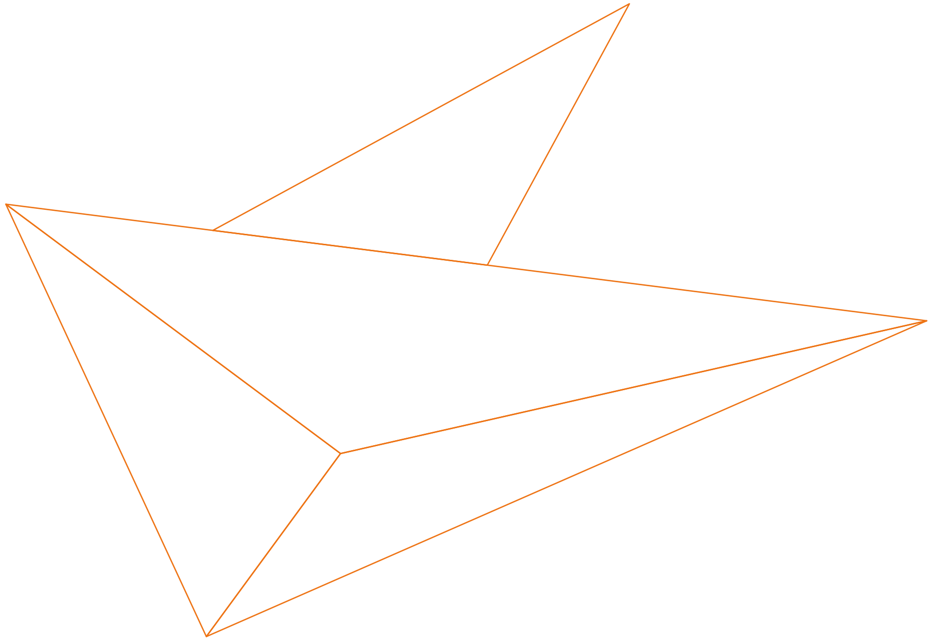
If agreed actions are not implemented on time or if a supplier does not comply with the requirements of the Code, we will take appropriate measures to safeguard our rights and interests. These range from the temporary suspension of the business relationship or payments to exclusion from new contracts and extraordinary termination of the contractual relationship. In doing this, we specifically address risks related to potential cases of child labor and forced labor, discrimination, health and safety incidents, and other violations of human rights-related and work -related requirements in the supply chain.

Contents

Targets related to workers in the value chain (S2-3)

To manage the identified impacts and risks associated with workers in the value chain, KraussMaffei is pursuing the goal of recording no confirmed human rights violations among direct suppliers. The target is related to the requirements of our Supplier Code of Conduct, our Declaration of Principles on Human Rights, and the implemented human rights risk management measures in supply chain. In particular, it addresses risks related to potential cases of child labor and forced labor in countries with an increased human rights risk. The target applies to direct suppliers within the upstream value chain worldwide.

In the 2025 reporting year, no confirmed violations were found for direct suppliers. The development will be continuously monitored and serves as an indicator for the effectiveness of existing measures and control mechanisms.



S4 CONSUMERS AND END-USERS

As a manufacturer in custom machine construction, we sell only industrially used capital goods and this exclusively in B2B business. For us, consumers or end-users are plant designers, machine operators, or maintenance personnel at our customers' plants. Protecting these people in the best possible way is of fundamental importance to us. In this context, we have identified the following impacts, risks, and opportunities:

Subtopic	Description	Type
Data protection	Lack of information security certifications or inadequate cybersecurity standards can lead to reputational damage, deterioration of sustainability ratings, and exclusion from tenders or business relationships if customers require appropriate certifications (e.g. TISAX) as a prerequisite for cooperation.	Risk
Health and safety	Failure to comply with requirements relating to product quality, safety, or health and safety may result in product recalls, liability, damages, and official penalties, which in turn may result in increased costs and a loss of business opportunities.	Risk
	Damage to health or loss of life when using KraussMaffei products in the downstream value chain may result in a loss of reputation and negative impacts on sales and business development.	Risk
	Injury, damage to health, or death of employees at the customer's plants as a result of non-compliance with safety regulations and standards when operating KraussMaffei machines.	Negative impact

Policies related to consumers and end-users (S4-1)

To manage the above-mentioned impacts and minimize the associated financial risks, there are Group-wide binding directives and policies:

- Code of Conduct (Code of Compliance and Ethics)
- Group policy no. 28 Information Security
- Group policy no. 7 Data Protection

With regard to end-users, our Code of Compliance and Ethics (see section S1 – Own Workforce) specifically defines compliance with applicable laws and standards, the responsible use of information, and compliance with security and compliance requirements in business relationships. In this way, the Code also creates a framework for the responsible handling of risks associated with the safe use of our machines and systems by our customers' employees. The Code addresses in particular the risks identified in relation to information security, regulatory requirements, and potential impacts arising from non-compliance with quality, safety, and occupational safety standards when using our machinery and equipment.

The Group policy on IT Security defines Group-wide requirements for the secure use of IT systems, the protection of business-relevant data, and the control of access and authorization processes. It includes, among other things, specifications for the use of communication systems, password and authorization policies, encryption, external data carriers, and technical and organizational security measures. It thus addresses risks related to information security, cybersecurity, and secure IT-supported customer processes.

The Group policy on Data Protection defines Group-wide minimum requirements for the protection of personal and company-relevant data. In particular, it regulates data minimization, purpose limitation, confidentiality, access protection, availability, and integrity of data as well as requirements for the processing, transmission, and engagement of external service providers. The policy specifically addresses risks related to data protection, information security, and regulatory requirements when dealing with customer and company data.

There are currently no specific policies aimed exclusively at individual groups of end-users. The safe use of our machines and systems by our customers' employees is also supported via product and quality-related processes, technical documentation, training, and services.

In the development, provision, and distribution of products and services, KraussMaffei takes into account corresponding standards and applicable legal requirements, in particular regarding product safety, data protection, export control, and compliance.

Engagement with consumers and end-users, existence of channels for consumers and end-users to raise concerns or needs and approaches to remedy (S4-2)

Because most machines are designed and manufactured to meet customer requirements, the engagement of customers and end-users of our systems in all business areas is primarily via established, ongoing customer contact and feedback processes throughout the entire life cycle. This includes, in particular, regular direct exchange within the framework of sales and key account management activities, for example customer meetings, workshops (e.g. with customers' development departments), project and offer reviews, and trade fair appearances.

In addition, feedback from service, commissioning, and after sales processes as well as from complaints and quality processes are incorporated into the evaluation of customer requirements, safety factors, and usage aspects. This feedback is evaluated in the respective departments such as Order Engineering, R&D, Purchasing/Supplier Management, Product Management, etc. and, if necessary, translated into product, process, or service improvements. In doing so, we specifically take into account findings relating to product safety, safe machine operation, quality, and customer-related information and safety requirements. At present, further development is primarily driven by needs and projects, e.g. by intensifying systematic feedback management, greater use of digital CRM assessments, and the early-stage involvement of customers in development and optimization projects.

Whistleblower system and grievance mechanisms

If our customers and users have information about a violation of applicable law, they can report these concerns via our whistleblower system. The whistleblower system is also open to external third parties and is described in more detail in section S1 Own Workforce. In practice, communication often takes place directly via the relevant sales, service, or project contact person. In the 2025 reporting year, there were no external reports from users via the whistleblower system.

Actions and resources related to consumers and end-users (S4-3)

The identified impacts, risks, and opportunities connected to customers and users of our machines and systems are primarily addressed via product and machine safety measures and via data protection and information security measures. They mainly focus on risks from injuries or health hazards when operating our machines and installations, quality and safety defects, and information security and cyber risks. At present, measures are not systematically and quantitatively checked for effectiveness.

Product and machine safety at customers' premises

Individual, series-specific specifications, taking into account all relevant specifications, form the basis for developing and producing our machines and systems. In addition, if required, the Order Engineering department implements customer-specific requirements based on these relevant specifications applying to the product.

To ensure essential health and safety requirements, Directive 2006/42/EC on machinery applies as the leading directive. Our products may be subject to further European Directives or regulations (e.g. 2014/30/EC EMC Directive (Electromagnetic Compatibility), 2014/35/EC Low Voltage Directive). When developing and constructing our machines, we take into account relevant safety and machine standards, in particular standard EN ISO 12100 "Safety of machinery" with application of the three-stage process. This consists of inherently secure constructions, technical and supplementary protective measures, and user information. On this basis, we develop constructive and technical protective measures as well as visual or acoustic warnings. The measures are based on risk assessments that take into account potential damage levels, probabilities of occurrence, and relevant safety standard requirements. If necessary, we additionally validate protective measures by means of calculations, measurements, or fault simulations.

Furthermore, the corresponding product-specific Type C standards are applied, such as EN ISO 20430 for injection molding technology. Type B standards are also used, such as EN ISO 13849 "Safety-related parts of control systems" and EN 60204-1 "Electrical equipment of machines".

Machine conformity testing is carried out by the internal production control department on the basis of the Machinery Directive Annex VIII. Here, it is checked whether machinery complies with the technical documentation and all directives and whether the intended protective measures are available and functional for the products delivered. In addition, certified management systems, especially in quality management, are in place to ensure internal production control to the extent necessary. We also carry out EC type tests for the basic machines in the field of injection molding technology in accordance with the Machinery Directive 2006/42/EC Annex IX.

KraussMaffei provides the machine operator with all the information required to operate the machine safely by means of the statutory operating instructions and safety instructions on the product via warning labels. We also offer customer training on site, digitally, and in training centers. In the operating instructions, during the handover of the machine and in training courses, we point out remaining residual risks and raise awareness of, among other things, safe operation, compliance with prescribed maintenance and change intervals, and potential dangers when handling operating media or customer-specific tools.

With regard to machine safety in Germany, we are in regular professional contact with the works cooperative and are involved in standardization work at European level.

In addition, we offer comprehensive services throughout the entire life cycle of our machines and systems. This includes, in particular, spare parts, maintenance and repair services, predictive maintenance solutions, technical advice, and retrofit and remanufacturing services. The aim of these measures is to support the long-term operability, safety, and service life of the machines and plants and to reduce potential safety and quality risks.

Data protection and information security

To support the secure and responsible handling of information, Group-wide regulations on data protection and information security apply. In particular, they address requirements for the availability, confidentiality, and integrity of information and IT systems as well as measures to avoid information security risks and cyber risks.

Customer data is processed in accordance with the European Union's legal requirements. Remote maintenance is done only through point-to-point encrypted channels. As well as personal data, machine data or information from joint development projects can also be processed with the consent of the customers.

To reinforce information security, we regularly train employees on data protection and information security issues, including secure communication, password security, and dealing with phishing attempts. In addition, there are technical security measures such as encrypted mobile end devices, multi-level authentication procedures, and restrictions regarding the use of certain software applications.

Risks from external cyber attacks are part of the Group-wide risk management. In a 24/7 security operation center, the relevant systems and processes are continuously monitored for risks. We are also continuously improving our detection and response behavior to cyber threats.

In the 2025 reporting year, an information security incident related to a business user account was detected. The incident was immediately recognized and appropriate countermeasures were taken. On the basis of the information available, no material damage was caused.

Product monitoring process

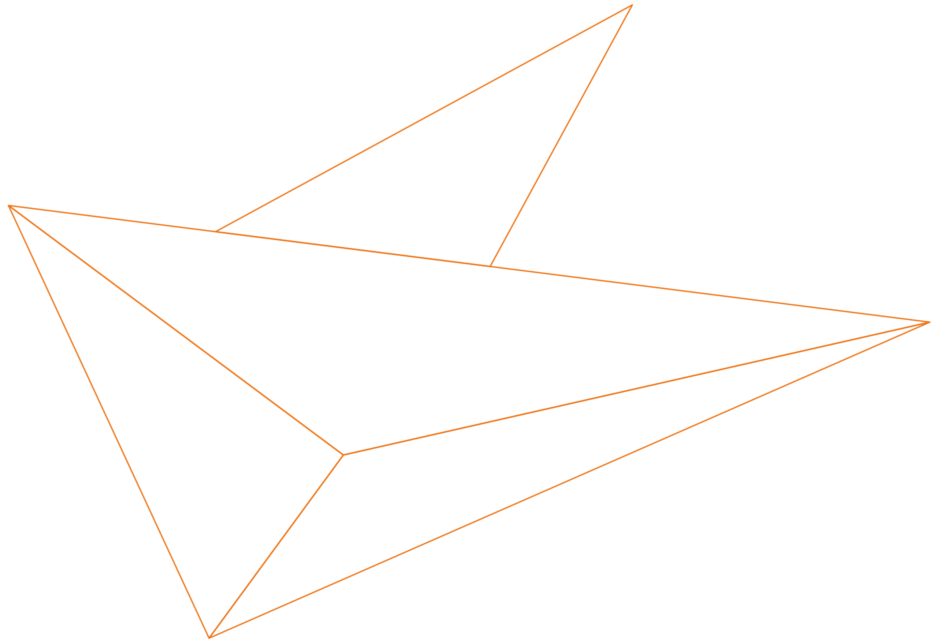
There are product monitoring processes in all technology areas. In the field of injection molding technology in Germany, a defined product monitoring process describes how safety-related events in machines are systematically reported, evaluated, and processed. Initially, incidents such as personal injury or near misses are reported and documented in a standardized manner using defined methods. There are different reporting channels for this, depending on whether the report was made by KraussMaffei Service, KraussMaffei

Commissioning, the customer, or KraussMaffei Purchasing. This is followed by an initial risk assessment by the machine safety department, on the basis of which a decision-making group consisting of specialists and senior executives finally assesses the case. Depending on the outcome, measures are defined in coordination with the legal department and customers are informed or authorities involved, if necessary. Implementation of the measures is monitored using a list of measures. The status is reported regularly.

Targets related to consumers and end-users (S4-3)

To further develop our information security and data protection management, we are pursuing several qualitative goals. In 2026, we plan to introduce an AI-based security tool that will also provide suppliers with a questionnaire on IT security. In addition, existing processor contracts are to be reviewed and the existing deletion concept further optimized through software-based processes.

We are also striving for further certifications in the area of information security, in particular the TISAX Level 1 test procedure in 2026 and the certification of our information security management system according to ISO 27001 in 2027. The objectives are intended to further develop our information security and cybersecurity management as well as meet regulatory and customer-related requirements.



G1 BUSINESS CONDUCT

Ethical conduct towards our customers, partners, suppliers, and all other stakeholders is a matter of course for us. The following impacts, risks, and opportunities are associated with this:

Subtopic	Description	Type
Corporate culture	KraussMaffei attaches great importance to transparent internal communication in order to keep employees regularly updated and informed. This helps to create an open corporate culture in which all employees have access to information at all times.	Positive impact
	KraussMaffei is dedicated to research, not only to improve our machinery but also to develop applications that conserve natural resources. We maintain numerous research and development partnerships with universities and other companies, e.g. in the areas of PU recycling, lightweight construction, and plastics technology.	Positive impact
Corruption and bribery	Acts of corruption and bribery can cause financial losses as a result of unfavorable terms and conditions, official sanctions, and reputational damage.	Risk

Policies related to business conduct (G1-1)

We address the above-mentioned impacts, risks, and opportunities by demanding responsible business conduct from our employees. The key document for this is Group policy no. 2, the Compliance and Ethics Code, in addition to the Tax Policy (Group policy no. 27), the Export Control Policy (Group policy no. 14), and the Signatures Policy. In particular, the Compliance and Ethics Code defines the principles of our business conduct on the basis of our mission statement:

- Commitment to the law, respect, and business ethics
- Positioning within society, with obligations to the community
- Respect for human rights and, in particular, the dignity of every individual, and the proscription of child labor, slavery, debt bondage, and other forms of exploitation of workers, as well as of all forms of discrimination
- A corporate culture characterized by binding polices and compliance requirements as well as effective whistleblower systems
- Prohibition of bribery and corruption
- Ban on accepting non-permitted benefits or gifts
- Ban on offering non-permitted benefits or gifts, including via third parties such as representatives
- Avoidance of conflicts of interest
- Restriction of cash transactions and prohibition of the formation and use of secret accounts
- Accounting and payment processes in accordance with the principles of proper accounting

We comply with the following international guidelines and conventions:

- United Nations' Universal Declaration of Human Rights
- OECD Guidelines for Multinational Enterprises

- Principles of the UN Global Compact
- The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights
- United Nations Convention against Corruption (UNCAC)
- Supply Chain Due Diligence Act (LkSG)

In our opinion, the highest risk of corruption and bribery is in departments that have direct contact with business partners, such as Sales and Purchasing. The requirements set out in our Code of Compliance and Ethics are in line with the United Nations Convention against Corruption.

Taxes
KraussMaffei complies with applicable tax law and fulfills all tax obligations. At KraussMaffei, tax policy is anchored at top management level to ensure that the Management Board is constantly informed about general tax developments, current tax performance, tax risks, and substantial changes in tax law. To ensure our integrity, we have established an internal control system that we continuously adapt to changing processes, legal conditions, and other internal and external influences. The key document for this is the Group Tax Policy. This regulates the responsibilities and powers for all tax matters in our company. As a globally active company, we are subject to different tax laws in many countries. Responsibility for compliance with these laws lies with the respective companies and is implemented via local tax responsibilities at the locations. Our central tax department has global authority to issue guidelines. A complete list of the companies and countries included in the consolidated financial statements is part of the consolidated financial statements. This list and the associated tax performance have been audited by BDO AG Wirtschaftsprüfungsgesellschaft, Munich, for the reporting period. Our tax strategy obliges all companies to deal transparently and fairly with the respective tax authorities and to comply with all applicable tax obligations. We are also transparent with regard to our tax behavior in response to any requests or expectations from other stakeholders. KraussMaffei avoids implementing artificial structures that purely serve tax purposes.

Actions related to business conduct (G1-2)

Whistleblower system
As part of our culture of integrity and compliance, the whistleblower system ensures that potential violations can be reported confidentially and addressed appropriately.

This central channel allows all employees and external persons to report critical concerns as well as violations or potential violations of our values and policies. In order to ensure a neutral and safe point of contact, we have set up an external, central office for reporting improper business practices. The Munich attorney Dr. Andreas Minkoff from the law firm FEIGEN · GRAF Rechtsanwälte Partnerschaftsgesellschaft mbB acts as an external compliance officer. Employees and external parties can contact him in confidence without fear of sanctions or disciplinary procedures if they become aware of problematic business practices. The external compliance officer is available to speak to in German and English and, by prior arrangement, also in Spanish, Russian, Italian, and French within the firm.

Information in other languages may be submitted in writing. The contact options are available to all employees and can also be accessed online. In addition, KraussMaffei's employees have access to an internal, global system of compliance officers which is structured according to business areas and regions, managed by the Group Compliance Officer, and available for reports and inquiries from employees.

In 2025, two potential violations of our compliance policies were reported via the internal compliance officers. One case concerned an allegation of a possible conflict of interest at one of our Italian subsidiaries. In the second case, it was alleged that a telephone number belonging to KraussMaffei had been misused for an attempted fraud. Both cases were fully investigated internally under the guidance of the Group Compliance Officer and, on the basis of this investigation, were proved to be unfounded.

Engagement of suppliers

When selecting suppliers, we take into account the aspects specified in the LkSG, in particular the social aspects, via our Purchasing department. Ecological factors are taken into account at the downstream stage in line with the LkSG. There is no special training on the LkSG for employees in Purchasing but there is online training on the LkSG for all employees with an active IT user account with email access. This also covers employees in Purchasing. Specific measures to improve the ESG performance of suppliers are only available for those that are categorized as needing attention in the risk analysis by the Prewave tool.

Raising employee awareness

In 2025, we conducted general compliance training via our e-learning platform. This mandatory training course was aimed at all employees of the KraussMaffei Group who have an active IT user account with email access. During the training period from February to May 2025, general compliance training was delivered to 3,636 employees worldwide, 2,722 of whom completed the training, representing approximately 75% of employees.

Annual cash bonus

In 2025, we developed a new system for including a variable proportion of remuneration in senior executives' salaries. This includes KPIs to be weighted uniformly, allows individual goals to be incorporated, and makes the bonus payment dependent not only on professional performance but also on exemplary behavior and performance in terms of sustainability.

Targets related to business conduct (G1-3)

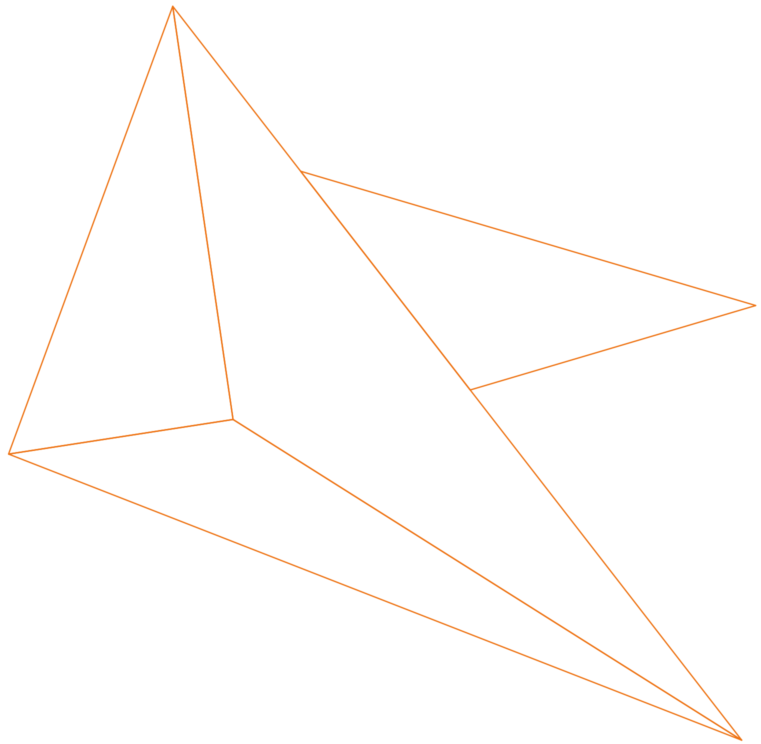
We intend to carry out a corruption risk assessment via an external body in 2026. This aims to identify all areas of the company that are particularly vulnerable to corruption and bribery. Based on the results of this corruption risk assessment, we will refine our measures to detect and prevent corruption and bribery even more effectively in the future.

Metrics related to corruption or bribery (G1-4)

In 2025, no incidents of bribery or corruption came to light. As of the cut-off date pf December 31, 2025, there are no proceedings pending and therefore no fines or penalties are outstanding.

Metrics related to political influence, including lobbying activities (G1-5)

In the reporting period, there was no regular strategic exchange with political actors or non-governmental organizations in the sense of lobbying. In addition, KraussMaffei did not make any donations or in-kind contributions to parties or for political campaigns. No member of the Management Board or Supervisory Board held a similar position in public administration in the two years prior to ap-pointment.

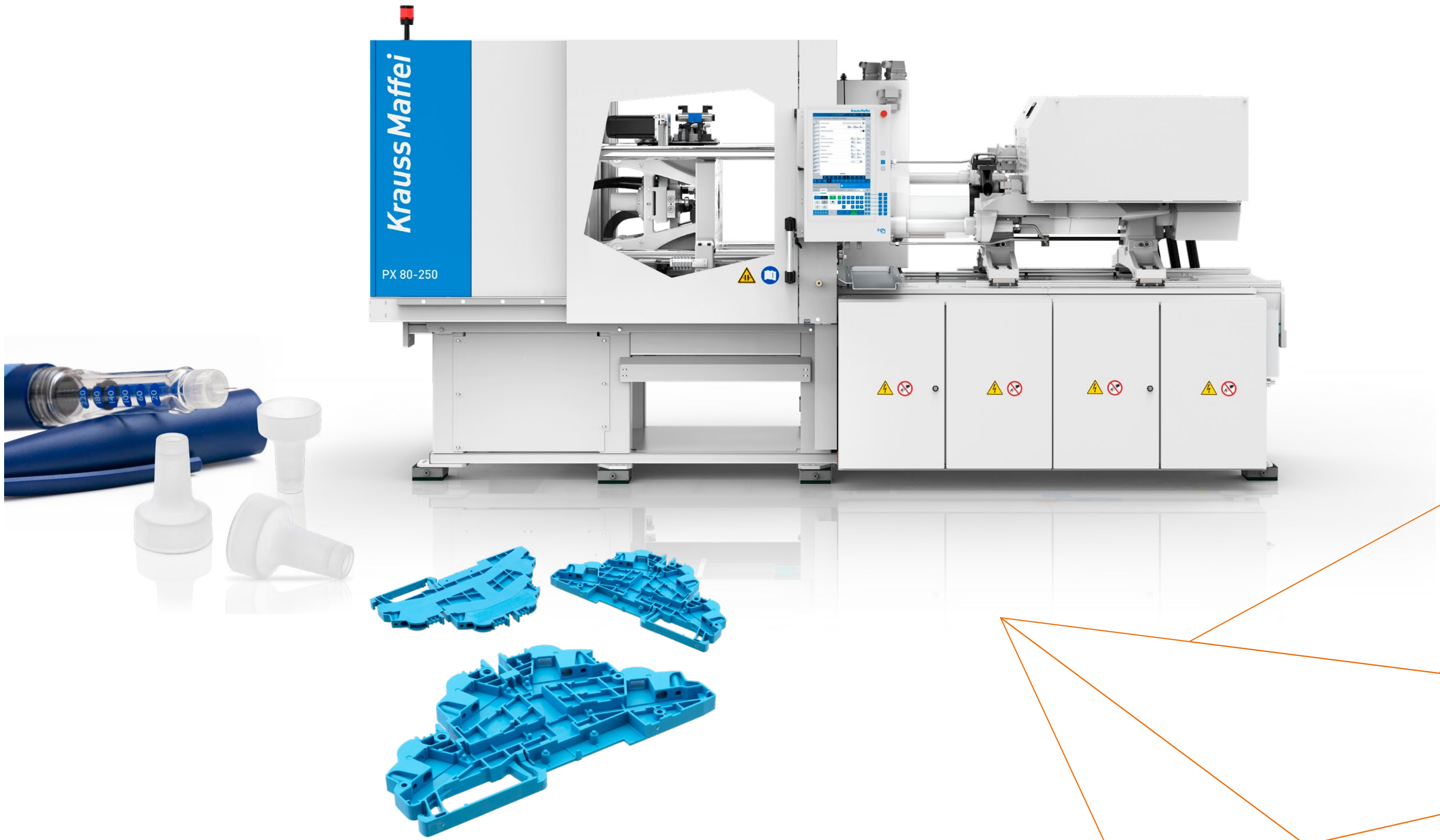


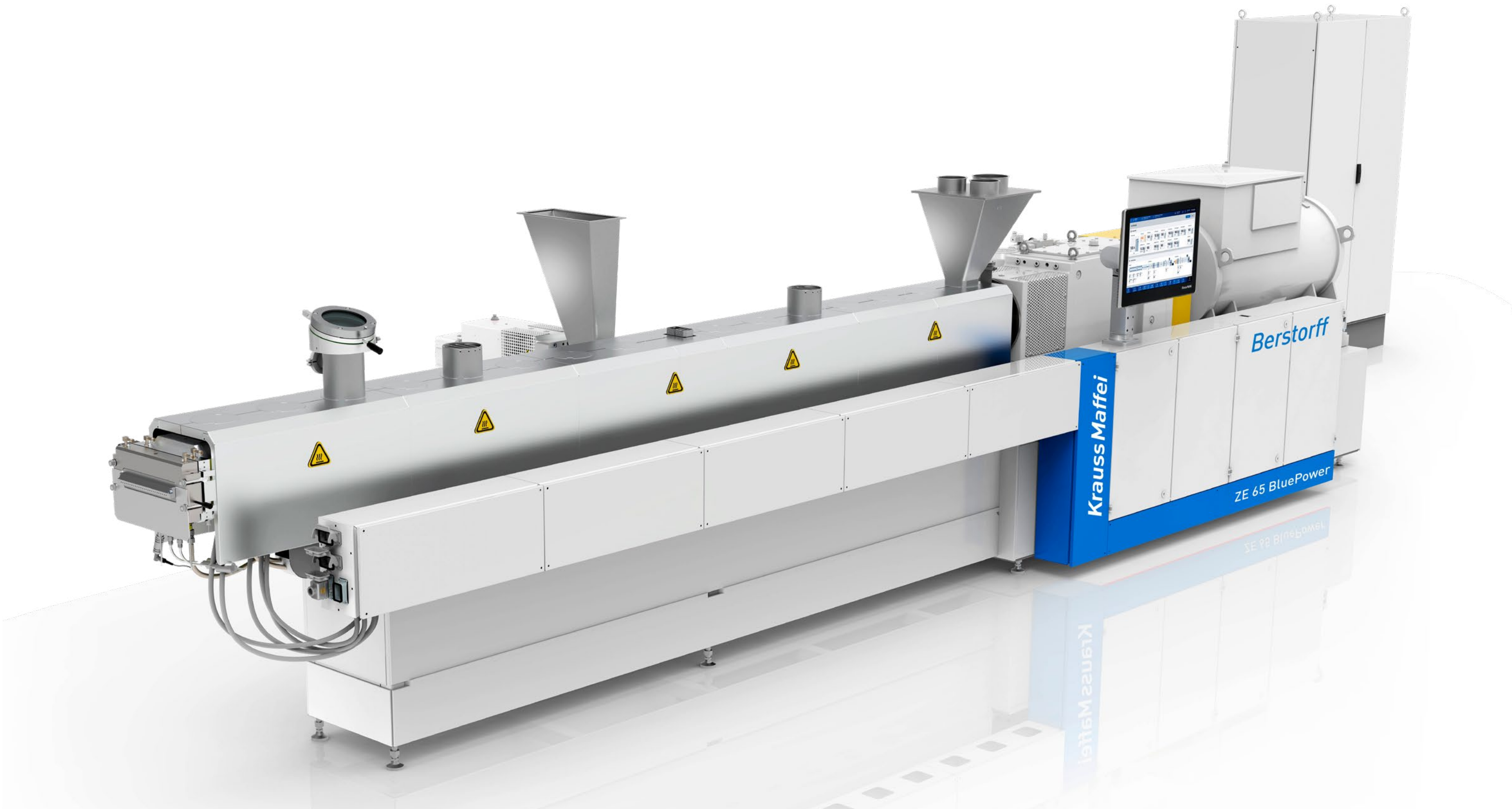
MAGAZINE

Contents

New development of the PX series

In 2025, we revised our PX series all-electric injection molding machines. One of the areas we focused on was sustainability: all main axes and the new ejector are servo-electrically operated. This not only improves cycle performance but also reduces energy consumption by around 20%. The PX is optionally equipped with a compact, servo-hydraulic auxiliary unit for the energy efficient movement of tool core functions and cascades. Thanks to the space-saving design of the drive components and an optimized machine topology, the machine bed could be shortened. Combined with the sleeker housing, this results in a footprint reduction of up to 20%.





Redesign of ZE BluePower

The co-rotating twin-screw extruders of the BluePower series have been leaders in the efficient processing of high-quality plastics for years. In 2025, we implemented a redesign for the medium-sized series 42, 52, 65, and 80. With improved thermal insulation of the housing and new control, they are significantly more efficient compared to the previous concept. In addition, a special focus was placed on improved usability, cleanability, and faster availability of spare parts. With the unchanged Da/Di diameter ratio of 1.65, the new design continues to offer the greatest flexibility available on the market for all processes.

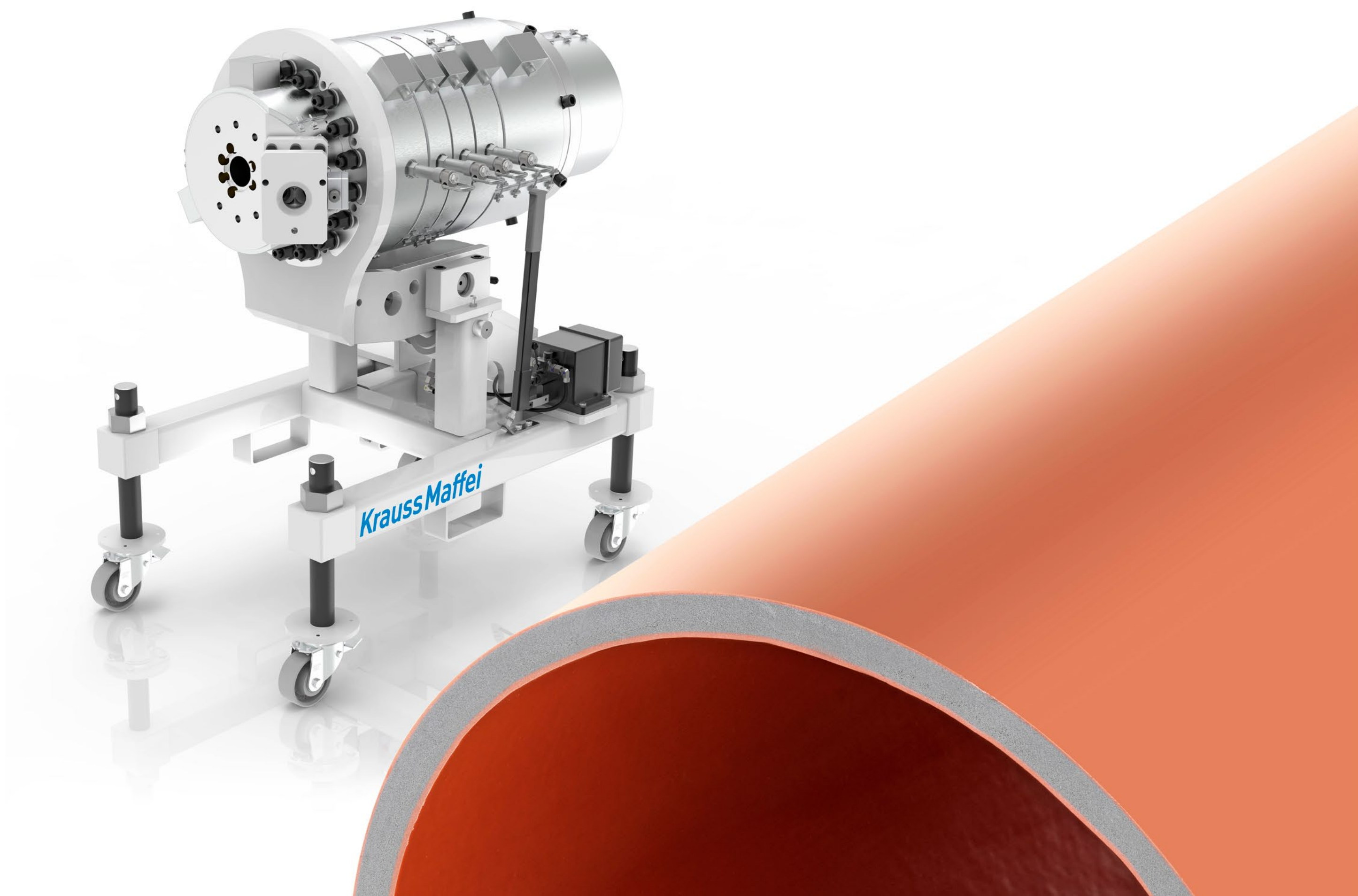
CFP process

With the new chopped fiber processing (CFP) process, we enable the direct compounding of polypropylene (PP) with chopped glass fibers in the injection molding process. At the heart of the process is a newly developed, patented screw geometry that ensures particularly efficient separation of the chopped glass fibers and homogeneous mixing with the polymer. The result: high-quality, fiber-reinforced components with optimal material properties. The process allows plastics processors to mix polymers and glass fibers individually, thus ideally matching the material composition to the component requirements. Customers benefit several times: through reduced material costs, noticeable reduction of the product carbon footprint, and the development of in-house know-how (material formulation competence). Material costs and energy requirements can both be reduced by 20–40% compared to conventional two-step processes.

Contents

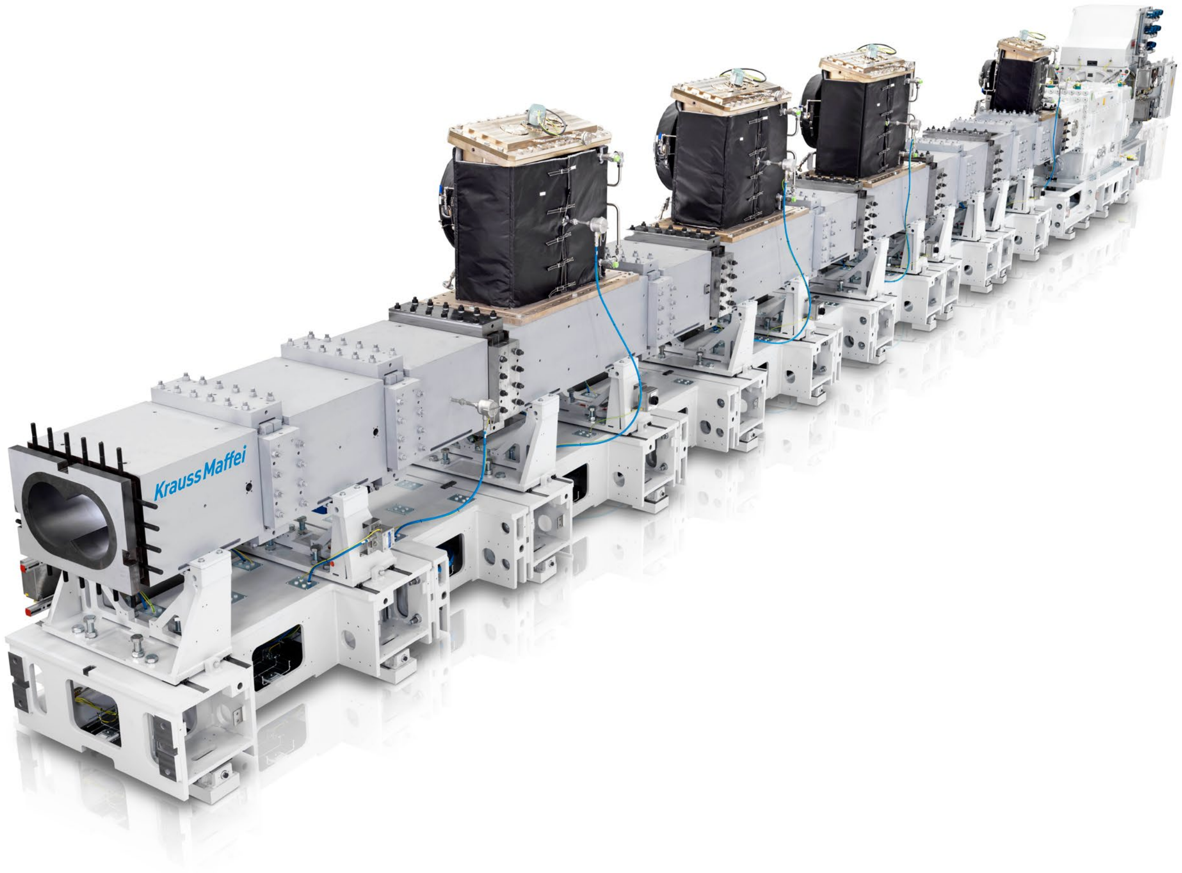
Three-layer PVC pipe head

We have developed a new three-layer pipe head for the production of PVC waste water pipes. This enables the safe and stable processing of up to 100 percent recycled material. At the heart is a high-precision flow system with symmetrical material feed for all three layers of the pipe. The solution for the core layer is particularly innovative, enabling extremely short dwell times and thus significantly reducing susceptibility to errors. This allows 100 percent recycled material to be processed reliably, regardless of whether the layer is foamed or compact, and regardless of whether in-house recycled material or post-consumer waste is used.



PU recycling

Components made of polyurethane – for example, from the insulation of a refrigerator – are difficult to recycle, which is why the valuable raw material is usually just incinerated at the end of its life. For this reason, we are working with partners to industrialize a process for the continuous chemical recycling of PUR by depolymerization. In this purity glycoLine process, the PUR is converted into a recycled polyol (rPolyol) by means of an extruder in a continuous chemical process. This serves as a starting material for new applications and can be processed in the dosing machine without adjustments. Unlike in the known batch process, it is even possible to process PUR materials that have a degree of contamination of up to 30% due to other plastic and metal residues.



New ZE Petrochemical series

Greater energy efficiency for the petrochemical industry: with the market launch of the new ZE Petrochemical (ZE-PC) series, we were able to set a milestone in industrial raw polymer production. The powerful co-rotating twin-screw extruders are based on proven Blue-Power technology and impress with their outstanding energy efficiency, high processing capacity, and optimized product quality. With screw diameters from 260 to 330 mm – and potentially up to 400 mm – the new ZE-PC offers a highly scalable solution for large-volume polymer processes.

ANNEX

ESRS INDEX

Requirement	Designation	
S1-12	Training and development of our staff	p. 47
S1-13	Health and safety	p. 49
S1-14	Work-life balance	p. 46
S1-15	Compensation metrics	p. 44
S1-16	Respect for human rights in our business activities	p. 50
ESRS S2	**Workers in the value chain**	**p. 53**
S2-1	Policies related to workers in the value chain	p. 55
S2-2	Engagement with workers in the value chain, existence of channels for workers in the value chain to raise concerns or needs and approaches to remedy	p. 56
S2-3	Actions and resources related to workers in the value chain	p. 57
S2-3	Targets related to workers in the value chain	p. 59
ESRS S4	**Consumers and end-users**	**p. 60**
S4-1	Policies related to consumers and end-users	p. 61
S4-2	Engagement with consumers and end-users, existence of channels for consumers and end-users to raise concerns or needs and approaches to remedy	p. 62
S4-3	Actions and resources related to consumers and end-users	p. 63
S4-3	Targets related to consumers and end-users	p. 65
ESRS G1	**Business conduct**	**p. 66**
G1-1	Policies related to business conduct	p. 67
G1-2	Actions related to business conduct	p. 68
G1-3	Targets related to business conduct	p. 69
G1-4	Metrics related to corruption or bribery	p. 70
G1-5	Metrics related to political influence, including lobbying activities	p. 70

KraussMaffei – Pioneering Plastics

KraussMaffei is one of the world's leading manufacturers of machines and systems for producing and processing plastics and rubber. Our brand has stood for cutting-edge technology for more than 185 years. Our range of services covers all technologies in injection molding machinery, extrusion technology, and reaction process machinery. In 2022, we expanded our portfolio to include additive manufacturing. This broad spectrum of technologies gives KraussMaffei a unique selling proposition in the industry. With strong innovation capacity, we ensure sustainable added value for customers along their entire value chain, with standardized and individual product, process, digital, and service solutions. We deliver these services to customers in the automotive, packaging, medical, and construction industries, and to electrical and electronic product and household appliance manufacturers, among others. KraussMaffei employs around 4,000 people worldwide. Our global network comprises 30 subsidiaries, over 10 production sites, and 570 trade and service partners. This means KraussMaffei is always close to its customers all over the world. The company was founded in Munich in 1838. Today, KraussMaffei is part of Sinochem Holdings Corporation Ltd., one of the world's leading chemical companies.

Legal information
KraussMaffei Group GmbH
Dr. Alexandra Coffey
Director Marketing, Communications & Sustainability
Krauss-Maffei-Straße 1
85599 Parsdorf
Germany

Editing, concept, data acquisition, and design:
Verena Foris, Senior Manager Internal & Sustainability Communications
Desara Leci, Global Manager ESG Reporting
FJORD Nachhaltige Kommunikation GmbH, www.fjord-online.de

Photo credits: flaticon: p. 15, iStock: p. 21, 53, KraussMaffei: p. 1, 4, 30, 35, 60, 66, 71, 72, 73, 74, 75, 76, 77

Editorial note: For reasons of better readability, the simultaneous use of the language forms male, female, and diverse (m/f/d) is partially omitted. All personal designations apply equally to all genders.

kraussmaffei.com