

Excerpt of the consolidated management report of SIMONA AG and the SIMONA Group for the 2025 financial year

6. NON-FINANCIAL STATEMENT

PURSUANT TO SECTION 289B AND SECTION 315B HGB

BRIEF DESCRIPTION OF BUSINESS MODEL

The SIMONA Group develops, manufactures, and markets a range of semi-finished thermoplastics, pipes, and fittings as well as profiles. The materials used include polyethylene (PE), polypropylene (PP), polyvinyl chloride (PVC), polyethylene terephthalate (PETG), polyvinylidene fluoride (PVDF), ethylene-chlorotrifluoroethylene (E-CTFE), perfluoroalkoxy (PFA), thermoplastic olefins (TPO), acrylonitrile butadiene styrene (ABS), polycarbonate (PC), and various specialist materials. The production methods applied within this area range from extrusion, pressing, injection molding, and machining as well as the manufacture of customized fittings by the company's in-house plastics workshop.

The SIMONA Group's sales markets are reflected in its five business lines. The Industry business line primarily supplies the chemical process industry, the semiconductor industry, and customers in the water treatment, swimming pool construction, and medical technology sectors. The Infrastructure business line primarily manufactures piping systems for infrastructure applications centered around water and gas supply, wastewater disposal, the protection of power and data lines, and traffic route technology. The Advertising & Building business line mainly supplies PVC foam products for building and advertising applications. The Mobility business line specializes in products used in the interior design of aircraft and trains as well as motor

vehicles. In addition, SIMONA supplies equipment tailored to the requirements of the fish farming market.

As a company, SIMONA is aware of its responsibilities towards people and the environment. Environmental, social, and energy issues are key factors for SIMONA.

ENVIRONMENTAL ISSUES

Sustainability and the responsible use of plastics are two environmental issues that SIMONA is already pursuing actively today and will continue to do so at a global level in the years to come. Global climate change mitigation is a collective task for which industrialized nations and companies with international operations assume responsibility across all their locations. The reduction of greenhouse gases is to be achieved in a sustainable and socially balanced manner, taking into account far-reaching measures. SIMONA is committed to addressing these requirements by means of an all-embracing and global sustainability strategy and a certified environmental management system in accordance with DIN EN ISO 14001. This international standard for environmental management systems is designed to give certified companies a framework for protecting the environment and responding to changing circumstances in compliance with socio-economic requirements. The systematic approach promoted by the standard furnishes information that fosters success in the long term and opens up opportunities that contribute to sustainable development. SIMONA pursues an environmental management concept for its sites in Germany, the Czech Republic, and Türkiye as well as for the SIMONA Boltaron site in the United States. It ensures compliance with its requirements through monitoring and recertification audits.

Climate risk assessment

SIMONA AG has conducted a climate risk assessment for the purpose of identifying the potential impact of climate change on the company. Both physical climate risks and transitory risks associated with the transition to a lower-carbon economy were taken into account. The assessment serves as a basis for a better understanding of climate-related risks and for the further development of suitable actions for the future-oriented alignment of the company.

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SIMONA addresses risks relating to the environmental footprint of the raw materials it uses along the entire value chain. This includes a responsible selection of resource suppliers based on recognized certifications, transparent origin information, and the consideration of defined exclusion criteria (blacklists). In addition, aspects relevant to pollutants are subject to systematic testing as early as the research and development stage and suitable substitution options are implemented accordingly. In this context, compliance with all applicable legal requirements regarding the use of harmful substances is guaranteed.

Our EcoplastIQ line features products made from sustainable raw materials and is part of our portfolio. The traceability of our biocircular raw materials back to the source is ensured by our ISCC Plus certification (International Sustainability and Carbon Certification), which was confirmed by a monitoring audit in 2024. This helps to reduce consumption of non-renewable resources. At the same time, both quality and functionality are comparable to the levels associated with conventional raw materials. In addition to the two German sites, the site in Türkiye is also ISCC-certified. SIMONA's durable products combine high quality with low weight, enable the substitution of heavier alternative products, and thereby contribute to the sustainable management of challenging projects, for example in the field of environmental technology or utilities.

Another focus is on closing material loops. Thanks to our SIMOCYCLE take-back system, we offer our customers in Germany the opportunity to return production waste. This waste is reprocessed and fed back into the production process to manufacture new products under our EcoPlastIQ product line.

In addition, SIMONA disposes of waste that cannot be returned to the production cycle in accordance with the provisions of the German Circular Economy Act (Kreislaufwirtschaftsgesetz). Recyclable production scrap is mainly recycled in-house or passed on to external recyclers. All waste disposal companies and recyclers have been certified and are authorized in accordance with the relevant statutory provisions. Staff receive regular training on preventing, recycling, and disposing of waste.

Reducing waste as a percentage of production volume is one of the company's key objectives.

SIMONA provides its customers with regular updates on the correct ways to use, recycle, and dispose of its products and the waste that is generated when these products are processed further. Product characteristics, key data and safe storage and processing instructions are listed in material and safety data sheets for each product, which are available online.

SIMONA is an official member of the Science Based Targets initiative (SBTi). Our greenhouse gas reduction targets (Scope 1 to Scope 3) have been validated by the SBTi and are therefore in line with the Paris Agreement. In this context, we have committed ourselves to reducing our Scope 1 and Scope 2 emissions by an average of 5.25% per year by 2030 compared to the base year 2022, thereby achieving "net zero status" by 2050. In addition, SIMONA has pledged to reduce Scope 3 greenhouse gas emissions from purchased goods and services by 51.6% per ton of manufactured product over the same period. SIMONA's participation in the SBTi initiative underlines the company's commitment to playing a prominent role when it comes to environmental protection and sustainable business practice. In joining the initiative, SIMONA undertakes to ensure that its long-term climate targets meet the strict scientific standards of the SBTi. The SBTi is a collaboration between the global not-for-profit environmental organization Carbon Disclosure Project (CDP), the United Nations Global Compact, World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

Following the validation of its climate targets by the Science Based Targets initiative (SBTi) in the previous year, SIMONA commenced the systematic implementation of concrete measures in the reporting period to achieve the defined emission reduction targets. The focus here is on our own emissions as well as those relating to upstream and downstream stages of the value chain. In order to reduce Scope 1 and Scope 2 emissions, SIMONA is driving forward the expansion of the use of renewable energies in particular, while also enhancing energy efficiency at its sites. These include actions to optimize

production processes, investments in energy-efficient technologies, and the more widespread use of electricity from renewable sources. With regard to Scope 3 emissions, SIMONA is intensifying its dialogue with suppliers and customers along the value chain. The aim is to jointly identify potential for reducing GHG emissions, in particular by evaluating sustainable and alternative materials, refining product solutions, and improving transparency in the supply chain. With this end-to-end approach, SIMONA is pursuing the goal of gradually translating the SBTi's science-based climate targets into operational action and thus making a measurable contribution to reducing GHG emissions.

Additionally, SIMONA is a member of selected sustainability organizations such as Bundesdeutscher Arbeitskreis für Umweltbewusstes Management (B.A.U.M. e.V.), an established network for sustainable business. Through its membership, SIMONA is able to reinforce its position in sustainable business conduct while promoting the exchange of best practices, scientific findings, and innovative solutions.

SIMONA manages its fire risk through preventive fire protection measures: regular maintenance for its extinguishers, inspections conducted with the insurer and fire service, a dedicated set of fire protection regulations and annual staff briefings. Accident-related risk is managed with regular checks and maintenance of plant and equipment, structural measures such as retention basins, collecting pans and sealed floors, and by storing hazardous substances in compliance with the law. SIMONA adheres to defined alert plans in the event of incidents and carries out weekly, semi-annual, and annual maintenance as well as a five-yearly inspection of the systems in accordance with AwSV. Test and inspection intervals are complied with and emissions are measured regularly.

EU Taxonomy

The concept surrounding the European Green Deal was drawn up by the European Commission to enable the transition to a competitive, resource-efficient, and climate-neutral European economy. It forms an integral part of the European Union's climate policy and includes various measures in the areas of energy supply, transport, trade, industry, agriculture, and

forestry as well as financial market regulation. The European Green Deal includes the so-called EU taxonomy, the aim of which is to promote the allocation of private capital to sustainable investments. In this context, a unified classification system for environmentally sustainable economic activities in all sectors is to create transparency and uniformity.

Mandatory reporting was introduced for capital market-oriented companies. On this basis, interested parties should be in a position to compare the sustainability of business models. Article 9 of the Taxonomy Regulation lists six environmental objectives defined by the European Union: climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; the protection and restoration of biodiversity and ecosystems. As regards these objectives, the task is to identify Taxonomy-eligible and Taxonomy-aligned economic activities and disclose their proportion of turnover (i.e., revenue) as well as their proportion of capital expenditure and operating expenditure.

In the reporting year, the structure and presentation of the Taxonomy tables were revised compared with the previous year, reflecting the amendments introduced to simplify the EU Taxonomy under Delegated Regulation (EU) 2026/73. The adjustments serve to simplify and clarify reporting.

Determining key performance indicators

Working in close collaboration with those responsible from the relevant departments and sites, the Sustainability department conducted a Group-wide analysis to identify the Taxonomy-eligible and Taxonomy-aligned turnover (i.e. revenue), capital expenditure, and operating expenditure. The underlying data was collected within the respective international sites and was then consolidated at Group level and verified. To avoid double counting, turnover (i.e., revenue), capital expenditure, and operating expenditure are allocated directly and clearly to the identified economic activities. All amounts shown are in euros.

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Table Revenue EU Taxonomy for Financial Year 2025

(in EUR)																
KPI	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in previous financial year (N-1)	Proportion of Taxonomy aligned activities in previous financial year (N-1)	
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity						
	Currency	%	Currency	%	%	%	%	%	%	%	%	%	%	Currency	%	
Turnover																
CapEx	37,751,726.12	10.35	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OpEx	23,600,309.58	20.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Revenue

At present, the EU Taxonomy does not include any criteria relating to the economic activities of SIMONA AG. As a result, no revenue-relevant economic activities could be allocated to SIMONA AG on the basis of the current legal acts. Thus, no Taxonomy-eligible or Taxonomy-aligned turnover, i.e., revenue, was determined. This does not mean that products manufactured by the SIMONA Group do not support the achievement of the objectives set out in the Regulation. This applies in particular to our products used in the areas of energy and water supply as well as mobility applications. However, the narrow definition of Taxonomy-eligible and Taxonomy-aligned revenue means that revenue generated by manufacturers of intermediate, i.e., input, products, which includes SIMONA with its semi-finished products, pipes, and fittings, can still only be taken into account to a very limited extent.

Capital expenditure (CapEx)

The SIMONA Group's capital expenditure within the meaning of the EU Taxonomy comprises additions to property, plant, and equipment, intangible assets (excluding goodwill), and right-of-use assets under lease arrangements in accordance with IFRS. On this basis, the share of the corresponding capital expenditure that was attributable to Taxonomy-eligible economic activities (Taxonomy-eligible CapEx) was determined accordingly. This included corresponding investments in connection with Taxonomy-eligible economic activities, which related in particular to renovations to our buildings and capital expenditure to promote the circular economy. As in the previous year, no Taxonomy-aligned capital expenditure could be reported due to the requirements currently applicable in respect of Taxonomy alignment and the simultaneous lack of availability of the required sustainability-related evidence on the part of SIMONA's suppliers.

Table CapEx EU Taxonomy for Financial Year 2025

[illegible]

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Operating expenditure (OpEx)

The SIMONA Group's operating expenditure within the meaning of the EU Taxonomy Regulation relates to direct expenditure that cannot be recognized as an asset under IFRS. This includes direct, non-capitalized costs relating to research and development, building renovation measures, short-term leases, maintenance and repair and all other direct expenses in connection with the day-to-day servicing of property, plant, and equipment by the company or third parties to whom activities have been outsourced that were necessary to ensure the continuous and effective functioning of these assets. In particular, rental

expenses for SIMONA ERP systems and costs for the maintenance of buildings and vehicles as well as energy management were taken into account as Taxonomy-eligible. Costs relating to the training and development of SIMONA employees were also taken into account. Due to the requirements currently applicable in respect of Taxonomy alignment and the simultaneous lack of availability of the required sustainability-related evidence on the part of SIMONA's suppliers, it has not yet been possible to report Taxonomy-aligned operating expenditure.

Table OpEx EU Taxonomy for Financial Year 2025

[illegible]

ENERGY-RELATED MATTERS

Energy management as a component of sustainable business conduct

Energy management forms a central part of our corporate responsibility and is a key pillar of the SIMONA Group's sustainable development. Through its certified energy management system under DIN EN ISO 50001:2018, SIMONA operates a binding, organization-wide framework designed to systematically manage energy consumption, steadily enhance energy efficiency, and reduce resulting GHG emissions in a sustainable manner. The standard creates clear structures and processes to transparently assess energy-related issues in all areas of the company and ensure continuous improvements.

Decarbonization and transformation of the energy infrastructure

Our strategic approach places particular emphasis on decarbonizing business operations and progressively transforming the energy infrastructure. Through investments in efficiency initiatives, the modernization of technical systems, and ongoing evaluation of emerging technologies, we aim to achieve a sustainable reduction in the specific energy consumption of our plants. Photovoltaic systems have been installed, or are in the process of being implemented, at multiple international sites. We have concluded a long-term electricity procurement model for the German production sites, which provides up to 35 GWh of renewable wind power per year and thus makes a measurable contribution to reducing our indirect emissions.

Another component of our transformation path is the planned investment in an industrial battery storage system. This facilitates the reduction of peak loads, the more efficient use of self-generated electricity, and the cost-effective optimization of energy supply. The initiative will establish the basis for an energy architecture that is more contemporary, resilient, and focused on renewable sources.

Continuous improvement of energy performance and processes

The continuous enhancement of our energy performance is founded on a comprehensive system of measurement, assessment, and control. Energy consumption is continuously monitored and evaluated, with the insights applied to optimize energy-intensive processes. Energy-related requirements are systematically integrated into investment decisions, procurement processes, and technical planning. The effectiveness of the system is supported by internal and external audits, which also promote its continuous improvement in line with relevant standards. The current ISO 50001 certification is valid until the end of 2026.

Risks in energy management and strategic opportunities

The use of energy involves both operational and strategic risks. Fluctuating energy markets, more extensive regulatory requirements, technological dependencies, and possible restrictions in the energy grids affect the security of supply and economic development. As part of its comprehensive risk management system, the SIMONA Group evaluates these risks on an ongoing basis to enable the timely identification and implementation of suitable mitigation measures.

At the same time, consistent energy management creates material opportunities. The increased use of renewable energies, the expansion of our own generation capacities, the use of innovative storage technologies, and the optimization of processes help to stabilize costs in the long term, reduce emissions, and improve our resilience to market fluctuations. Investments in modern, energy-efficient technology also strengthen our competitiveness and help us to meet future regulatory requirements.

Accountability, workforce engagement, and forward-looking focus

Successful energy management depends not only on technical measures but also on their integration into the organizational culture. We foster awareness of responsible energy use through targeted training, information services, and by reinforcing the personal responsibility of our employees. By participating in the "Klimafreundlicher Mittelstand" ("Climate-friendly SMEs")

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initiative, we gain further impetus to advance our energy and climate strategy while sharing innovative methods for greenhouse gas reduction.

These initiatives are designed to steadily minimize the environmental and climate footprint of our business activities, while simultaneously capitalizing on the benefits of efficient, resilient, and forward-looking energy management. Through these measures, we make a lasting contribution to a climate-resilient and financially secure future for the SIMONA Group.

EMPLOYEE-RELATED MATTERS

The company's employees are a key pillar of its success. This is an integral part of the company culture embraced by us and is thus also enshrined at several levels in our Code of Conduct, which applies equally to employees, line managers, and senior executives at all SIMONA companies.

Gender equality – Diversity

SIMONA supports diversity and equal opportunities for all employees and has set itself the goal of employing more women in management positions. The targets for the Group's parent company are at least three women at the first managerial level and at least two women at the second managerial level below the Management Board. In order to improve the existing quotas, at least one woman is always interviewed as a potential candidate for open management positions. Across the Group, the number of women overall and in management positions is analyzed on a quarterly basis, the aim being to achieve an annual improvement in this area.

SIMONA is a member of the Diversity Charter initiative, the rationale being to further highlight the issue of diversity and to benefit from external impetus and ideas in support of measures relating to this topic.

Working conditions

SIMONA regularly seeks its employees' opinions in anonymous staff surveys and uses the results to devise tangible measures to improve staff satisfaction. In fall 2024, the second global employee satisfaction survey was conducted by SIMONA, on the basis of which improvement measures were again drawn up for each department as part of a process rolled out globally; the implementation of these measures will be tracked as the project moves forward. Encouragingly, both the participation rate and the overall level of staff satisfaction worldwide increased significantly compared to 2022. The next global survey will take place in 2026.

The SIMONA companies located in Germany have already implemented performance appraisals. As regards the commercial functions at the Kirn site, they are, in part, already organized on the basis of a skills matrix. This set-up allows every employee to be shown the requirements of their position and the extent to which they themselves are meeting these requirements. Training and personal development needs are determined based on these annual PDRs.

Education and developing talent

SIMONA AG invests in bringing on suitable young talent and regularly participates in joint projects with schools and universities (school mentoring schemes, STEM program – referred to as MINT in German, teaching at schools). As well as training, applicants who fit the criteria can look forward to a dual-degree course, subsidized training to fit around their existing work commitments (part-time degree), or a placement at one of the foreign sites run by our subsidiaries. SIMONA AG cooperates with the universities of Ludwigshafen, Darmstadt, and Mainz as well as the Baden-Württemberg Cooperative State University in Stuttgart and its Horb campus.

SIMONA organizes project management and presentation training courses at all of its international and domestic sites in order to ensure a uniform standard of knowledge within the workforce.

As part of an annually recurring process, potential successors are identified for all first- and second-level managers below the Global Management Team; their areas of development are defined with the aim of reducing the number of positions that have no successor within the company and fostering talent in a targeted manner so that these staff members can take on more senior roles.

The Leadership Circle organized by SIMONA has been in place for many years. Now in its sixth round, it prepares high-potential employees for specialist and management tasks as part of a modular training program spanning 18 months. The course provides participants from SIMONA sites in Europe, the United States, and Asia with training in the areas of communication and conflict dialogue, intercultural expertise, management, and sustainability. Training takes place at various global locations within the SIMONA Group. The aim is to develop the intercultural skills of those taking part in the program, in addition to focusing on specialist topics. At the same time, the professionals are given the opportunity to establish an international network.

In 2024, alongside the Leadership Circle, a Talent Promotion Circle was established within the area of Operations. Here, employees with roles related to production at the German sites in Kirn and Ringsheim were prepared for future management tasks as part of a program spanning 18 months. Alongside management training, the program also covered specific topics centered around production (lean methods, shop-floor management, occupational safety, quality, project management) and participants work on a sizeable group project over a period of nine months. In light of the highly positive feedback, preparations are underway in 2026 to launch the program for the next group.

Information flow

Within the SIMONA companies, the flow of information to staff is guaranteed by the SIMONA intranet, a noticeboard system, departmental get-togethers, and regular shift training.

Health and safety

The company has made health and safety at work a priority and has introduced a “Vision Zero” (referring to the number of occupational accidents) action plan. This is a multi-year concept for the sustainable reduction of occupational accidents, consisting of an extensive range of individual measures. The execution of these measures was also defined as a target in the global Balanced Scorecard (BSC). For this reason, the company has set itself an ambitious five-year target to reduce the number of reportable accidents compared to 2021: by 15% respectively in 2022, 2023, and 2024, and by 10% respectively in 2025 and 2026. The Group has been pressing ahead – and continues to do so – with the integration of occupational safety issues into its activities at an operational and strategic level (e.g., via shift handovers, weekly meetings, shop floor management, plant meetings). The collection of data relating to accidents at work in accordance with an internationally harmonized definition has been carried out on a global basis since 2020. All occupational accidents are logged in reports by the health and safety officers appointed by the company before their causes are analyzed and preventive action is determined based on this analysis.

SIMONA AG has also set up a healthcare team geared towards keeping staff healthy through various campaigns (e.g., free supply of fruit, allowance for gym membership, job bike, health care partnership with a major health insurer, and annual focal points). In recent years, the focus has been on preventing musculoskeletal disorders and dealing with stress.

Respect for trade union rights and co-determination in the workplace

SIMONA recognizes the right of all its employees to be represented on, in, and by trade unions and to form staff committees. There are long-established employee and trainee representatives at the German sites: at the Kirn site the workforce is also represented by the IGBCE.

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Leadership workshops with external trainers were again held for supervisors in the production units at both of the sites in Germany. They are designed to help senior staff react adequately as a management team even when confronted with difficult situations.

SIMONA conducted its second global survey on staff satisfaction for all employees of the SIMONA Group in fall 2024. Topics such as HR activities in the company, the working atmosphere, satisfaction with one's own job, and stress-inducing factors were again surveyed on a digital basis as part of an extensive questionnaire. The participation rate (63.0%) was up significantly on the first global survey in 2022 (49.0%). Overall, employee satisfaction has improved significantly. In addition to an extremely high degree of loyalty to the company and strikingly good grades for equal treatment and non-discrimination, the survey also revealed areas in which the company needs to improve. In 2025, all employees were to be informed directly about the survey results as part of specially arranged meetings. Based on a systematic approach, discussions were then held with all department heads to explain the results of the survey and raise awareness among line managers about potential improvement measures. Line managers then worked with their staff members to draw up department-specific improvement measures, implementation of which will be reviewed by HR Development. After the first year, more than 50% of the actions drawn up had already been completed, so that the target for 2026 was to implement more than 75% of the measures.

Two suggestions for improvement from the findings of the survey center on the issues of feedback culture and stress management in day-to-day life. SIMONA once again made dealing with stress the focus of its occupational health management in the year under review and offered various seminars and digital services in this area. A training program was drawn up for line managers on the subject of feedback culture, which was then rolled out globally. In Germany alone, 92 line managers were trained.

The fifth year of the Leadership Circle ended in July 2025. The SIMONA Leadership Circle prepares high potentials for professional and managerial roles as part of a modular, 18-month training program. The course provides participants from SIMONA sites in Europe, the United States, and Asia with training in the areas of communication and conflict dialogue, intercultural expertise, management, and sustainability. Training took place at various global locations within the SIMONA Group.

In the fall of 2025, the newly established group for the promotion of young talent in the area of operations ended with a very positive response. Here, employees with roles related to production at the German sites in Kirn and Ringsheim are prepared for future management tasks as part of a program spanning 18 months. Alongside management training, the program also covers specific topics centered around production (lean methods, shop-floor management, occupational safety, quality, project management) and participants work on a sizeable group project over a period of nine months. The 18-month training program is also accompanied by an internal mentor for each participant. The program will enter its second round at the end of 2026.

Quality

Customer satisfaction depends to a large extent on the quality of our products and services. Customers are particularly satisfied and loyal when their expectations of a product or service are met or even exceeded. Our objective is to exceed customer expectations in every aspect, reinforcing their confidence in the quality of our products and services. The basis for this is our DIN EN ISO 9001-certified quality management system, which was again successfully recertified in 2025. As in previous years, customer and market requirements increasingly led to specific product accreditations. This resulted in several audits and product tests as part of which we were able to prove to external auditors the efficacy of the SIMONA management system as well as the excellent quality of our products and processes.

Information technology

In the 2025 financial year, Information Technology (IT) further reinforced its role as a strategic enabler and systematically advanced its transformation into a global IT service organization. The new organizational structure is based on standardized processes that are designed to enhance efficiency, minimize risks, and measurably increase the added business value of IT. IT thus creates the basis for a future-proof digital infrastructure that supports the company in an increasingly dynamic market environment.

A central strategic focus continued to be on preparing for the migration to SAP S/4HANA. Following the successful migration of the SAP system to the HANA database platform in the Microsoft Azure Cloud in 2023 and the safeguarding of operations as a managed service by an external partner, the course was set for the next step in 2025: the implementation of the new platform. The aim is to fully exploit the advantages of SAP S/4HANA – in particular higher process speed, improved data integration, and real-time analyses – and to optimize business processes for the long term. This initiative represents a key element of the digitalization strategy and will ensure the company's long-term competitiveness.

At the same time, IT security was further expanded as a strategic area of action. The threat landscape in cybercrime continued to intensify in 2025, making the protection of our IT systems a top priority. Additional comprehensive security measures were implemented to effectively meet the growing challenges. For example, a cloud proxy solution was integrated that offers advanced protection against cyber attacks and enhances the security of critical networks through additional segmentation. In addition, a solution was introduced that enables penetration tests to be carried out regularly and independently in order to identify potential vulnerabilities at an early stage and rectify them promptly.

The Information Security Management System (ISMS) successfully established in 2024 was supplemented by an AI guideline to ensure the secure implementation of future AI systems. The existing security awareness platform was expanded to further strengthen security-related awareness. In addition, automatic phishing tests are to be carried out at shorter intervals throughout the year in order to continuously improve the responsiveness of employees. Given the continuous evolution of attack methods, IT security will remain a strategic priority beyond 2025. In 2026, efforts in this area will be further intensified and augmented with new, innovative protective measures to secure the company's long-term resilience.

The modernization of the IT infrastructure was another focal point. The global introduction of Microsoft 365 has created a standardized, cloud-based working environment that facilitates collaboration across locations and enhances productivity. In addition, progress was made in renewing the global network infrastructure. Significant components have already been modernized to improve performance and stability, while the conversion and expansion of the infrastructure remain underway and are expected to continue throughout 2026. These investments provide a solid foundation for future technological developments and safeguard the company's capacity to respond flexibly to market changes.

IT will maintain its worldwide efforts in 2026 to improve efficiency, optimize system performance, and safeguard infrastructure security. This ensures that the company's technological foundation meets the increasing demands of digital transformation and serves as a strategic driver of growth.

The aforementioned non-financial statement that has not been audited by the independent auditor ends here.