

Declaration of conformity 2024

Follmann Chemie

Indicator set

GRI SRS

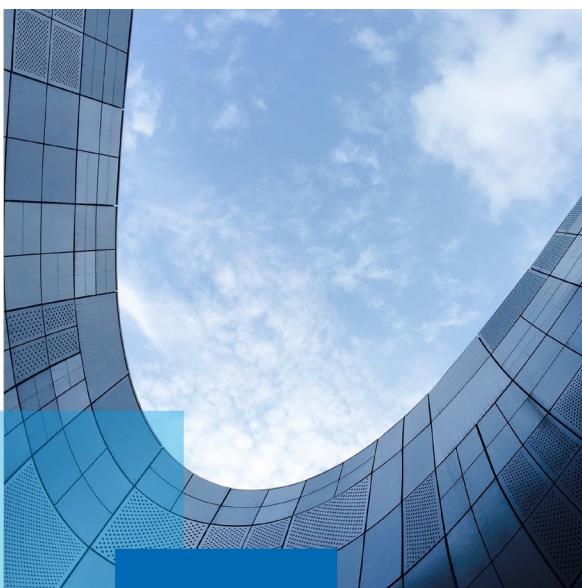
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Indicator set

The declaration was drawn up in
accordance with the following reporting
standards:

GRI SRS



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Date: 2024, source: company data.
The reporting company is responsible
for the information provided.

The data is provided for information
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General

General Information

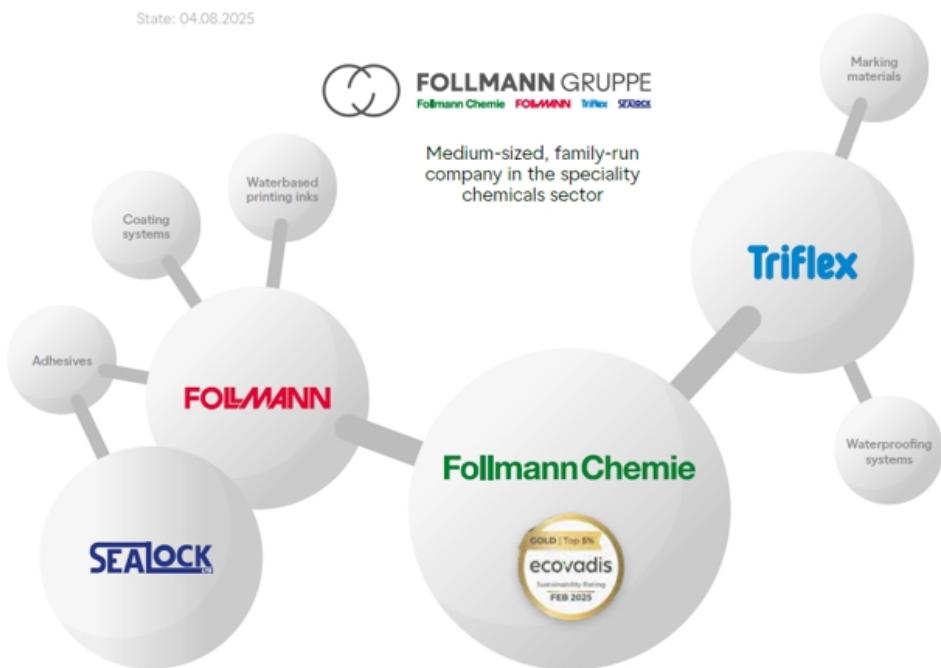
Describe your business model (including type of company, products / services)

For reasons of readability, we use the generic masculine in some places in this report, such as in tables. Naturally, all people – regardless of gender identity, origin, religion, sexual orientation, age, or physical abilities – are equally welcome here. We stand for diversity, inclusion, and mutual respect. The internationally active Follmann Group, comprising the business units Follmann and Triflex, is managed by the Follmann Chemie as the parent company. The parent company is responsible for operational functions such as production and logistics as well as various service functions for both business units. It is managed by the Managing Partner Dr Henrik Follmann (businessman) and the Managing Director Dr Thomas Damerau (graduate chemist). The long-standing management team is also supported by an independent company advisory board. The subsidiaries Follmann GmbH & Co. KG and Triflex GmbH & Co. KG, which are likewise based in Minden, are responsible for sales and marketing in Germany and in countries without their own sales companies. They are also responsible for the development within their respective business units. Follmann GmbH & Co. KG supplies printing inks, coatings, and adhesives to industrial customers in various sectors and focuses on innovative and sustainable products such as water-based printing inks and low-emission adhesives. Sealock LtdD in the United Kingdom manufactures and sells adhesives. In the market segments of waterproofing, road marking, and infrastructure, Triflex mainly supplies trained tradespeople directly. Triflex liquid plastic waterproofing systems protect building structures from penetrating moisture and damp, thus contributing to long-term preservation, extending the service life of buildings or renovation cycles, and maintaining the value of the property. The waterproofing systems can be found, among other places, on flat roofs, balconies, car parks, or the foundations of wind turbines. Triflex consistently pursues its path as a partner to the construction industry, offering high-quality system solutions and an extensive, in-depth training and service offering.



Success formula | Company structure and product range

State: 04.08.2025



Corporate Structure and Product Portfolio





Location: Minden, North Rhine-Westphalia

Revenue:

- Follmann Group: €252.1 million
- of which in Germany: 42%
- EU (excluding Germany): 28%
- Non-EU countries: 30%

Number of employees: 942 (average for 2024)

Additional remarks:

For 2024 and the following years, the Follmann Chemie Group is not obliged to report. However, the company is preparing for reporting in accordance with CSRD/ESRS. As changes are planned within the ongoing omnibus process and considerable uncertainties regarding future reporting obligations, reporting for 2024 is taking place in the present DNK format. Some data collected as part of the ESRS process have been incorporated into this report.

Scope of the report

From a sustainability perspective, the company headquarters and main production site of the Follmann Group in Minden (Germany) are of paramount importance. Annual sustainability reports have been produced regularly for this site since 1998. In 2024, the scope of consideration will be expanded. For the Group, with a focus on Minden, a materiality analysis according to ESRS as of 2024 was carried out, which takes into account both upstream and downstream value chains as well as key impacts, risks, and opportunities (IROs). Furthermore, essential data from the European sales companies in Belgium, France, the United Kingdom, Italy, the Netherlands, Austria, Poland, and Switzerland, as well as the production company Sealock in the United Kingdom, are also included in the report. Due to the still limited availability of data, country-specific sustainability data for criteria 11–18 and the corresponding performance indicators of the sister companies were not collected. Thus, the scope of the report, covering more than 80% of turnover and employees, largely corresponds to the consolidated financial reporting. The company is not subject to CSRD reporting requirements for 2024.



CRITERIA 1–10: SUSTAINABILITY POLICY

Criteria 1–4 concerning STRATEGY

1. Strategic Analysis and Action

The company declares whether or not it pursues a sustainability strategy. It explains what concrete measures it is undertaking to operate in compliance with key recognised sector-specific, national and international standards.

Ecological aspects have been an essential part of our company's philosophy since its founding years. For example, we have developed various solvent-free products and have twice been recognized for environmentally conscious corporate management by the Association of Independent Entrepreneurs. In addition, Dr. Rainer Follmann was among the co-founders of the medium-sized business association "[future](#)" in 1986, which, even back then—long before environmental management systems could be certified—introduced an environmental organization within their companies.

**Consistent sustainability strategy and clear vision!
Together, we make a difference with solutions that create a future.**

SUSTAINABLE DEVELOPMENT GOALS



The challenges arising from the 17 United Nations Sustainable Development Goals (SDGs) drive our innovations and the ongoing development of our business models.

Our focus is on SDGs 3, 8, 9, 11, 12, 13, and 17. We see the growing awareness and increasing importance of sustainability in society as an opportunity in our transformation process. We are proactively addressing stricter political and regulatory requirements and seeking our opportunities in the changing environment. Due to these evolving conditions, sustainability has clearly become a value driver for our company: Our active management of sustainability issues increases our resilience, opens up new market potential, and ensures our long-term competitive advantages.

Strong commitment to the initiatives [UN Global Compact, Diversity Charter, Chemie³, Responsible Care, and Chemistry4Climate](#)

As the Follmann Group with our business units Follmann and Triflex, we are aware of our corporate social responsibility and strive for continuous improvement in the areas of environment, safety, and health. Our results are published regularly. We joined the Chemie³ and Responsible Care initiatives of the [German chemical industry association](#) at an early stage. As part of the Chemistry4Climate initiative, scenarios and pathways for the chemical industry to achieve greenhouse gas neutrality by 2045 have been outlined! In addition, we align our activities with the 17 SDGs of the UN Global Compact.



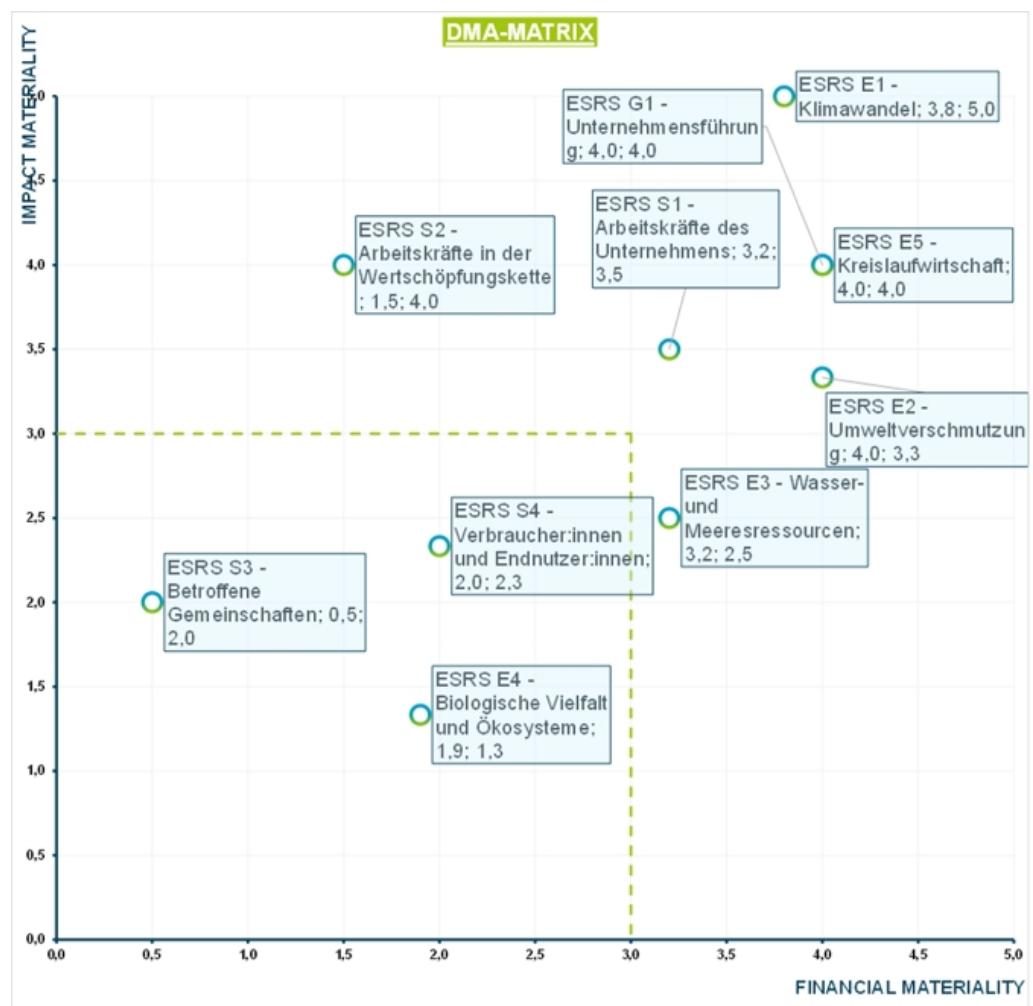
We have developed a comprehensive sustainability strategy that takes into account the specifics of our business units as well as identifies synergies across the group. Our sustainability strategy was developed starting from the three German companies and has created a group-wide framework. It is an integral part of our corporate strategy. The aim of our sustainability strategy is to position the group with focus in dynamically changing markets. With this strategy, we consider the interests of various internal and external stakeholders and comply with legal and regulatory requirements. In 1997, the Follmann Group introduced quality management in accordance with ISO 9001. Since 2018, Sealock has also been part of the company and is certified to ISO 9001. In 1998, the Follmann Group as well as Follmann GmbH & Co. KG introduced a certified environmental management system in accordance with EMAS, which was replaced in 2001 by certification to ISO 14001. In 2013, the energy management system of Follmann Chemie GmbH was certified according to ISO 50001.

2. Materiality

The company discloses the aspects of its business operations that have a significant impact on sustainability issues and what material impact sustainability issues have on its operations. It analyses the positive and negative effects and provides information as to how these insights are integrated into the company's processes.

As part of developing our sustainability strategy and in preparation for sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) (as of 2024), we conducted a double materiality analysis. The aim of this analysis is to systematically identify and prioritize the sustainability topics that are material to our company, considering both their impact on the environment and society, as well as their financial relevance to our business. The analysis began with defining the scope and identifying the relevant stakeholders. Key stakeholder groups—including employees, customers, investors, business partners, and civil society representatives—were identified and involved in the process as appropriate. Based on regulatory requirements (especially ESRS), industry standards (such as GRI), and internal risk assessments, a comprehensive list of topics was compiled. This list served as the basis for evaluating the topics from two perspectives:

- **Impact Materiality:** This perspective analyzed the extent to which our business activities have significant actual or potential impacts on the environment and society. Factors such as likelihood of occurrence, magnitude, scope, duration, and reversibility of possible impacts were assessed.
- **Financial Materiality:** This evaluation focused on how sustainability topics—such as climate risks, regulatory changes, or societal developments—could affect our financial position, business results, and future viability, taking into account the likelihood of occurrence



Results Matrix of the Materiality Analysis

The results from both perspectives were consolidated, and the material topics were visualised in a matrix. Topics that were rated as materiality > 3 (medium) from both an impact and a financial perspective are considered priority areas for reporting and action in accordance with the principle of double materiality. To validate the results, relevant internal and external stakeholders were involved. Their feedback was incorporated into the final prioritisation, enhancing both the transparency and the substantive basis of the process. The double materiality analysis is reviewed regularly and adjusted as



necessary to account for new developments. The identified key topics, along with the three core company values **sustainability, innovation, and appreciation** form the foundation of our sustainability strategy. They guide the definition of indicators, the establishment of KPIs and objectives, and the prioritisation of projects.

The high ecological and social standards at our production sites, as well as the European focus in our supply chain, result in a high level of resilience and are a strength of the company. These strengths are to be further developed in our product and service offerings.

3. Objectives

The company discloses what qualitative and/or quantitative as well as temporally defined sustainability goals have been set and operationalised and how their level of achievement is monitored.

On our roadmap for developing the sustainability strategy, we have passed through several stages, developing and finally verifying the **focus topics** both top-down and bottom-up. Individual interviews were conducted with a wide range of employees from different departments. In addition, further background information (including internal documents and website content) from our three divisions was analysed.

Based on our long-established company values

sustainability, innovation, and appreciation

we developed the following vision:

Together, we make a difference—with solutions that create a future.

As the Follmann Group, we make a difference together with our partners - providing solutions for a liveable future.

Furthermore, we developed, consolidated, and prioritised a variety of proposed targets. Ultimately, the following specific objectives with KPIs were defined for achievement by 2030:

Circularity – Circularity of our products

- Development of resource-efficient solutions in the application of our products
- Use of alternative raw materials, traded goods, and packaging
- Avoidance of waste along the value chain
- Optimisation of the recyclability of our products and solutions at the end of their life

Environment – Environmental Responsibility

- Minimisation of environmental impacts during manufacture, processing, transport, and use of our products
- Creation of transparency and resilience along the supply chain People

Health & Wellbeing

- Protection of people during the manufacture, processing, and use of our products
- Added value for users of our products in their own sustainability efforts
- Consistent further development of partnerships
- Creation of an open, social, and innovative working environment as an employer





Our policies include these specific medium- and long-term goals that we aim to achieve by 2030 and 2045. Details can be found in the corresponding following chapters. In light of the rapidly changing current conditions, we have launched a project to revise our goals by 2026, which also incorporates our previous experiences.

Regarding the SDGs, we refer to our explanations in Chapter 1.

For monitoring, we use effective project management, meaningful key performance indicators, and clearly defined objectives. The respective specialist departments are responsible for updating the data and regularly report to the management boards and in management reports to the executive management.

4. Depth of the Value Chain

The company states what significance aspects of sustainability have for added value and how deep in the value chain the sustainability criteria are verified.

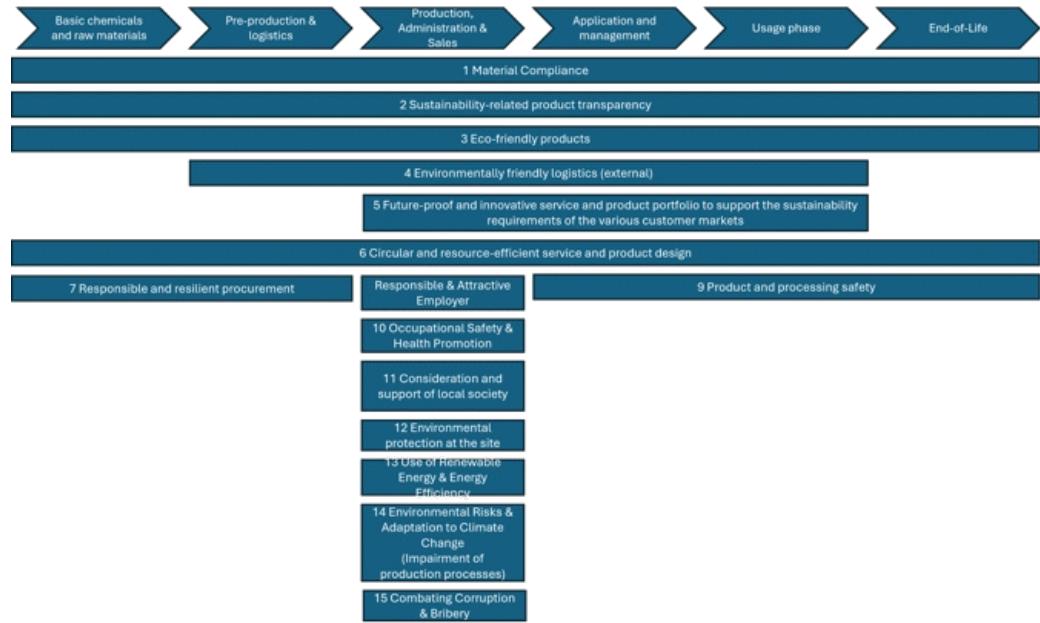
Our value chain comprises six key phases:

- Basic chemicals and raw materials
- Pre-production and logistics
- Production, administration, and sales
- Application and processing
- Usage phase
- End of life

In our analysis, we have considered both the entire value chain and each of its phases individually.

We paid particular attention to mapping our key sustainability topics along the value chain:

Here, we were able to assign 15 topics from our materiality analysis to one or more phases of the value chain.



Important aspects in this context include, for example:

Environmentally friendly products (topic 3) In our core competency—the development and manufacture of specialty chemicals from basic chemicals—we occupy a key position in the value chain. At this stage, the service life and environmental compatibility of the products are determined, so we engage in forward-looking product development. All raw materials are assessed, and the use of undesirable raw materials is avoided as far as possible already during the development stage. For instance, we removed per- and polyfluorinated chemicals (PFAS) from our product formulations long before the ban.

Responsible and resilient procurement (topic 7) When selecting suppliers, we systematically conduct evaluations, external audits, and risk analyses. In all areas, we consider different dimensions (social, ethical, ecological) and cover these topics through our sustainability, ethics, environmental, and quality policies. In addition, our fundamental statement on human rights, the Follmann Group Code of Conduct, and our Supplier Code of Conduct apply.

As part of our stakeholder dialogue, we address environmental and social topics openly and work together on their further development and resolution.

Criteria 5–10 concerning PROCESS MANAGEMENT

5. Responsibility

Accountability within the company's management with regard to sustainability is disclosed.

Sustainability is one of our three overarching corporate values, alongside **innovation** and **appreciation**.

For many years, sustainability has been a central element of our corporate strategy and is taken into account in all company activities and projects. Responsibility for this lies with the management and the owner, Dr Henrik Follmann. At the monthly **Sustainability Steering Committee**, current sustainability issues from the various steering committees are reported, and the progress and targets of sustainability projects are coordinated with the managing directors, Dr Thomas Damerau (Follmann Chemie) and Dr Clemens von Trott zu Solz (Triflex GmbH & Co. KG), with decisions made as required. The main topics discussed in the Sustainability Steering Committee are then brought into the **management's regular meetings (Jour fixe) of the Follmann Group**. In addition, sustainability is regularly addressed at **supervisory board** meetings.

6. Rules and Processes

The company discloses how the sustainability strategy is implemented in the operational business by way of rules and processes.

A sustainability organisation has been established within the Follmann Group, with its processes and regulations described and maintained in the document management system.

The processes are certified according to various standards, including ISO 9001, ISO 14001, and ISO 50001, and are regularly monitored through both internal and external audits. In addition, our sustainability performance has been assessed by EcoVadis since 2015. As of early 2025, we were awarded the EcoVadis Gold Medal for our 2024 performance, placing us among the top 5% in our industry.

The **Project Navigator** is being introduced as a project management tool to oversee the project portfolio. This tool enables comparison and control which

projects contribute to which targets, and whether new projects need to be created to achieve the set objectives. The steering committees of the Follmann Group play a central role in this regard.



They consist of managing directors as well as executives from various departments of the Follmann Group, Follmann GmbH & Co. KG, and Triflex GmbH & Co. KG, and ensure that initiatives are implemented in alignment with the overarching corporate goals. The Sustainability Steering Committee serves as a higher-level body, initiating, approving, and monitoring projects, and is responsible for both the strategic direction and the allocation and prioritization of resources. Through regular meetings and status reports, the Steering Committee maintains oversight of project progress, identifies risks or deviations from targets at an early stage, and makes strategic decisions when necessary.

At the same time, it provides support to the operational project team—for example, in cases of escalation, strategic questions, or internal coordination. In this way, the Steering Committee creates transparency and accountability throughout the project and strengthens cross-departmental collaboration.



7. Control

The company states how and what performance indicators related to sustainability are used in its regular internal planning and control processes. It discloses how suitable processes ensure reliability, comparability and consistency of the data used for internal management and external communication.

We employ an integrated management system within the company to ensure compliance with legal requirements, official regulations, and standards relating to plant and product safety. As part of a continuous improvement process, we set binding targets for ourselves. Each year, we review whether we are on track to achieve these objectives and, if necessary, implement corrective actions. The results are documented in the annual management system report and evaluated by the management board.

We report annually on the development of our key figures for water consumption, waste generation, energy usage, and the utilisation rate of critical (undesirable) substances (see performance indicators 11–13). In the area of occupational health and safety, there are also key figures relating to accident rates, safety-relevant incidents, and health management (see performance indicators 14–16).

Circularity: Circularity We conserve resources and close material cycles.	Environment: Environmental responsibility We protect our environment and promote climate resilience.	People: Health & Wellbeing We act as people for people.
Resource efficiency: Increasing the ratio of usage time / resource use	Minimization of environmental impact: <ul style="list-style-type: none">CO₂ reduction of 20% (800 tons) compared to 2022 (Scope 1.2)Climate neutrality by 2045 (Scope 1-3)Fresh water use for process purposes: Fresh water < 0.2 cbm/to	Protection of people: <ul style="list-style-type: none">Zero reportable accidents at workReduction of the use of toxic, CMR and SVHC substances to less than 0.5%.
Alternatives: 50% use of alternative raw materials, merchandise and packaging for new and further developments	Supply chain: 80% of our key suppliers are approved for compliance with our CoC	Added value: All major product systems have a "sustainability data sheet" to communicate the added value
Avoidance of waste: <ul style="list-style-type: none">Reduction of waste/disposal (manufacturing process and downstream value chain) by 30%100% of all essential business processes evaluated or audited according to Lean Six Sigma		Partnerships: The activities in networks and initiatives contribute to our focus topics
Recyclability: Development of at least one C2C product solution for key applications		Working environment: conducting another employee survey

Key Performance Indicators to criteria 5 to 7

Key Performance Indicator GRI SRS-102-16: Values

The reporting organization shall report the following information:

a. A description of the organization's values, principles, standards, and norms of behavior.



Our overarching values at the Follmann Group are:

Innovation | Appreciation | Sustainability

We have established and published a [sustainability policy](#) on the internet, which defines our values, principles, standards, and codes of conduct:

Our Business Activities

For us, sustainability means aligning our activities with our economic, environmental, and social responsibilities. Sustainable action is a commitment to both present and future generations.

As a family-owned business, we act with foresight, make long-term investments, and do not focus on short-term profit maximisation. Economic success ensures our future viability. We adhere to the sustainability guidelines of the chemical industry in Germany ([Chemie³](#)) and follow the guidelines of the German Chemical Industry Association (VCI) for responsible action ([Responsible Care](#)).

The corporate culture of the Follmann Group is shaped by our three values: **innovation, appreciation, and sustainability**. These serve as signposts and guides for the actions of our employees.

Our Environmental Responsibility

We are aware of our responsibility for environmental protection and strive to minimise our impact on air, soil, and water. As natural resources become increasingly scarce, we aim to use energy, water, and materials as efficiently as possible. Our goal is to continuously improve operational environmental protection as part of environmentally corporate development. We are committed to reducing the generation of waste, emissions, and wastewater. We take our responsibility for climate protection seriously and are dedicated to conserving and efficiently using energy resources. With regard to our products, we strive to develop them in such a way that they cause the lowest possible environmental impact throughout their life cycle. Our efforts regarding environmental and climate protection are further specified in our [environmental policy](#).

Our Social and Societal Responsibility

The source of our success are our competent and motivated employees, who deliver excellent work every day. We invest in the training and development of our employees so that they can realise their personal potential and talents, take on responsibility, and contribute their ideas.

We are responsible for the health and safety of our employees and implement comprehensive preventative measures to protect them from accidents as well as work-related illnesses. This enables us to provide safe workplaces and a working environment where professional and private life can be balanced. We take on social responsibility and are actively engaged in our region by

supporting social and cultural projects and promoting the education of children and young people.

Furthermore, we have joined the [United Nations Global Compact](#) — the world's largest and most important initiative for responsible corporate governance. By doing so, we commit ourselves to integrating the ten principles in the areas of **human rights, labour standards, environment, and anti-corruption** into our corporate strategy and culture.

Our goal is to make an active contribution to a sustainable and just future — for our employees, our partners, and society.

Joining the UN Global Compact is not just a symbol for us, but a clear mandate: we take responsibility. Compliance with the legal regulations and standards applicable to us is an essential and central element of our corporate conduct. Our employees are regularly informed about the legal regulations relevant to them and are obliged to act lawfully and responsibly.

As an internationally active company, we are responsible for respecting human rights worldwide within our sphere of influence and ensuring that our business activities do not violate them. The observance of human rights is indispensable and non-negotiable for us — we therefore also expect our business partners to guarantee the respect of human rights. Our position regarding our social and societal responsibility is also reflected in our [Code of Conduct](#), our fundamental [statement on human rights](#), our [ethics policy](#), and our business partner [code of conduct](#).

8. Incentive Systems

The company discloses how target agreements and remuneration schemes for executives and employees are also geared towards the achievement of sustainability goals and how they are aligned with long-term value creation. It discloses the extent to which the achievement of these goals forms part of the evaluation of the top managerial level (board/managing directors) conducted by the monitoring body (supervisory board/advisory board).

The company's target agreements and compensation systems are aligned with long-term value creation as well as the achievement of defined sustainability goals. All relevant strategic and operational objectives—including environmental, social, and governance aspects—are established in close coordination with the executive management. By integrating sustainability goals into individual target agreements, we ensure that sustainable action is firmly embedded in our corporate management. Progress toward these targets is regularly reviewed and incorporated into the performance evaluation of executives. Since both executive management and managers are responsible for multiple sustainability objectives, assessments are made from an overall sustainability perspective rather than being divided into individual targets.



Key Performance Indicators to criteria 8

Key Performance Indicator GRI SRS-102-35: Renumeration policies

The reporting organization shall report the following information:

- a.** Remuneration policies for the highest governance body and senior executives for the following types of remuneration:
 - i.** Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;
 - ii.** Sign-on bonuses or recruitment incentive payments;
 - iii.** Termination payments;
 - iv.** Clawbacks;
 - v.** Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.

- b.** How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.

Detailed data regarding the compensation policy is not published for data protection reasons.

- Executives receive a base salary and variable compensation in the form of target agreements.
- There are no signing bonuses or recruitment incentives.
- No clawbacks have occurred.
- The company pension scheme is offered through a direct insurance policy. Employees have the opportunity to receive a subsidy for deferred compensation of 20% (the statutory minimum is 15%).

Key Performance Indicator GRI SRS-102-38: Annual total compensation ratio

The reporting organization shall report the following information:

- a.** Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.

The ratio of the annual total compensation of the highest-paid individual to the median annual total compensation for all employees is not disclosed. Disclosure of this ratio could potentially reveal personal



compensation details that are protected under relevant data protection regulations.

9. Stakeholder Engagement

The company discloses how the socially and economically relevant stakeholders are identified and integrated into the sustainability process. It states whether and how an ongoing dialogue takes place with them and how the results are integrated into the sustainability process.

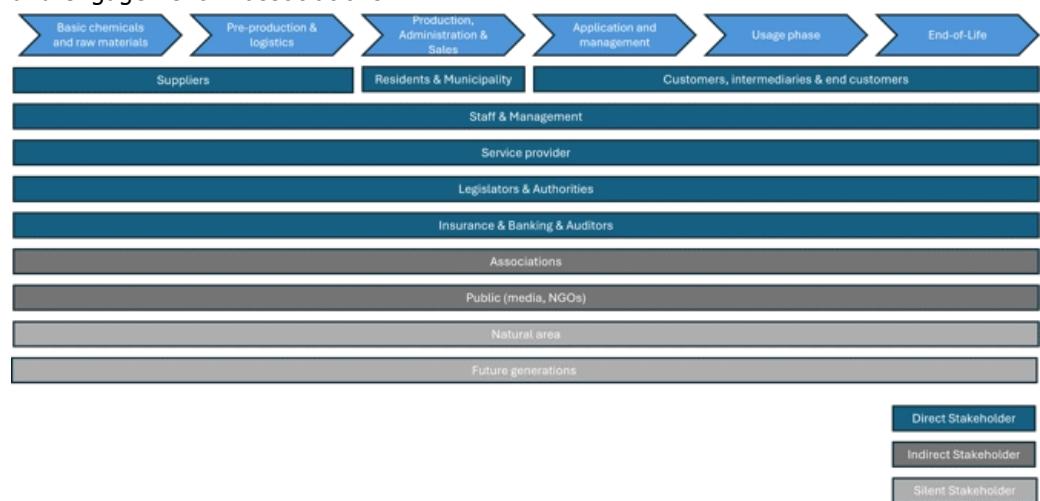
Dialogue with our stakeholders is extremely important to us, as it offers the opportunity to understand different perspectives, critically reflect on our own positions, and take entrepreneurial responsibility more effectively. As a result, stakeholder analysis forms an integral part of our strategy process.

Examples of our stakeholder dialogues include:

Internal: An essential stakeholder group is our workforce. Ongoing communication and participation take place via the works council, regular staff appraisals, meetings, and a suggestion scheme.

Customer interests are incorporated by the sales organisations through our Customer Relationship Management system.

External: Regulatory inspections, third-party audits, neighbourhood dialogue, and engagement in associations.



The stakeholder analysis is regularly updated and reviewed during our internal and external audits.

Key Performance Indicators to criteria 9

Key Performance Indicator GRI SRS-102-44: Key topics and concerns

The reporting organization shall report the following information:

- a.** Key topics and concerns that have been raised through stakeholder engagement, including:
 - i.** how the organization has responded to those key topics and concerns, including through its reporting;
 - ii.** the stakeholder groups that raised each of the key topics and concerns.

As part of the sustainability strategy established within the company and for the purpose of the sustainability report, a comprehensive stakeholder analysis was carried out. The objective was to identify and assess all relevant **sustainability impacts, risks, and opportunities (IROs)** – both from the perspective of **impact materiality** (the company's effects on the environment and society) and **financial materiality** (the effects of sustainability topics on the company's success).

The consideration of stakeholder interests is very well integrated and forms an integral part of the business model. No new relevant stakeholder topics that required additional measures were identified.

Several components were integrated to conduct the analysis: defining the consolidation scope, stakeholder mapping, a strategy for stakeholder engagement, due diligence and risk analysis processes, as well as the determination of a timeframe for materiality. Key (sub-)topics of the European Sustainability Reporting Standards (ESRS) were approved by management and used as a basis for developing company-specific IROs, with particular attention paid to the company context.

Materiality is assessed according to defined criteria such as type (actual or potential), timeframe (short, medium, or long-term), position in the value chain (upstream, downstream, or own activities), severity, and likelihood. Both positive and negative impacts as well as financial opportunities and risks are equally considered.

A matrix was introduced for the assessment (see point 2, Materiality), combining the extent (scale 0–5) with the likelihood of occurrence (0–100%). The determination of the materiality threshold is consistent and cross-topic: all aspects assessed as at least "medium" (from 3 upwards) – in terms of both impact and financial materiality – are considered material.

This ensures that resources are focused on those topics where the company has the greatest leverage to achieve its sustainability objectives.

No new material topics arose during the reporting year.



10. Innovation and Product Management

The company discloses how innovations in products and services are enhanced through suitable processes which improve sustainability with respect to the company's utilisation of resources and with regard to users. Likewise, a further statement is made with regard to if and how the current and future impact of the key products and services in the value chain and in the product life cycle are assessed.

Digitalisation as a Lever for Sustainable Development

As part of the strategic Business Excellence programme, a group-wide project management system was developed in 2024, which has been gradually introduced since early 2025 using the IT tool Project Navigator. The aim is to improve transparency, management, and efficiency of projects across all company areas. The Project Navigator thus becomes a central component in linking our innovative capacity with ecological responsibility and advancing sustainable product solutions along the entire value chain.

Our Sustainability Strategy

In 2024, a comprehensive sustainability strategy was developed with the involvement of an interdisciplinary team of around 60 employees. This strategy provides the framework for our business activities from ecological, social, and economic perspectives.

For us, sustainability is not a short-term trend but a conscious and long-term path. With our strategy, we take responsibility – for the environment, for our employees, and for a future-oriented economy.

Our strategy is based on clear principles:

- **Resource efficiency and circular economy:** We focus on alternative raw materials, goods, and packaging to avoid waste. The recyclability of our products is continuously improved – with the aim of achieving a circular economy.
- **Reducing environmental impact and strengthening climate resilience:** We minimise environmental impacts at all stages of the product lifecycle – from production to use. Transparency and resilience along the supply chain are key elements of our strategy.
- **Focus on People:** We promote an open, innovative working environment, build sustainable partnerships, and support our customers in achieving their sustainability goals.
- **Participation by all:** Sustainability begins in everyday life. Every contribution counts – whether through mindful use of resources, new ideas, or participation in workshops.



Our goal is to shape a liveable future together – with solutions that are ecologically, economically, and socially sustainable. The implementation of this strategy is a significant step for our company and requires the commitment of all employees. Two overarching themes accompany our sustainability transformation, regardless of individual projects:

1. The **integration of sustainability aspects into all company processes**.
2. The **communication of the sustainability strategy** – both internally and externally, at group and company level.

To effectively spread our messages and set a sign for change, we have consciously chosen the internal motto "**For our Future-Us**". It stands for the conviction that change is necessary and positive – it opens up new opportunities.

**Who shapes forward-looking change? – We do!
Who benefits from it? – Our Future-Us!**

We have ambitious goals: From circularity and environmental responsibility to health and well-being, we are developing a future-proof portfolio of solutions with genuine added value – for ourselves and our customers.

Our approach follows the formula of positive contribution: We reduce our environmental footprint while simultaneously increasing societal benefit. In this way, we create added value for our customers through innovative approaches and strengthen our market position.

This means that our Innovation Centre takes sustainability aspects into account when prioritising projects and, among other things, works with the Product Responsibility List (see Chapter 11). Recording and optimising the CO₂ footprint of raw materials and improving the CO₂ balance of our product portfolio are ongoing objectives. The focus is on optimising the ratio of benefit to resource consumption.

Key Performance Indicators to criteria 10

Key Performance Indicator G4-FS11

(report also in accordance with GRI SRS): Percentage of assets subject to positive and negative environmental or social screening.
(Note: the indicator should also be reported when reporting to GRI SRS)

The Follmann Chemie Group currently does not hold any financial assets that require such a screening.

Criteria 11–20: Sustainability Aspects

Criteria 11–13 concerning ENVIRONMENTAL MATTERS

11. Usage of Natural Resources

The company discloses the extent to which natural resources are used for the company's business activities. Possible options here are materials, the input and output of water, soil, waste, energy, land and biodiversity as well as emissions for the life cycles of products and services.

We are acutely aware of our responsibility to protect the environment. The resources used in the areas of raw materials, water, waste, energy, as well as emissions, are recorded, assessed, and continuously optimised as part of our sustainability management.

Of particular importance are the chemical raw materials used, primarily organic chemicals.

As part of our sustainability strategy, we recognise our responsibility for health and environmental protection with regard to our own employees, our customers, and all other actors in the downstream value chain. Our aim is to ensure and continuously improve the protection of people and the environment during the manufacture, processing, and use of our products.

To this end, we manage the use of particularly hazardous or otherwise undesirable substances with a "[Product Responsibility List](#)" (PRL). The Follmann Group is committed to complying with this PRL, which is a negative list. It defines clear criteria for identifying substances considered undesirable in raw materials and traded goods. The substances listed in the PRL possess properties that may pose risks to human health or the environment and are subject to current or anticipated regulatory measures. Each substance or substance group in this negative list is assigned a level.

- Level 1: Prohibited use
- Level 2: Active phase-out
- Level 3: Restricted use and proactive substitution
- Level 4: (Internal) labelling and monitoring

This list includes not only regulated substances and substance groups with legally established application and usage restrictions, such as toxic and CMR raw materials (carcinogenic, mutagenic, or toxic to reproduction) and Substances of Very High Concern (SVHC) from the REACH candidate list, but



also other substances that may potentially be regulated in the future. We also include substances that are considered undesirable by relevant stakeholders such as customers and certifiers for various reasons. The list is regularly updated, and the progress of avoidance measures, necessary actions, and where applicable, the classification of substances are monitored at monthly material compliance meetings of the specialist departments. The results are reported to the Sustainability Steering Committee.

Due to our business model, environmental impact in the areas of soil, land, and our services is not significant and is therefore not part of this report. The main production site in Minden plays a dominant role, as the essential resource consumption and thus the most significant optimisation potentials, with few exceptions, are attributable to this location. As a result, most KPIs and targets refer to this site, which makes responsibilities for the involved departments and individuals clearer, more specific, and thus easier to implement.

Natural resources are becoming increasingly scarce; therefore, we aim to use raw materials, energy, and water as efficiently as possible. This is anchored in our sustainability strategy and the associated [policies](#). For a chemical company, the use of partially hazardous chemicals entails particular responsibility. In terms of environmentally sound corporate development, the continuous improvement of operational environmental protection is of special significance. Details regarding the use of raw materials, water and wastewater, energy, and waste can be found in Chapter 12. Greenhouse gas emissions are covered in Chapter 13.

Our production activities lead to emissions in the form of dust and volatile organic compounds (VOC). Our permits (in accordance with the Federal Immission Control Act, BImSchG) specify limit values for VOC, dust, and various individual substances. We are required to ensure compliance with these limit values every three years through measurements carried out by an accredited external measurement institute.

Volatile organic compounds arise from the use of carbon-based raw materials in our production processes. Exhaust air from the construction chemicals production, microencapsulation, and polymerisation areas is routed through a regenerative thermal oxidiser (RTO) to minimise VOC emissions and odours. The calculated estimate of total site VOC emissions based on spot measurements and plant operating times results in a value in the range of 3 to 5 tonnes per year.

Dust emissions occur in our production areas through the use of powdery raw materials, such as pigments and fillers. In all production areas where we use powdery raw materials, we have installed high-performance dust filtration systems. As a result, our emitted dust quantities are very low and currently amount to less than 100 kilograms per year.



12. Resource Management

The company discloses what qualitative and quantitative goals it has set itself with regard to its resource efficiency, in particular its use of renewables, the increase in raw material productivity and the reduction in the usage of ecosystem services, which measures and strategies it is pursuing to this end, how these are or will be achieved, and where it sees there to be risks.

As part of our strategy development, we have set both quantitative and qualitative sustainability-related targets, which we have documented in our policies and published on our website. In our internal management system report, we document the degree to which these targets have been achieved, as well as the effects of individual measures and their implementation. This also applies to compliance with legal requirements, regulatory obligations, and demands for plant and product safety. We proactively work on solutions, respond specifically to problems, and address the issues in a structured manner. For reasons of competition law, we do not provide all details here. Our goals are to protect the environment, promote climate resilience, conserve resources, and close material cycles. In our [environmental policy](#), we have formulated the following medium-term goals to be achieved by 2030:

- Reduction of fresh water use for process purposes
⇒ Fresh water consumption < 0.2 [cbm/ton of product produced]
- Optimization of the recyclability of our products and solutions at end-of-life
⇒ Development of at least one cradle-to-cradle product solution for key applications
- We aim to keep the amount of waste as low as possible in the long term.
⇒ Waste indicator target < 3.5% [tons of waste/ton of product produced]
- Minimization of environmental impacts during the manufacture, processing, transport, and use of our products
⇒ Climate neutrality by 2045 for Scope 1-3
⇒ Reduction of VOC emissions and fine dust emissions
- Development of resource-efficient solutions in the use of our products
⇒ Increase our positive environmental contribution (ratio of service life to resource use)
⇒ 50% use of alternative raw materials, traded goods, and packaging in new and further developments
- Avoidance of waste along the value chain
⇒ Reduction of disposals within the manufacturing process and the downstream value chain by 30%;
- furthermore, the key business processes are to be evaluated or reviewed according to Lean Six Sigma



- Creation of transparency and resilience along the supply chain
⇒ 80% of our key suppliers are audited for compliance with our [Code of Conduct](#)

The main resource-related risks lie in the potentially poor availability of alternative raw materials and in unforeseeable drastic cost shifts between the energy sources gas and electricity.

Further details, measures, and strategies are reported in the sections on the respective performance criteria due to thematic overlap and for better readability.

Key Performance Indicators to criteria 11 to 12

Key Performance Indicator GRI SRS-301-1: Materials used

The reporting organization shall report the following information:

- a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:
 - i. non-renewable materials used;
 - ii. renewable materials used.

Raw Material Management

Due to the business model, the raw materials used—particularly organic chemicals—are the most important resource employed by the corporate group. The qualitative optimization of raw material consumption based on their hazard potential and ecological footprint, as well as efficiency improvements along the entire value chain, are key elements of the sustainability strategy. Raw material selection begins with the sample request process, which ensures that all regulatory and technically relevant information about a raw material is collected and centrally documented. This information is gathered through a comprehensive product questionnaire covering topics such as REACH, allergens, and the proportion of bio-based ingredients. Approval and thus procurement of a raw material only occur after the relevant department has reviewed regulatory compliance.



GRI SRS-301-1

Materials used [t]

2021 2022 2023 2024

Raw materials [t]	Follmann Group EU, CH and UK	58.127	53.316	46.373	51.346
Percentage of undesirable raw materials (PRL) Minden (target 2030 < 0.5%)*			1,20%	0,96%	0,89%
Packaging [Percentage of purchase volume]	Follmann Group EU, CH und UK	6,5%	7,4%	8,9%	8,5%
sonstige Handelswaren [Anteil vom EK-Volumen]	Follmann Group EU, CH and UK	4,1%	3,6%	4,5%	4,7%

* The target (< 1% in 2024) was lowered to < 0.5% for 2030 in 2024.

Currently, it is not yet possible to evaluate the proportion of renewable materials used.

For our use of raw materials, our goal is to minimise the quantities of critical or undesirable substances in accordance with our [Product Responsibility List](#) (see Chapter 11 Utilisation of Natural Resources). We strive to avoid these substances as much as possible. As part of our management practices, we ensure that substances identified as critical are only used in exceptional cases. The key metric is the percentage share of undesirable raw materials in the total purchasing volume of chemical raw materials and traded goods. Since 2023, this figure has been below 1%, meaning we have achieved our current target. As part of our sustainability strategy, we have set ourselves the ambitious goal of reducing the use of critical substances to less than 0.5% by 2030, which represents a halving of the present target value of less than 1%.



Key Performance Indicator GRI SRS-302-1: Energy consumption
The reporting organization shall report the following information:

- a.** Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.
- b.** Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.
- c.** In joules, watt-hours or multiples, the total:
 - i.** electricity consumption
 - ii.** heating consumption
 - iii.** cooling consumption
 - iv.** steam consumption
- d.** In joules, watt-hours or multiples, the total:
 - i.** electricity sold
 - ii.** heating sold
 - iii.** cooling sold
 - iv.** steam sold
- e.** Total energy consumption within the organization, in joules or multiples.
- f.** Standards, methodologies, assumptions, and/or calculation tools used.
- g.** Source of the conversion factors used.

The total energy consumption of the Group, broken down by location, energy source and use, is listed in the following table. Heating, steam or cooling energy is not sold. Only the share of electricity generated by photovoltaic systems that cannot be used on site due to generation times is fed into the grid. However, these quantities are not significant and are not part of the business model.



GRI SRS-302-1

Energy consumption [MWh]

2021 2022 2023 2024

Total energy consumption of the Follmann Group in the EU, Switzerland and the UK		30.973
Total energy consumption Minden		32.452
Electricity		9.247
	Electricity purchased from the utility company	6.076
	Electricity generated on-site by CHP units	3.160
	Self-generated electricity (PV)	17
	Self-generated electricity (PV)	-6
Gas		22.630
	CHPs	10.266
	Heat generation	12.364
Heating oil/diesel		194
Liquefied gas	Forklift	579
Company vehicles		
DE	Diesel/petrol	2.963
Total energy consumption Sealock UK		1.009
Electricity		478
	Electricity purchased from the utility company	354
	Self-generated electricity (PV)	185
	Electricity fed in	-61
Gas		418
Heating oil/diesel		28
Liquefied gas	Forklift	12
Company vehicles	Diesel/petrol	72
Total energy consumption [MWh] Distribution companies excluding Minden		1.415
Electricity		171
	Electricity purchased from the utility company	140
	Self-generated electricity (PV)	38
	Electricity fed in	-7
Gas		72
Company vehicles	Diesel/petrol	1.172

The figures for 2021–2023 apply only to the Minden site. For 2024, values from the production company Sealock in the UK as well as the sales companies in the UK, Switzerland, Austria, Belgium, the Netherlands, France, Poland and Italy were recorded for the first time.

Energy consumption generated by office use was recorded as far as data was available. However, the initial data collection, country- and company-specific

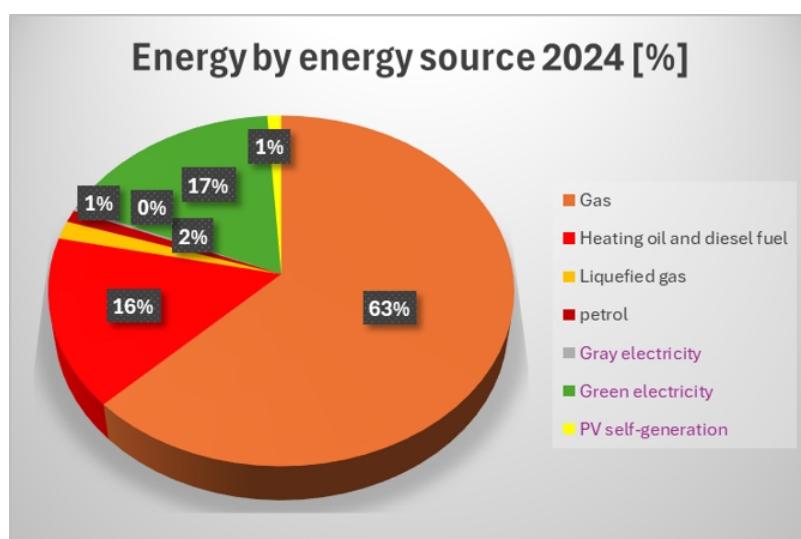
differences in utility billing, as well as the use of home office, rental contracts with flat-rate energy costs and the use of private cars with flat-rate kilometre reimbursement mean that the data is subject to greater uncertainties than the data from the Minden site. In the sales companies, vehicle emissions are particularly significant. Due to the large proportion of the Minden site in the corporate group's ecological footprint, these uncertainties do not significantly affect the overall picture.

Fleet

In 2024, 244 vehicles (EU, Switzerland and UK) were in operation. Of these, 195 had combustion engines (diesel and petrol) and 49 were electrically powered vehicles (fully electric and hybrid). During the reporting year, six additional charging points were installed in Minden and customers were also given the opportunity to charge their vehicles.

The charging of electric vehicles varies considerably. Charging often takes place at company premises, but also at private and public charging stations. The recording of electricity consumption and the calculation of any Scope 2 emissions, when vehicles are not charged with green electricity, is still not reliable. Therefore, the electricity quantities used to charge electric vehicles outside the company networks were not taken into account.

The following illustration shows the energy mix for the reporting year 2024. Special attention is paid to energy use and energy mix.



As a society, we are undergoing a transformation from the use of almost exclusively fossil fuels to renewable energies, which are primarily generated as electricity (solar, wind).

At the Minden production site, the use of combined heat and power plants (CHP), which cover about one-third of Minden's electricity needs as a byproduct with an efficiency of approximately 86%, currently represents the most efficient technology for utilizing fossil gas as an energy source.

The carbon footprint for this electricity generation is about 230 g CO₂e/kWh*, which is lower than that of a gas-fired power plant and, of course, much lower



than that of a coal-fired power plant. Additionally, at the time the plants were built, the electricity mix in Germany had a carbon intensity of over 400 g CO₂e/kWh, which, due to the increasing share of renewable energy in the 2024 electricity mix, has now fallen to [363 g CO₂e/kWh](#) and is still significantly higher than that of the CHP plants.

Thus, these plants make a substantial contribution not only to the efficient use of the fossil energy source natural gas but also to CO₂ reduction.

As we move away from fossil fuels, on-site and regional power generation, as well as heat pumps, are becoming increasingly important for energy efficiency. Follmann is addressing this transformational challenge.

* CO₂ allocation according to the IEA (International Energy Agency) method

Key Performance Indicator GRI SRS-302-4: Reduction of energy consumption

The reporting organization shall report the following information:

- a.** Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.
- b.** Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.
- c.** Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.
- d.** Standards, methodologies, assumptions, and/or calculation tools used.

Energy Management

Energy use and energy efficiency are continuously and systematically improved as part of the certified energy management system in accordance with DIN ISO 50001.

Energy efficiency measures are an ongoing task at the production sites in Minden and Sealock (UK) and are generally maximized within the framework of energy management. Typically, the energy savings achieved can only be estimated, since conditions such as equipment operating times change from year to year.

The following table lists the key energy-saving measures implemented during the 2024 reporting year, which are monitored by the respective energy team. Actions such as motivating employees to save energy or using more efficient vehicles are not recorded individually. The same applies to many continuous improvement measures.



GRI SRS-402-4

Energy saving measures

Measures to improve energy efficiency		Expected annual energy savings [MWh]		
Compressed air generation		224,6		
Minden		53,1		
Minden	Leakage minimization	24,8	Electricity	
	Pressure band adjustment	13,6	Electricity	
Sealock	Compressor replacement and conversion to frequency control	14,7	Electricity	
Lighting		48,9		
Minden	Switching to LED	41,0	Electricity	
Sealock	Switching to LED	7,9	Electricity	
Efficiency improvement through modernization of plants		122,6		
Minden		81,4	Electricity	
Sealock		41,2	Electricity	

Compressed Air Systems

A key focus is on the generation of compressed air. There are significant potential savings to be realized during ongoing operations.

- Modernization of systems (e.g., frequency-controlled compressors, more efficient equipment)
- Leak repair
- Optimization of controls Pressure reduction

Lighting

Old lighting fixtures are being replaced with modern, energy-saving LEDs. For new buildings, conversions, and renovations, intelligent control systems are also being installed.

Modernization

- More modern motors, cooling systems and production equipment, as well as updated production concepts, generally offer better energy efficiency than older equipment.



Key Performance Indicator GRI SRS-303-3: Water withdrawal
The reporting organization shall report the following information:

- a.** Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:
 - i.** Surface water;
 - ii.** Groundwater;
 - iii.** Seawater;
 - iv.** Produced water;
 - v.** Third-party water.
- b.** Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable:
 - i.** Surface water;
 - ii.** Groundwater;
 - iii.** Seawater;
 - iv.** Produced water;
 - v.** Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv.
- c.** A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories:
 - i.** Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids);
 - ii.** Other water ($> 1,000$ mg/L Total Dissolved Solids).
- d.** Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

The company uses water from the local water supplier (GRI SRS-303-3-v) at all locations. At the Minden site, groundwater (GRI SRS-303-3-ii) that does not meet drinking water standards is also used for cooling purposes.



GRI SRS-303-3

Water [Ml]

2021 2022 2023 2024

Water consumption of the Follmann Group in the EU, CH and UK [ml = tm³] (excluding home office)					27,78
	Minden				
		Freshwater	26,14	23,95	22,05
	Water indicator [m ³ /t]	Process water / production quantity	0,26	0,25	0,24
		Well water for cooling purposes	2,87	1,99	1,02
		Wastewater	18,50	17,27	15,76
					17,80
	Sealock				
		Freshwater			1,42
		Wastewater			0,40
	Sales companies excluding Minden				
		Freshwater *			0,23
		Wastewater *			0,20

* Quantities are not complete, as in some office space rental agreements water and sewage are billed as a flat rate and not recorded.

Wastewater volumes are not measured directly, but are calculated. For example, this is done by taking the amount of water sourced and subtracting the quantities of water that are incorporated into products, such as aqueous dispersions, as part of their formulation. At the sales companies, water usage is often included as part of lump-sum office rental agreements and is therefore not quantified. As a result, there are uncertainties in the data. In addition, water consumption in home offices is not recorded.

Water usage

As a chemical company manufacturing water-based products, water is an essential raw material for us. Sustainable water management is a key component of our operational environmental protection. Compliance with requirements for the discharge of our wastewater, minimising the amount of water used in order to conserve resources, and the protection of soil and groundwater are fundamental elements of our activities. These principles are enshrined in our sustainability and environmental policy, and we have set ourselves both strategic and operational targets.

Our water requirements are mainly met by drinking water from the municipal supply network in Minden. Water is used as a raw material in products, for cleaning purposes in operations, as a cooling medium, as boiler feedwater for steam generation, and as sanitary water (toilets, showers, kitchens). For the operation of the cooling system at our energy station, we partly use well water. In our in-house pre-treatment plant for wastewater, we use so-called "grey water" (i.e. already used water) to prepare the lime solution needed for

precipitation in wastewater treatment, reusing approximately 1,000 m³ per year. For cooling purposes and steam generation, water is circulated as far as possible. We also require water for rinsing after caustic cleaning of mixing tanks and containers. This rinse water is treated by distillation and thus recirculated.

The 5% increase in freshwater consumption in 2024 in Minden is primarily attributable to the additional water required for construction during the erection of a new production hall. When setting targets, we focus on process water demand. By process water, we mean the use of freshwater for cleaning, cooling and steam generation. Through various measures (use of well water, minimising the use of freshwater for cooling, etc.), we aim to keep usage as low as possible and have introduced a water key performance indicator (WPI) of process water consumption per production volume. As we have reliably achieved the target WPI of < 0.3 m³/t in recent years, we have set ourselves the ambitious goal of reaching a WPI of < 0.2 m³/t for the year 2030.



Wastewater

Our wastewater mainly consists of operational wastewater (from cleaning processes), sanitary wastewater (toilets, showers, kitchens), as well as wastewater from the steam plant. The volume of wastewater correlates with the amount of freshwater consumed; therefore, we have not set a quantitative target in this area.

Compliance with the indirect discharge limits for the wastewater from our in-house pre-treatment facility is of utmost importance to us. The limits for indirect discharge of our pretreated operational wastewater are regularly monitored through analyses conducted by accredited laboratories. If an exceedance of any parameter is detected, we immediately identify the cause and implement short-term corrective measures.



Key Performance Indicator GRI SRS-306-3: Waste generated
The reporting organization shall report the following information:

- a.** Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste.
- b.** Contextual information necessary to understand the data and how the data has been compiled.

Industrial waste is generated exclusively at the manufacturing sites in Minden and in the UK (Sealock). The basis for tracking is the waste code numbers and disposal invoices. In the UK, billing is based on volume (container fill level). Here, the weight was estimated using a typical residual waste density of [0.091 \[t/m³ residual waste\] per 1m³ container](#).

At the sales companies, waste is largely limited to municipal waste, for which the weight is not recorded. The same applies to leftover products or empty containers. In these cases, no estimate of the quantities was made.

GRI SRS-306-3		2021	2022	2023	2024
waste [t]					
Waste generated by Follmann production companies in Germany and the UK					2.479
Minden	Total waste	2.595	2.041	2.280	2.235
	Percentage for elimination (target < 40%)	27%	44%	52%	51%
	Percentage waste for recycling	73%	56%	48%	49%
	Percentage of hazardous waste	36%	41%	34%	38%
	Waste indicator (target < 3.5%)	4,2%	3,7%	4,6%	4,3%
Sealock	Total waste				244
	Percentage for elimination*				76%
	Percentage waste for recycling*				24%

* Quantities are extrapolated because invoicing is based on volume or the number of containers removed.

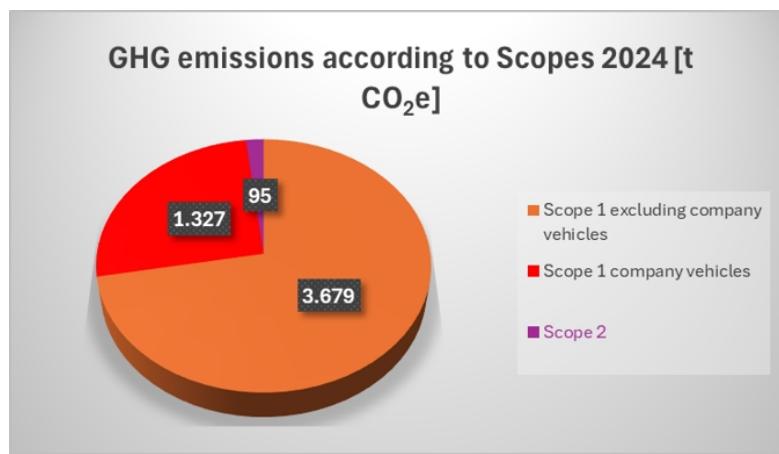
At the Minden site, more than 40 different types of waste were generated in 2024, with a total volume of 2,235 tonnes. The disposal companies we commission, along with their disposal routes, undergo thorough scrutiny before any contract is awarded. We also regularly review the disposal routes for all waste fractions, giving priority to recycling wherever it is economically viable. However, we did not meet our target for a disposal rate of less than 40% of total waste volume in 2024. The waste metric relates to production output, and here our ambitious goal is less than 3.5%. Unfortunately, this target was not achieved in 2024.



13. Climate-Relevant Emissions

The company discloses the GHG emissions in accordance with the Greenhouse Gas (GHG) Protocol or standards based on it and states the goals it has set itself to reduce emissions, as well as its results thus far.

The company's Scope 1 and 2 greenhouse gas emissions are solely energy-related.



We are contributing to the German federal government's goal of achieving greenhouse gas neutrality by 2045. Since reaching climate neutrality by 2045 is only possible if the raw materials we use are also produced in a climate-neutral manner, we have joined the [Chemistry4Climate](#) initiative. This initiative, in collaboration with policymakers and the chemical industry, identifies the necessary framework and measures to reach the targets. For our strategic and quantified greenhouse gas reduction targets, we have



aligned with the Climate Protection Act, which mandates a reduction of CO₂ emissions by approximately 37% for the industry between 2020 and 2030. One significant step was switching the Minden site to green electricity, which alone almost fulfilled the requirements of the Climate Protection Act. However, our goals are even more ambitious: by 2030, greenhouse gas emissions at the Minden site are to be reduced by an additional 20%. The major challenge is phasing out gas as an energy source, which is currently used in combined heat and power plants for electricity generation. We plan to fully electrify building heating using heat pumps. For high-temperature requirements, we are currently evaluating the efficiency and capital needs of electric alternatives.

For further information, please refer to Performance Indicators 13.

Key Performance Indicators to criteria 13

Key Performance Indicator GRI SRS-305-1: Direct (Scope 1) GHG emissions

The reporting organization shall report the following information:

- a.** Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent.
- b.** Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ or all.
- c.** Biogenic CO₂ emissions in metric tons of CO₂ equivalent.
- d.** Base year for the calculation, if applicable, including:
 - i.** the rationale for choosing it;
 - ii.** emissions in the base year;
 - iii.** the context for any significant changes in emissions that triggered recalculations of base year emissions.
- e.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
- f.** Consolidation approach for emissions; whether equity share, financial control, or operational control.
- g.** Standards, methodologies, assumptions, and/or calculation tools used.

See data for "Performance Indicator GRI SRS-305-2: Indirect energy-related greenhouse gas emissions (Scope 2)"

Key Performance Indicator GRI SRS-305-2: Energy indirect (Scope 2) GHG emissions

The reporting organization shall report the following information:

a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.

b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.

c. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.

d. Base year for the calculation, if applicable, including:

i. the rationale for choosing it;

ii. emissions in the base year;

iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

f. Consolidation approach for emissions; whether equity share, financial control, or operational control.

g. Standards, methodologies, assumptions, and/or calculation tools used.

The following table shows the greenhouse gas emissions for Scope 1 and Scope 2 of the corporate group in [t CO₂e].

No renewable energy carriers are used in the company. Excluding non-quantified biodiesel shares in diesel fuel, there are therefore no biogenic CO₂ emissions.

At the main production site in Minden, this key figure has also been routinely recorded for years as part of energy management. The data quality is very high and is based on energy invoices or measured energy consumption. To calculate greenhouse gas emissions, the latest (as of 20/05/2025) emission factors and conversion factors published by the Federal Ministry for Economic Affairs and Energy in the "[Information Sheet on CO₂ Factors](#)" were used.

These emission factors in CO₂e take into account all climate-active gases.

The greenhouse gas emissions of company vehicles are based on the information provided by contract partners regarding the fuel cards used, as well as fuel invoices. Here, the data are less precise and in some cases



extrapolated.

For the production company Sealock in the UK as well as the sales companies (EU and UK), greenhouse gas emissions were recorded for the first time. Therefore, no historical data is available. In the sales companies, vehicle emissions are particularly significant. Greenhouse gas emissions generated by office use were recorded where available. Due to country- and company-specific differences such as the use of home office, rental contracts with flat rates for energy costs, and the use of private cars with flat-rate kilometre allowances, a comparison of Scope 1 and 2 emissions between the companies is only meaningful to a limited extent, as the differences mentioned mean that certain greenhouse gas emissions fall under Scope 3 and in individual cases are difficult to determine. However, due to the high share of the Minden site in the corporate group's ecological footprint, these uncertainties do not significantly affect the overall picture of the data provided.

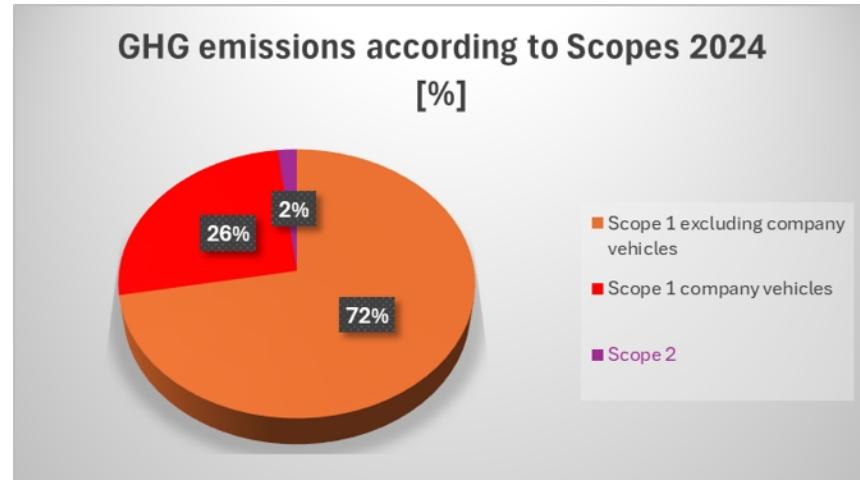
GRI SRS-305-1 (Scope 1) and **GRI SRS-305-2** (Scope 2)

GHG-Emissions [t CO₂e]

2021 **2022** **2023** **2024**

GHG emissions Scope 1+2 of the Follmann Group EU, CH and UK		5.100			
Scope 1	Minden	5.117	4.866	4.503	4.575
	Gas	4.132	3.848	3.408	3.417
	Heating oil/diesel	52	42	39	42
	Liquefied gas	136	119	111	120
	Company vehicles DE	797	857	945	996
Scope 2	Minden	2.278	0	0	0
	Electricity purchase	2.278	0	0	0
Scope 1	Sealock UK				105
	Gas				76
	Heating oil/diesel				7
	Liquefied gas				3
	Company vehicles DE				19
Scope 2	Sealock UK				89
	Electricity purchase				89
Scope 1	Vertriebsgesellschaften ohne Minden				324
	Gas				13
	Heating oil/diesel				0
	Company vehicles				311
Scope 2	Sales companies excluding Minden				6
	Electricity purchase				6

The indirect Scope 2 emissions (electricity consumption) are based on data provided by the energy suppliers and are therefore market-based. At the Minden site (since 2022) and at several sales locations, green electricity is used.



Key Performance Indicator GRI SRS-305-3: Other indirect (Scope 3) GHG emissions

The reporting organization shall report the following information:

- a.** Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent.
- b.** If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.
- c.** Biogenic CO₂ emissions in metric tons of CO₂ equivalent.
- d.** Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.
- e.** Base year for the calculation, if applicable, including:
 - i.** the rationale for choosing it;
 - ii.** emissions in the base year;
 - iii.** the context for any significant changes in emissions that triggered recalculations of base year emissions.
- f.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
- g.** Standards, methodologies, assumptions, and/or calculation tools used.

In the reporting year 2024, the focus was on expanding the scope of reporting

to include the sales companies and Sealock.

Due to the immense complexity, Scope 3 emissions are not yet recorded. Here, our purchased raw materials and their footprint are particularly significant, but our possibilities for influence and reduction are also very limited. As such, we are currently concentrating on reducing Scope 1 and 2 emissions.

A gradual collection of Scope 3 emissions is planned by 2030.

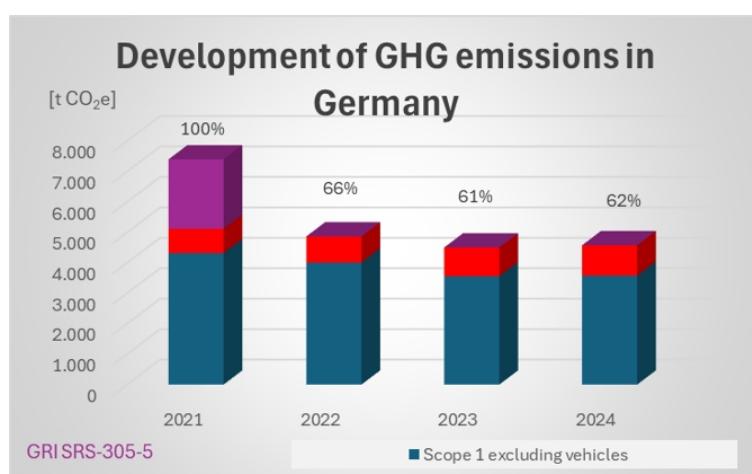
We are approaching this topic by requesting environmental data from suppliers, carrying out lifecycle assessments (LCAs) and product carbon footprints (PCFs) for specific products.

Key Performance Indicator GRI SRS-305-5: Reduction of GHG emissions

The reporting organization shall report the following information:

- a.** GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO₂ equivalent.
- b.** Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.
- c.** Base year or baseline, including the rationale for choosing it.
- d.** Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).
- e.** Standards, methodologies, assumptions, and/or calculation tools used.

Greenhouse gas emissions at the main production site in Minden are of particular significance for the group of companies. Robust historical data is also available for this site.



The year 2021 was selected as the base year for greenhouse gas development.



Indirect Scope 2 greenhouse gas emissions were reduced to zero at the Minden site in 2022 by switching to green electricity.

Through efficiency improvements in energy use, we were able to reduce Scope 1 emissions at the Minden site (excluding vehicles) by 11% compared to 2022. Our target is a 20% reduction by 2030. In addition to further efficiency projects, increasing the proportion of electric vehicles is intended to contribute to the reduction of Scope 1 emissions.

In 2024, the share of electric vehicles (including sales companies) was 20%. We have set ourselves the target of achieving climate neutrality by 2045 (Scope 1-3). With regard to the CO₂ footprint of raw materials, this goal can only be achieved as part of a sector-wide and cross-industry decarbonisation of the supply chain. For this, appropriate framework conditions must be created and set by policymakers and business. The necessary scenarios for this were developed as part of the [Chemistry4Climate](#) initiative.

Criteria 14–20 concerning SOCIETY

Criteria 14–16 concerning EMPLOYEE-RELATED MATTERS

14. Employment Rights

The company reports on how it complies with nationally and internationally recognised standards relating to employee rights as well as on how it fosters staff involvement in the company and in sustainability management, what goals it has set itself in this regard, what results it has achieved thus far and where it sees risks.

The employees of the Follmann Group are the most important success factor of the company group, and their rights must be protected and upheld. At present, based on the points described below, we do not see any risks; rather, the active exercise of employee rights is a positive location factor and a real advantage for the company.

The Follmann Group operates mainly in Germany and Europe, and is committed to complying with national and European laws regarding employee rights, anti-discrimination, as well as health and occupational safety. Our specific objectives are set out in our [ethics policy](#), to which we refer here. We have joined the "[Charta der Vielfalt](#)" (Diversity Charter) and the [UN Global Compact](#), observe the ten universal business principles and align our activities with the 17 Sustainable Development Goals (SDGs).

The following **employee rights** are therefore self-evident for us:

Companies should uphold the freedom of association and the effective recognition of the right to collective bargaining.

- We respect our employees' right to form or join trade unions freely and voluntarily. We also respect our employees' right to organise and, in particular, to negotiate collectively on the preservation, promotion and shaping of economic, wage and working conditions.
- Wages, working hours and social benefits: We ensure a fair and adequate remuneration policy (living wages) above the local minimum wage level, including statutory social benefits, and comply with the respective national labour time regulations.
- Work-life balance: We support various working time models within the bounds of operational possibilities and thus contribute to the



reconciliation of work and family life for our employees.

Companies should work towards the elimination of discrimination in employment and occupation.

- We value diversity in our workforce and make personnel decisions free from prejudice. We actively oppose discriminatory actions, especially on the grounds of ethnic, national and social origin, skin colour, gender, age, religion and belief, political activity, membership in an employee organisation, disability, sexual orientation or other personal characteristics.
- Leadership and interaction with employees: Fairness, appreciation and professionalism are important to us in our interactions with each other and externally. Fairness is the basis for all cooperation. We value every single one of our employees.
- Training and qualification: We invest in research and development as well as in people and processes. We offer young people a wide range of training opportunities in appropriate scope to enable them to start their careers successfully. We also offer all our employees opportunities for development through specialist and interdisciplinary further training.

Our Minden works council, which represents the employees of Follmann Group, Triflex GmbH & Co. KG and Follmann GmbH & Co. KG, is involved in almost all key company processes.

Since 2014, we have also had a special body representing all young people and trainees at the Minden site. Together with the works council, the youth and trainee representation (JAV) is there for young employees and trainees and represents their interests.

Furthermore, our representative body for disabled employees (SBV) promotes the participation of people with disabilities in working life in our company and represents the interests of our employees with disabilities.

As a manufacturing chemical company, we have a dedicated "Environment & Safety" department, which deals with environmental protection, occupational safety and product safety. This department is also the contact point for employees on these matters.

The Follmann Group attaches great importance to the active involvement of its employees in sustainability management. To promote transparency and participation, information on planned and implemented sustainability activities is regularly published on the internal SharePoint platform. In this way, all employees are informed about current developments, projects and successes in the field of sustainability and encouraged to participate.

To support open dialogue, a dedicated e-mail address has also been set up through which employees can submit their ideas, suggestions and proposals on sustainability topics. In this way, the Follmann Group creates a transparent and participative communication culture that enables sustainability to be developed jointly and continuously. To ensure a unified approach and common understanding of sustainability throughout the company, a company-wide sustainability guideline for the management level has been developed. This

guideline defines the key areas of action, principles and responsibilities in the field of sustainability and serves as a binding framework for all managers. It helps the management to consistently integrate sustainability aspects into strategic decisions, operational processes and daily actions. In this way, ecological, social and economic objectives are equally taken into account.

15. Equal Opportunities

The company discloses in what way it has implemented national and international processes and what goals it has for the promotion of equal opportunities and diversity, occupational health and safety, participation rights, the integration of migrants and people with disabilities, fair pay as well as a work-life balance and how it will achieve these.

Appreciation and respect for our employees are essential parts of our corporate culture. We value diversity, promote equal treatment of all employees, and ensure equal opportunities in employment.

By formulating an [ethics policy](#) for the group of companies, we have underscored the importance of these topics. Our [Code of Conduct](#) further specifies these principles and translates them into everyday actions. Our policies set out concrete goals that we aim to achieve by 2030.

Our employees and their diversity are a competitive advantage for us. That's why we foster an open corporate culture, value each person's individual performance, and support their development. We promote work-life balance as well as the inclusion of people with disabilities. One concrete measure to achieve equal opportunities is our offering of various part-time work models within the company. Rather than prescribing fixed part-time models, arrangements can be made individually for each employee.

In Germany, the proportion of part-time employees increased by 2.3 percentage points to 11% between 2019 and 2024. In addition to part-time work, all employees whose job duties allow for it have the option of mobile working. This supports career and life planning tailored to different life stages, work-life balance, and workplace flexibility for those with health impairments.

In the area of inclusion of people with disabilities, the number of severely disabled employees rose from 20 to 27 between 2019 and 2024.

Currently, the Follmann Group employs people from 17 different nations in Germany.

16. Qualifications

The company discloses what goals it has set and what measures it has taken to promote the employability of all employees, i.e. the ability of all employees to participate in the working and professional world, and in view of adapting to demographic change, and where risks are seen.

Our goal is to be a responsible and attractive employer (Point 8 of our materiality analysis). Therefore, we focus on promoting diversity and inclusion and enabling safe and socially attractive working models and hours. With our values and our [Code of Conduct](#), we position ourselves as an attractive employer aiming to attract new talent and support and retain our existing workforce. The objective is to unlock individual potential and talents, take on responsibility, and contribute ideas. We offer a wide range of training and further education events. Some trainings are required by law. New employees receive these trainings upon joining the company.

The Follmann Group places great importance on the continuous qualification and development of its employees. As part of the internal risk analysis, no significant risks were identified regarding qualification arising from business activities. Through a comprehensive range of internal and external training as well as individual development programs, the company ensures that employees always possess the necessary skills. This allows qualification gaps to be avoided early on and strengthens the long-term competitiveness of the company.

We have launched a project to revise our goals and key figures by 2026, incorporating previous experience and changing conditions, and also considering aspects such as quantification, scheduling, and suitability for personal target agreements.

Vocational Training

The Follmann Group offers school graduates and those seeking apprenticeships at the Minden site a wide range of educational opportunities. Depending on their desired career path and qualifications, entry into the group can be through dual vocational training or a practice-integrated degree program. In addition to classic training professions such as industrial clerks, chemical laboratory technicians, chemical technicians, and warehouse specialists, dual degree programs in business administration, digital technologies, business informatics, and industrial engineering complete the training portfolio.

Currently, 33 young people in our group are completing an apprenticeship or a dual degree program. They especially benefit from assignments in various departments that offer exciting and varied tasks, as well as from diverse training sessions such as MS Office, business etiquette, and communication. With our training initiative, we aim to counteract the shortage of skilled workers.



Internships and Theses

In addition to training, the Follmann Group offers many school and university students their first insights into the world of work through internships. These range from short, week-long experiences to several months, with the possibility to write a thesis in one of our specialist departments. In 2024, we welcomed a total of 14 interns to the group. In addition, 5 master's and bachelor's students completed their theses with our support.

Training		2021	2022	2023	2024
Training (DE, Minden)	Total trainees	34	34	29	33
	New trainees	9	9	10	12
	Bachelor's/Master's students (final thesis)	0	0	4	5
	Trainee	0	0	20	14
	Apprenticeship rate relative to employees (DE)	5,4%	5,3%	4,5%	5,0%

Retention and Further Training of Apprentices

In 2024 six apprentices and dual students successfully completed their training with us and were subsequently offered employment contracts. Additionally, two former apprentices seized the opportunity to further their career development by enrolling in a dual study programme with us. This underscores our ongoing commitment to nurturing young talent and retaining qualified professionals within the company over the long term.

Digital Transformation in Training

After providing mobile devices to commercial apprentices and dual students as a first step, we gradually equipped apprentices from all occupational fields with the appropriate devices. These mobile devices are not only used in day-to-day business operations but also serve as valuable tools during vocational school lessons and exam preparation. Our apprenticeship marketing efforts also increasingly focused on digital channels. For instance, the [Instagram channel](#) established in 2020 was used extensively to give interested parties a deeper insight behind the scenes of the company and to showcase our apprenticeship opportunities. The regular activity on the social media channel was rewarded, much to the delight of the apprentices, with a growing number of followers. In addition, the Follmann Group participated in several regional career fairs with a virtual stand, thus contributing to career orientation. The stand featured a wide array of documents, photos, and videos introducing the training company and its various apprenticeship professions. As a highlight, visitors to the fair also had the opportunity, at set times, to engage directly in a live chat with training managers and apprentices to ask questions.



Welcome Week 2024 – Onboarding New Apprentices

On 01/08/2024 twelve apprentices and dual students started the Welcome Week at the Follmann Group—a five-day programme planned by apprentices in close cooperation with the training management. This initiative provided new apprentices with a smoother transition into the working world. Alongside company presentations, an introduction to the organisation's sustainability strategy, product training sessions, and site tours, the programme also included icebreaker games and other collaborative team activities. The variety of activities helped the young adults quickly familiarise themselves with their new environment and facilitated the development of team spirit. The organising team were pleased that the diverse programme could take place and that the months of preparation paid off.

F2P Talent Development Programme

The Talent Development Programme (F2P) is primarily aimed at professionals in the early years of their careers following training or university studies. The aim of the programme is to strengthen participants' positions as professionals by recognising motivators and fostering their potential. The two-year programme focuses on reflecting upon and building on the participants' professional experience. In 2021, the programme was promoted and the application phase opened. The programme began its inaugural intake in March 2022, which was very well received by participants. In 2023, additional workshops, team-building activities, and seminars were organised by the participants. In 2024, the first cohort completed their two-year development programme with a closing event. In the same year, a new selection process commenced and another cohort embarked on their exciting F2P journey.

Key Performance Indicators to criteria 14 to 16



Key Performance Indicator GRI SRS-403-9: Work-related injuries
The reporting organization shall report the following information:

a. For all employees:

- i.** The number and rate of fatalities as a result of work-related injury;
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities);
- iii.** The number and rate of recordable work-related injuries;
- iv.** The main types of work-related injury;
- v.** The number of hours worked.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number and rate of fatalities as a result of work-related injury;
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities);
- iii.** The number and rate of recordable work-related injuries;
- iv.** The main types of work-related injury;
- v.** The number of hours worked.

You will find the remaining numbers c-g of the indicator SRS 403-9 in the GRI standard and may additionally report them [here](#).

Key Performance Indicator GRI SRS-403-10: Work-related ill health

The reporting organization shall report the following information:

a. For all employees:

- i.** The number of fatalities as a result of work-related ill health;
- ii.** The number of cases of recordable work-related ill health;
- iii.** The main types of work-related ill health.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number of fatalities as a result of work-related ill health;
- ii.** The number of cases of recordable work-related ill health;
- iii.** The main types of work-related ill health.

You will find the remaining numbers c-e of the indicator SRS 403-10 in the GRI standard and may additionally report them [here](#).

We take responsibility for the health and safety of our employees and



implement comprehensive preventive measures to protect them from accidents as well as work-related illnesses. In this way, we can offer safe workplaces and an environment where professional and personal life can be balanced. Our goal is to protect and maintain the health and well-being of all our employees over the long term. Therefore, in the area of occupational health and safety, we do not differentiate between salaried and industrial employees.

- There were no fatal workplace accidents and no deaths resulting from work-related illnesses.
- Within the group, there were 20 workplace accidents in the reporting year that resulted in at least one day of absence, of which 15 were reportable to the employers' liability insurance association.
- Additionally, in 2024, there was one reportable commuting accident.
- The number of days lost increased only slightly, despite the fact that the number of accidents almost doubled compared to the previous year. This is attributable to the fact that several incidents were minor, such as tripping accidents.

For the first time, there were two incidents involving electrical current passing through the body. As a response, all employees in the areas of production, logistics, technology, and laboratories were trained on how to respond in such situations. Furthermore, all employees at the Minden site were made aware of this topic in the BAGAP training (SAM).

GRI SRS-403-9, GRI SRS 403-10		2021	2022	2023	2024
Accidents					
Employees of the Follmann Group EU, CH and UK		785	801	798	830
fatal workplace accidents		0	0	0	0
Occupational accidents					
DE	Sum	35	16	15	21
	Required to report	18	8	11	16
	Commuting accidents	8	3	4	1
	Reportable commuting accidents	2	2	2	1
Number of days lost due to workplace accidents in Minden		128	184	185	
	Lost Time Injury Frequency Rate (LTIR)	12,5	7,2	9,8	18,8
	Lost Time Injury Severity Rate (LTI)	0,27	0,11	0,17	0,17
Work-related illnesses (occupational diseases)		0	0	0	0

LTIR = Number of lost time injuries x 1,000,000 / hours worked (excluding commuting accidents).

LTI = Number of days lost due to injuries x 1,000 / hours worked (excluding commuting accidents)



Key Performance Indicator GRI SRS-403-4: Worker participation on occupational health and safety

The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:

a. A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers.

b. Where formal joint management–worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.

Occupational safety and environmental protection are key components of the integrated management system.

For all topics relevant to the environment and safety, there are detailed procedural instructions that are accessible to every employee, who are trained on them and whose compliance is monitored. A large number of employees are involved in environmental and safety management. Every employee also has the opportunity to participate via the works council or the internal suggestion scheme.

Furthermore, the legally required Health and Safety Committee meets four times a year. In this committee, which includes representatives from the employer, works council, occupational physician, occupational safety specialists and safety officers, issues relating to occupational safety and accident prevention, the evaluation of accident events and risk assessments, as well as the planning of measures to improve occupational health and safety in the company, are discussed. The results are reported to the management. As part of our occupational health and safety management, we regularly conduct internal audits (inspections) on the topics of safety, health protection and environmental protection.

In 2024, almost 40 internal inspections were carried out in the areas of production, logistics, technology and laboratory departments. The results of the inspections are documented and the rectification of deficiencies is tracked. As a company operating facilities approved under the Federal Immission Control Act (BImSchG), we are monitored by the Detmold District Government (BR) with regard to environmental, occupational and health protection matters. The BR conducts regular inspections. In 2024, a cross-media environmental inspection was carried out for the energy station and the finished goods warehouse. The inspection went well and no deficiencies were found. The result of the inspection was published on the internet. The next environmental inspection is planned for 2025. The next major-accident inspection is expected



to take place in 2027.

Key Performance Indicator GRI SRS-404-1: Average hours of training

The reporting organization shall report the following information:

a. Average hours of training that the organization's employees have undertaken during the reporting period, by:

- i.** gender;
- ii.** employee category.

Further training is highly valued within the Follmann Group. In our evaluations, we do not differentiate between salaried employees and manual workers. We also do not break down the results by gender or employee category, as we are equally committed to the qualification of all our staff and do not consider such differentiation necessary.

For training and further education, we distinguish between face-to-face and online offerings. "SAM" refers to Follmann's digital training and instruction system, which is used to carry out and document mandatory training. This ensures that all employees receive instruction on topics such as occupational safety, compliance, data protection, hazardous substance management, and other selected subjects.

GRI SRS-404-1		2021	2022	2023	2024
Training					
Education and Training (DE)	Total hours (incl. SAM)*	6.957	10.186	9.673	8.915
	Hours/Employee (incl. SAM)	11	16	15	13
Education and Training (DE)	Total seminar hours	5.406	8.413	7.737	6.918
Training costs - (DE) [t€]	Including exemption costs (excluding SAM)	297	477	763	626
	without exemption costs (excluding SAM)	153	269	493	270
Per employee - (DE) [€]	Costs (excluding SAM)	467	745	1.188	945
Digital training courses (DE)	Hours (SAM)	1.551	1.773	1.936	1.997
	Number (SAM)	9.604	11.022	11.355	12.346

* SAM = digital training system



At present, only training and seminar hours for employees in Germany are systematically recorded. In the sales subsidiaries, employee qualification is also highly valued and there are additional effective continuing education, training, and apprenticeship programs. However, these are tailored to the specific situations of each location and are therefore difficult to consolidate into group-wide comparable metrics. For this reason, the table only includes training figures for Germany. We assume that, due to the specific sales requirements, investments in employee development in the sales subsidiaries are likely higher than in Germany.

Key Performance Indicator GRI SRS-405-1: Diversity

The reporting organization shall report the following information:

- a.** Percentage of individuals within the organization's governance bodies in each of the following diversity categories:
 - i.** Gender;
 - ii.** Age group: under 30 years old, 30-50 years old, over 50 years old;
 - iii.** Other indicators of diversity where relevant (such as minority or vulnerable groups).

- b.** Percentage of employees per employee category in each of the following diversity categories:
 - i.** Gender;
 - ii.** Age group: under 30 years old, 30-50 years old, over 50 years old;
 - iii.** Other indicators of diversity where relevant (such as minority or vulnerable groups).

Diversity within our workforce

The following table provides a detailed breakdown of the development of our employees according to various diversity criteria.



GRI SRS-405-1

Diversity

2021 2022 2023 2024

Employees from EU, CH, UK *	Sum	785	801	798	830
Employees DE*	Sum	635	640	642	662
	Proportion female	24,4%	25,8%	25,5%	25,4%
	Employee	449	459	474	488
	Percentage under 30 years	17,6%	19,6%	17,3%	16,6%
	Percentage 30-50 years	53,2%	51,4%	51,5%	53,1%
	Percentage > 50 years	29,2%	29,0%	31,2%	30,3%
	Industrial worker	186	181	168	174
	Percentage under 30 years	13,4%	9,9%	10,1%	13,2%
	Percentage 30-50 years	53,2%	56,4%	56,5%	55,2%
	Percentage > 50 years	33,3%	33,7%	33,3%	31,6%
	Leadership	67	67	72	70
	Proportion female	9,0%	9,0%	9,7%	14,3%
Part time DE	Number of part-time jobs	56	62	66	73
	Total percentage	8,8%	9,7%	10,3%	11,0%
	Proportion female	83,9%	83,9%	83,3%	82,2%
Inclusion DE	Number of disabled employees	25	23	24	27
	Total percentage	3,9%	3,6%	3,7%	4,1%
	Target number of disabled employees	32	32	32	33
Nationalities DE	Anzahl verschiedener Nationalitäten	19	19	18	16

* December 31, 2024

Work-Life Balance

At the heart of a family-owned business lies a special commitment to supporting the balance between work and family life. We promote work-life balance through flexible working hours and remote work options.

Inclusion

In the context of sustainability, appreciation and well-being take center stage. Our goal is to create an attractive and innovative work environment that enables equal participation for all. Due to the specific requirements of a chemical operation and the current labor market situation, we are unfortunately not able to meet the legally mandated quota for employees with severe disabilities at this time.

Diversity

Every person brings unique experiences, perspectives, and talents. These differences are what make teams vibrant, foster innovation, and ensure long-term business success. We believe that diversity is more than just a buzzword —it is our driving force. For us, it's not about where someone comes from, but



where we go together. Openness, respect, and equal opportunity are the foundation for every voice to be heard and every idea to be valued. Because diversity not only creates a better working environment—it creates the future.

Key Performance Indicator GRI SRS-406-1: Incidents of discrimination

The reporting organization shall report the following information:

- a.** Total number of incidents of discrimination during the reporting period.
- b.** Status of the incidents and actions taken with reference to the following:
 - i.** Incident reviewed by the organization;
 - ii.** Remediation plans being implemented;
 - iii.** Remediation plans that have been implemented, with results reviewed through routine internal management review processes;
 - iv.** Incident no longer subject to action.

Incidents of discrimination can be reported to members of the works council.

These reports are always recorded and handled completely anonymously.

Additionally, the reporting channels specified in the Follmann [whistleblower](#) system are available.

No cases of discrimination within the corporate group became known during the reporting period.

Criterion 17 concerning RESPECT FOR HUMAN RIGHTS

17. Human Rights

The company discloses what measures it takes, strategies it pursues and targets it sets for itself and for the supply chain for ensuring that human rights are respected globally and that forced and child labour as well as all forms of exploitation are prevented. Information should also be provided on the results of the measures and on any relevant risks.

We have published our principles in several documents:

- [Sustainability Policy](#)



- [Ethics Policy](#)
- [Environmental Policy](#)
- [Human Rights Statement](#)
- [Code of Conduct for Employees](#)
- [Code of Conduct for Suppliers](#)

These policies have been signed by the proprietor as a clear commitment. By making them publicly available, we create transparency and build trust. Further information can be found on the internet: www.follmann-chemie.de

In doing so, we have established a clear frame of reference for the daily work of our employees and partners. By adhering to these principles, we aim to protect ourselves and others from harm while simultaneously securing our business success in a sustainable manner.

The Follmann Group has also joined the UN Global Compact and is committed to its ten principles:

1. Businesses should support and respect the protection of internationally proclaimed human rights.
Ensuring the observance of human rights is essential and non-negotiable for us. That is why we also expect our business partners to respect human rights.
2. Businesses should make sure that they are not complicit in human rights abuses.
We respect our employees' right to freely and voluntarily form or join trade unions. We honor their right to organize and collectively negotiate, especially regarding the safeguarding, advancement, and shaping of economic, wage, and working conditions.
Wages, working hours, and social benefits: We ensure a fair and adequate compensation policy (living wages) above the local minimum wage, including statutory social benefits, and comply with national legislation regarding working hours.
Work-life balance: Within our operational capabilities, we support various working time models, contributing to the reconciliation of family and career for our employees.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
We respect our employees' right to freely and voluntarily form or join trade unions. We honor their right to organize and collectively negotiate, especially regarding the safeguarding, advancement, and shaping of economic, wage, and working conditions.
Wages, working hours, and social benefits: We ensure a fair and adequate compensation policy (living wages) above the local minimum wage, including statutory social benefits, and comply with national legislation regarding working hours.
Work-life balance: Within our operational capabilities, we support various working time models, contributing to the reconciliation of family and career for our employees.
4. Businesses should work towards the elimination of all forms of forced labour.
Freedom of employment: We reject any form of forced or compulsory labour.
5. Businesses should support the abolition of child labour.
We pursue a clear "zero tolerance" policy regarding child labour.
6. Businesses should work towards the elimination of discrimination in respect of employment and occupation.
We value the diversity within our workforce. We have joined the "Charter of Diversity" initiative and make personnel decisions free from prejudice.



Discriminatory actions, particularly those based on ethnic, national or social origin, skin colour, gender, age, religion and belief, political activity, membership in an employee organisation, disability, sexual orientation or other personal characteristics, are actively opposed.

Leadership and dealings with employees: Fairness, appreciation and professionalism are important to us in our cooperation with each other and externally. Fairness is the foundation of every collaboration. We value every single one of our employees. We share risks and opportunities and always engage with our business partners as equals. All employees can rely on decisions and agreements being made on the basis of objective criteria, such as individual qualifications, performance and ability, and that the behaviour of managers is consistently aligned with these principles.

Training and qualification: We invest in research and development as well as in people and processes. We offer young people a wide range of training opportunities in appropriate measure to enable them a successful start to their professional careers. We provide all our employees with development opportunities through specialist and cross-disciplinary further training programmes.

7. - 9. Principles concern environmental aspects and are addressed in detail in our environmental policy.

10. Companies should work to eliminate discrimination in employment and occupation.

Fair competition practices and a zero-tolerance policy against corruption are especially important to us.

Additionally, we have revised our policies and set concrete goals through 2030:

Protection of individuals during the manufacturing, processing, and use of our products:

- As part of our chemical strategy, we are already proactively identifying chemicals that may be subject to future restrictions or bans and ensuring they are not included in new developments. We are also working to eliminate them from existing products in the medium term.
- Reduction of the use of toxic, carcinogenic, mutagenic, and reprotoxic substances (CMR), as well as substances of very high concern.
- We have set an annual target of zero reportable workplace accidents.

Added value for users of our products in their own sustainability efforts:

- All major product systems include a "Sustainability Data Sheet" to create transparency and communicate added value.

Supplier management

Our supplier qualification process is designed to ensure that we consistently receive products of high quality and that our suppliers share our understanding



of quality, sustainability, and ethical principles. We review potential suppliers using information from supplier questionnaires to determine their suitability as business partners. If there are justified doubts about a supplier's information or qualifications, we conduct additional audits either on-site or online.

Relevant potential suppliers are also required to sign our Business Partner Code of Conduct, ensuring a common understanding regarding competition law, as well as social and environmental standards.

To ensure that strategic suppliers meet our purchasing requirements and are encouraged to continuously develop their management systems and performance, we conduct annual supplier evaluations. These evaluations cover partner and core suppliers, as well as base suppliers, where further development or optimization of operational processes has been identified as necessary. Supplier assessments are conducted using both quantitative and qualitative criteria.

In addition, we conduct external risk analyses according to BAFA guidelines. These analyses focus on people and the environment, considering country- and product-specific conditions based on various objective indices. Measures are defined and tracked based on the risk profiles identified, allowing us to prioritize and target risk minimization. With the data and actions established this year, we will be able to monitor improvements in the future. As this was not documented previously, there were no set targets and therefore no deviations.

Our risk analysis has further highlighted which countries present increased risks for certain types of risk due to local conditions. The scope of measures for risk mitigation is higher for suppliers in specific risk areas (e.g., India and China). In addition to formal measures, such as rating by EcoVadis, we have also conducted on-site (human rights) audits to ensure that the identified risks do not apply to our business partners. Furthermore, most of our purchasing volume is sourced from suppliers located in areas with lower risk.

Key Performance Indicators to criteria 17

Key Performance Indicator GRI SRS-412-3: Investment agreements subject to human rights screenings

The reporting organization shall report the following information:

- a.** Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.
- b.** The definition used for 'significant investment agreements'.

The prerequisites for collaboration with partners and suppliers include our principles on human rights and our Code of Conduct. These cover, among other topics, the treatment of employees, prohibition of child and forced labor,



occupational health and safety, as well as working hours, wages, and social benefits. Given the very low location-specific country risk, as well as the established rules, controls, and processes at our sites, the inclusion of additional human rights clauses in contracts is not currently planned.

In technical procurement, we primarily use contracts for work and services. 98% of our investments are made with German companies and the remainder within Europe. The investment volume varies from year to year.

Key Performance Indicator GRI SRS-412-1: Operations subject to human rights reviews

The reporting organization shall report the following information:

- a.** Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.

We report on sites in the EU, UK, and Switzerland. At all these locations, compliance with human rights is ensured by statutory regulations. Our fundamental [declaration on human rights](#) also applies at every site. With this declaration, we send a clear signal for corporate governance that inseparably links human dignity and sustainability.

Key Performance Indicator GRI SRS-414-1: New suppliers subject to social screening

The reporting organization shall report the following information:

- a.** Percentage of new suppliers that were screened using social criteria.

The assessment of social aspects is an integral part of the qualification and approval process for new suppliers of raw materials, packaging, and traded goods. In this context, a 100% review is conducted.



Key Performance Indicator GRI SRS-414-2: Social impacts in the supply chain

The reporting organization shall report the following information:

- a.** Number of suppliers assessed for social impacts.
- b.** Number of suppliers identified as having significant actual and potential negative social impacts.
- c.** Significant actual and potential negative social impacts identified in the supply chain.
- d.** Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.
- e.** Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.

Although the Follmann Group is not currently subject to the statutory obligation of the German Supply Chain Due Diligence Act (LkSG), we voluntarily conduct an external risk analysis. This measure forms part of our risk management and reflects our commitment to identifying, assessing, and minimising human rights and environmental risks along the supply chain at an early stage.

The risk analysis is based on the requirements of the LkSG, which considers nine key dimensions. One of these dimensions is the proactive and ongoing external risk analysis at the level of direct suppliers (Tier 1) as well as the risk-based derivation of appropriate measures. Our assessment is based on both our procurement data and expert opinions within the company, as well as external indices.

The risk score itself is comprised of two pillars: country risk and product group risk.

In addition, the supplier's sphere of influence is assessed, which is categorised into three levels:

a procurement volume of less than €10,000 per year is considered "insignificant",
a volume between €10,000 and €50,000 is "low",
a volume between €50,000 and €100,000 is "medium", and
a volume over €100,000 is "high".

For the derivation of measures, the overall risk (from country and product group risk) is combined with the sphere of influence (from procurement volume). In cases of high risk but low turnover, we examine individual measures. This results in a matrix by which we define six risk levels.



Action plan

Annual purchasing volume of Follmann Chemistry with suppliers	Action plan		
	Low (< 25)	Medium (<= 25 to 45)	High (>= 45)
High > 100.000 €	Signature of the Supplier Code of Conduct	<ul style="list-style-type: none"> Signature Supplier Code Supplier Risk Strategy Query Digital assessment 	<ul style="list-style-type: none"> Signature Supplier Code Supplier Risk Strategy Query Query Risk Management Plan Creation of an individual action plan On-site assessment
Medium 50.000 - 100.000 €	Signature of the Supplier Code of Conduct	<ul style="list-style-type: none"> Signature Supplier Code Supplier Risk Strategy Query 	<ul style="list-style-type: none"> Signature Supplier Code Supplier Risk Strategy Query Query Risk Management Plan Creation of an individual action plan Digital assessment
Low 10.000-50.000 €	Individual measures (no standardised measures)	<ul style="list-style-type: none"> Signature Supplier Code Supplier Risk Strategy Query 	<ul style="list-style-type: none"> Signature Supplier Code Supplier Risk Strategy Query Digital assessment
Immaterial < 10.000 €	Individual measures (no standardised measures)	Individual measures (no standardised measures)	Individual measures (no standardised measures)

1 for purchase volume > €10,000 p.a.

Immaterial Limit¹

This results in a matrix by which we define six risk levels. The higher the risk level, the more comprehensive and in-depth the measures that must be obligatorily implemented for the respective supplier.

GRI SRS-414-2

Lieferantenmanagement

2021 2022 2023 2024

Raw material origin (Supplier's location, not origin of goods)	Purchase volume [%]				
Supplier evaluation	Suppliers with current ratings				
	Germany	58%	61%	60%	58%
	Europe	40%	38%	39%	40%
	International (Non-European)	2%	1%	1%	2%
	Number	136	136	173	177
	purchasing budget share	86%	83%	95%	89%

In 2024, we had valid assessments for 177 suppliers. These suppliers account for 89% of the purchasing budget. Where potential risks have been identified through the risk assessment in relation to the supplier's country of origin and product group, social issues are actively addressed as required.

In 2024, 109 supplier assessments were conducted. Our aim is completed supplier assessments representing > 90% of the turnover.

As the assessment process was extended to technical suppliers in 2024 this figure decreased slightly compared to 2023.

Existing suppliers are re-examined and re-assessed on a regular base. The validity period of a supplier assessment and the frequency of re-assessment depend on the specific risk profile of each supplier.

No actual negative social impacts have been identified. Where potential risks are detected, preventive measures have been established and, in some cases, already implemented to reduce these risks.

No business relationships have been proactively terminated due to potential risks; however, business partners with lower risk are preferred. Previous audits have not identified any actual negative social impacts, nor have there been any significant actual or potential negative social impacts found within the supply chain.

Criterion 18 concerning SOCIAL MATTERS

18. Corporate Citizenship

The company discloses how it contributes to corporate citizenship in the regions in which it conducts its core business activities.

This aspect was not identified as a key topic in our materiality analysis. Therefore, a specific risk assessment is not required; however, we are actively engaged in supporting the community in many ways. We are members of various working groups and industry associations, where we promote sustainability topics and benefit from exchanging experiences. For these reasons, we remain committed and continue to expand our network in a targeted manner.

Regional Commitment

As a third-generation family business, we have a clear commitment to the Minden-Lübbecke region and to expanding our local operations in Minden/North Rhine-Westphalia. We take on social responsibility and actively engage in supporting various social and cultural projects. Through these efforts, we support our approximately 600 employees and their families in the region and aim to be recognized as an attractive employer through our involvement. Many of these initiatives are initiated by our owner and management team. We are often approached for support or sponsorship. Supporting and fostering children and young people is particularly important to us. The Follmann Group holds a 10.9% stake in the child care initiative "Kinderbetreuungsinitiative GmbH, Minden".

We also sponsor local sports clubs and actively support regional activities of our employees. We offer young people opportunities for internships, bachelor's and master's theses, as well as part-time studies (see performance indicators 16. Qualification). Participation in the career exploration day for children and young people with a balanced program has been a matter of course for us for years. We encourage communication with our neighbors, interested citizens, and policymakers by inviting them to various events at our company. Communication with local authorities is also very important to us, and we are open to providing insights into relevant environmental matters of our company. We maintain open and transparent communication (see performance



indicators 9. Stakeholder Participation).

Examples of our social commitment in the region and beyond:

- Member of the Association for Supporting Operational Clinics at Johannes Wesling Klinikum Minden e.V.
- Participation in various sporting activities, e.g. company and charity runs
- Cooperation with Kurt-Tucholsky Comprehensive School and Besselgymnasium, Minden
- Support for the [Child Protection Association Minden](#)
- Support for the [Workshop for the Blind](#), Rehburg-Loccum
- Membership in [Wissensfabrik](#) – Companies for Germany e.V.

As a third-generation family business, reconciling family and work is especially important to us. For this reason, we also support our employees in all matters relating to childcare, so they can be sure their children are well cared for and appropriately supported according to their age. Since many companies in the Minden-Lübbecke area face similar challenges, we have joined forces and, together with the Child Protection Association e.V., Minden-Bad Oeynhausen, created additional capacity, including the construction of the Marienkäfer day nursery. We are delighted to have found a competent and reliable cooperation partner in the Child Protection Association.

Sponsorship & Support

- Promotion of youth work at Bessel Rowing Club e.V.
- Financial support for the Minden Museum
- Sponsorship of the Sundowner Festival, Bückeburg
- Sponsorship of jerseys and training suits for various sports clubs in the region
- Participation in various sporting activities, e.g. company and charity runs
- Sponsorship of the Campus Minden Festival of FH Bielefeld
- Shooting Society Mennighüffen; Support association "Die Eiserne" e.V.
- Minden Free Shooting Festival
- Donation to the DRK day nursery Petershagen
- Donation to the 1st VC Minden
- Donation to the Ovenstädt Fire Brigade, Petershagen
- Sponsorship of Handball Bundesliga team GWD Minden

The regional approach is also maintained by the sister companies. The following examples are by no means exhaustive and are not centrally coordinated in the much smaller sales companies. For instance, Triflex Belgium supports the annual charity event ProVélo (cycling event), where donations are collected for different social initiatives each year. In 2024, the support went to Avalympics, an organisation that enables people with intellectual disabilities to participate in sport and aims to encourage them to take part in the Paralympics.

Triflex Netherlands actively supports the Dutch foundation "Het Vergeten



Kind,” which helps vulnerable children in the Netherlands who grow up in unsafe or unstable conditions. This commitment includes financial support, awareness campaigns, and the involvement of employees in the relevant initiatives.

Key Performance Indicators to criteria 18

Key Performance Indicator GRI SRS-201-1: Direct economic value generated and distributed

The reporting organization shall report the following information:

- a.** Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization’s global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:
 - i.** Direct economic value generated: revenues;
 - ii.** Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;
 - iii.** Economic value retained: ‘direct economic value generated’ less ‘economic value distributed’.
- b.** Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.

We do not collect these performance indicators from a sustainability perspective. However, they are reported in accordance with financial reporting obligations in the annual financial report.

Criteria 19–20 concerning ANTI-CORRUPTION AND BRIBERY MATTERS

19. Political Influence

All significant input relating to legislative procedures, all entries in lobby lists, all significant payments of membership fees, all contributions to governments as well as all donations to political parties and politicians should be disclosed by country in a differentiated way.

The Follmann Chemie Group is politically independent. Outside of industry-standard institutions, we do not exert any influence on political decisions or legislation. We have clear positions and values and are committed to the principles of a liberal democratic order.

Association Work and Memberships

Our employees are involved in around 60 working groups, committees, and associations to help responsibly shape the framework conditions in our industry as a medium-sized family business.

A significant example is our engagement in the German Chemical Industry Association (VCI). Our owner is a member of the VCI Presidium and currently serves as treasurer. We also participate in sustainability initiatives such as [Chemie³](#), [Responsible Care](#), and [Chemistry4Climate](#).

Key Performance Indicators to criteria 19

Key Performance Indicator GRI SRS-415-1: Political contributions
The reporting organization shall report the following information:

- a.** Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.
- b.** If applicable, how the monetary value of in-kind contributions was estimated.

During the reporting period, we did not make any donations to political parties, their representatives, or affiliated organisations, either in the form of financial contributions or benefits in kind. This is in line with our understanding of responsible corporate governance, which is based on political neutrality and transparency.

20. Conduct that Complies with the Law and Policy

The company discloses which measures, standards, systems and processes are in place to prevent unlawful conduct and, in particular, corruption, how they are verified, which results have been achieved to date and where it sees there to be risks. The company depicts how corruption and other contraventions in the company are prevented and exposed and what sanctions are imposed.

The compliance culture within the Group is characterised by ongoing reviews and continual improvement of our existing compliance processes. Senior management is involved in all processes, kept informed through regular meetings, and holds overall responsibility for sanctioning breaches of legislation. To raise awareness of compliance matters among our managers, we place great emphasis on training and open dialogue. Our internal policy, along with our work and procedural instructions, communicates legal requirements and ethical issues clearly and makes them accessible through practical examples from everyday situations. The focus is not solely on knowledge, but also on attitude: managers are expected to set an example of integrity and responsible conduct. By continuously discussing current topics and challenges, we foster a shared understanding that compliance is a core component of sustainable corporate governance.

We are working towards the establishment of a uniform, company-wide system for preventing unlawful behaviour in the sense of an established compliance management system. Firmly embedded preventive measures against corruption risks exist in the form of signature regulations following the four-eyes principle, as well as a company-wide working instruction ("Anti-Corruption") with comprehensive guidance for receiving, granting, or promising benefits to or from business partners. In addition, we conduct internal compliance audits focusing on anti-corruption, antitrust law, and adherence to internal requirements in these areas. In invoice control, we use a multi-level checking and approval system. For many years, we have maintained a comprehensive legal register to monitor regulations relevant to the Group (including anti-corruption and environmental law), implementing measures as required. Furthermore, we require a clear commitment to integrity and lawful conduct from our business partners. Our [supplier code of conduct](#) contains a corresponding anti-corruption clause, and we conduct risk-based checks as necessary.

Corruption undermines trust in institutions, distorts competition, and hinders sustainable development worldwide. As a responsible company, we see it as our duty to take a firm stance against all forms of corruption – both within our organisation and along our value chain.

Our zero-tolerance policy towards corruption is clearly anchored in our [code of conduct](#) and company-wide policies. We rely on transparency, clear compliance

structures, and a strong awareness of ethical conduct at all levels of the company. All employees receive regular training on issues such as bribery, granting advantages, and conflicts of interest, and are kept updated on anti-corruption measures through our employee magazine and intranet.

Through prevention, education, and decisive action, we make an active contribution to fighting corruption – in the interests of a fair, lawful, and sustainable economy.

We have also implemented a [whistleblower](#) system in accordance with legal requirements, which allows both our employees and external stakeholders to report breaches of applicable law by the company anonymously via a web-based portal. Due to the business activities of the Follmann Group (for example, cooperation with intermediaries in sales, procurement of raw materials), which are also international, there are potential risks in countries where, according to the Corruption Perceptions Index, elevated corruption risks exist. Here too, every violation of legal and company standards as well as unfair business practices is strictly rejected. For questions concerning foreign law, we work with local law firms. To date, no incidents have been identified, so our focus will remain on preventive measures.

The topic of corruption risk analysis and compliance risk assessment has been given increased attention by us in 2024. We subject the process to annual review and updating.

The process is structured as follows: For the systematic recording and assessment of corruption risks, the Follmann Group uses a multi-stage procedure. Initially, potential corruption risks are identified based on defined criteria such as company structure, business areas, international activities, contacts with authorities, and competitive situation. Based on this assessment, risk areas – for example, in procurement, sales, or dealings with authorities – are identified. Subsequently, each risk is analysed, beginning with the determination of a gross risk value. This results from the combination of probability of occurrence and potential damage. Probability is assessed using an environmental criteria catalogue (including country risk, industry risk, type of business contacts). Potential damage is classified from "irrelevant" to "threatening to the existence of the company", with reputational damage also being considered. Building on this, a net risk value is calculated. Existing compliance measures, such as company-wide policies or department-specific requirements, are taken into account. The effectiveness of these measures is assessed based on an action plan. If these measures demonstrably reduce the probability of occurrence, the net risk value decreases accordingly.

Areas of particular risk with a high gross risk value (>12) are prioritised and visualised in risk matrices. This enables targeted implementation of additional or intensified countermeasures. The risk analysis is reviewed annually based on questionnaires and interviews, and is adjusted as needed, such as when business activities change or specific suspicions arise.

The objective of our successful, prevention-oriented compliance policy is zero tolerance for violations. Should incidents occur, this would prompt a revision of the policy.



Key Performance Indicators to criteria 20

Key Performance Indicator GRI SRS-205-1: Operations assesed for risks related to corruption

The reporting organization shall report the following information:

- a.** Total number and percentage of operations assessed for risks related to corruption.
- b.** Significant risks related to corruption identified through the risk assessment.

The companies at the main location in Minden were 100% assessed for corruption risks using the analysis described above. No risks were identified.

Key Performance Indicator GRI SRS-205-3: Incidents of corruption

The reporting organization shall report the following information:

- a.** Total number and nature of confirmed incidents of corruption.
- b.** Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.
- c.** Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.
- d.** Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.

There have been no confirmed incidents of corruption or any other confirmed incidents/proceedings (a.-d.) within the company.



Key Performance Indicator GRI SRS-419-1: Non-compliance with laws and regulations

The reporting organization shall report the following information:

- a.** Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:
 - i.** total monetary value of significant fines;
 - ii.** total number of non-monetary sanctions;
 - iii.** cases brought through dispute resolution mechanisms.

- b.** If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.

- c.** The context against which significant fines and non-monetary sanctions were incurred.

No cases of non-compliance with laws and/or regulations as defined in a. (i), (ii), (iii) are known within the group of companies.

Overview of the GRI indicators in the Sustainable Code declaration

In this Sustainable Code declaration, we have reported according to the "comply or explain" principle on the GRI indicators listed below. This document refers to the GRI Standards 2016, unless otherwise noted in the table.

Areas	Sustainable Code criteria	GRI SRS indicators
STRATEGY	1. Strategic Analysis and Action 2. Materiality 3. Objectives 4. Depth of the Value Chain	
PROCESS MANAGEMENT	5. Responsibility 6. Rules and Processes 7. Control	GRI SRS 102-16
	8. Incentive Systems	GRI SRS 102-35 GRI SRS 102-38
	9. Stakeholder Engagement	GRI SRS 102-44
	10. Innovation and Product Management	G4-FS11
ENVIRONMENT	11. Usage of Natural Resources 12. Resource-Management	GRI SRS 301-1 GRI SRS 302-1 GRI SRS 302-4 GRI SRS 303-3 (2018) GRI SRS 306-2 (2020)*
	13. Climate-Relevant Emissions	GRI SRS 305-1 GRI SRS 305-2 GRI SRS 305-3 GRI SRS 305-5
SOCIETY	14. Employment Rights 15. Equal-Opportunities 16. Qualifications	GRI SRS 403-4 (2018) GRI SRS 403-9 (2018) GRI SRS 403-10 (2018) GRI SRS 404-1 GRI SRS 405-1 GRI SRS 406-1
	17. Human Rights	GRI SRS 412-3 GRI SRS 412-1 GRI SRS 414-1 GRI SRS 414-2
	18. Corporate-Citizenship	GRI SRS 201-1
	19. Political Influence	GRI SRS 415-1
	20. Conduct that Complies with the Law and Policy	GRI SRS 205-1 GRI SRS 205-3 GRI SRS 419-1

*GRI has adapted GRI SRS 306 (Waste). The revised version comes into force on 01.01.2022. In the course of this, the numbering for reporting on waste generated has changed from 306-2 to 306-3.