



Sustainability Statement

of H&R GmbH & Co. KGaA

2025

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INTRODUCTION

In the past, the H&R GmbH & Co. KGaA Group (the H&R Group, H&R KGaA or H&R) prepared non-financial reports in accordance with Sections 315b and 315c in conjunction with 289c–e of the German Commercial Code (HGB) and Article 8 of the EU Taxonomy Regulation (2020/852). These contained disclosures on material, non-financial aspects of the company’s business activities in areas involving environmental, employee and social concerns, respect for human rights and the fight against corruption.

Because the Corporate Sustainability Reporting Directive (CSRD) has not yet been incorporated into German law, the H&R Group is required to produce a sustainability statement for another year under Section 315b HGB and Article 8 of the EU Taxonomy Regulation.

The sustainability statement was prepared for the first time on the basis of a partial application of the first sentence of the European Sustainability Reporting Standards (ESRS) in accordance with Section 289d HGB. We reconciled the material matters (Section 315c in conjunction with Section 289c(2) HGB) to the material topic-specific ESRSs identified in our double materiality assessment.

We have allocated the content of the report as follows with regard to Section 315c (1) HGB in conjunction with Section 289c (2) HGB:

- We report on environmental matters as defined in Section 315c HGB in conjunction with Section 289c (2) Sentence 1 HGB under E1, E2, E3 and E5.
- We report on employee matters as defined in Section 315c HGB in conjunction with Section 289c (2) Sentence 2 HGB under S1.
- Social matters as defined in Section 315c HGB in conjunction with Section 289c (2) Sentence 3 HGB are covered under S1 and ESRS 2 SBM-2.
- In light of our global footprint and the specific characteristics of the countries and regions in which the H&R Group operates, our ESRS materiality assessment did not identify the topic of respect for human rights as material.

Our sustainability-related disclosures have been restructured as follows to increase our alignment with EU sustainability reporting standards:

- General disclosures, including their basis; governance, strategy and the materiality assessment approach
- Disclosures on environmental matters (E), including our climate change strategy; pollution, water resources and circular economy
- Disclosures on social matters (S), specifically regarding our own workforce
- Disclosures on governance matters (G)

Additional information about the process and the results of the materiality assessment is provided in ESRS 2 IRO-1 and ESRS 2 SBM-3.

The term “sustainability statement” is used below instead of “non-financial statement” in order to be consistent with ESRS terminology.

GENERAL DISCLOSURES (ESRS 2)

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

Reporting profile and environment

The scope of consolidation for this sustainability statement is identical to the scope of consolidation used for the financial report for the 2025 financial year. Any deviations from this approach are noted. This Group Sustainability Statement focuses on the impacts, risks and opportunities identified as material as part of the materiality assessment. They pertain to the H&R Group's own operations and its value chain. As a result, the report includes both qualitative and quantitative information about the value chain. Where possible, we used directly measurable primary data. Any gaps which exist due to a lack of primary data are clearly disclosed. The report also indicates when assumptions and extrapolations were used.

Disclosures in relation to specific circumstances (BP-2)

Time horizons and reporting periods

The data presented in this report covers the period of our financial year from January 1, 2025 to December 31, 2025.

We used short-term (up to one year), medium-term (up to five years), and long-term (more than five years) periods for reporting purposes, particularly when assessing the material impacts, risks and opportunities (IROs) as part of the materiality assessment. These periods are aligned with the definition in ESRS 1 Section 6.4.

Estimates on quantitative data and disclosures

Our report contains quantitative data based on estimates and model calculations where direct measurement data was not fully available. In particular, for the disclosures on energy consumption (E1-5), greenhouse gas emissions (E1-6) and water consumption (E3-4), we have in some cases relied on estimates and projections. This results in a certain amount of uncertainty. The sources we used for these disclosures were recognized secondary data (databases), industry averages and estimates based on the previous year's values. Additional information about the assumptions and data sources used is provided in the sections for the specific disclosures in question.

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

The following table shows the composition of the administrative, management and supervisory bodies. In our company, these bodies include the Executive Board (currently one member) and the Supervisory Board (nine members) of H&R KGaA:

	2025
Male (%)	80
Female (%)	20
Ratio of female to male members	2:8
Percentage of independent Supervisory Board members (%)	33
Percentage of Supervisory Board members representing employees (%)	33

Structure of administrative, management and supervisory bodies

Our Supervisory Board currently consists of nine members and performs a supervisory function. It is composed of shareholder representatives (six) and employee representatives (three) in accordance with the One-Third Participation Act. The Audit Committee, formed from members of the Supervisory Board, is generally responsible for accounting and auditing matters. Its other duties specifically include reviewing the annual financial statements, the consolidated financial statements and the respective auditor's reports. It is also responsible for monitoring sustainability reporting. The Audit Committee receives quarterly reports based on the risk assessment and is informed about the creation of the risk report and its contents during the year-end close process.

Additionally, at least once a year the entire Supervisory Board is informed about the complete sustainability statement in advance of the Board meeting devoted to discussing the Group's annual financial statements. The Supervisory Board discusses the report as part of the annual financial

statements. Additional meetings are convened as required. Regular updates and reports on sustainability topics are also covered by the Audit Committee and the Refinery Technology And Strategy Committee. In this way, the Supervisory Board and/or the Audit Committee monitor sustainability targets and the extent to which they have been achieved. During the reporting phase, the Audit Committee is provided with regular updates about the progress of the report by its Chair.

The Supervisory Board is committed to leveraging the diverse backgrounds of its members in order to maximize the effectiveness of its oversight. The members of the Supervisory Board members undergo an annual self-assessment to determine their expertise in different areas, including sustainability. These members have specialized expertise in areas including environmental matters, social matters and governance. This indicates that the Supervisory Board is a body which has the necessary skills and expertise to monitor sustainability matters. Moreover, the Supervisory Board provides transparent information about its members' skill sets on a regular basis in the annual Supervisory Board Report and the skills profile published on the company website www.hur.com.

The Executive Board of the H&R Group is responsible for our sustainability strategy described below under SBM-1. The Executive Board adopted and communicated the sustainability goals outlined under "Sustainability Objectives" (page 7) and "Management of Sustainability Within the H&R Group/Motivation and Review" (pages 8 and 9) in the 2024 non-financial Group report. These goals were updated in spring 2025. The Executive Board currently consists of one member, whose areas of responsibility are detailed in H&R Komplementär GmbH's schedule of responsibilities and include strategic objectives. The Executive Board takes the medium- to long-term interests of the H&R Group into account when setting targets. It provides the Supervisory Board and its Audit Committee with regular, timely and comprehensive updates regarding all issues of relevance to the company in connection with strategy, achieved sub-targets, planning, business trends, the risk situation, risk management and compliance as part of joint meetings throughout the year.

Additional details are governed by the internal rules of procedure for the Executive Board and the Supervisory Board. The Executive Board has sound knowledge of the markets, divisions and customer industries in which we operate.

The Executive Board holds weekly meetings with the Executive Committee to discuss general issues related to operations and market strategies. This body consists of additional sales and operational experts from our production plants, Finance and the Human Resources and Communications departments.

Another body meets on a weekly basis to address strategic and technical issues related to the operating model, its transition toward greater sustainability and the future viability of its production processes. This group discusses new technologies, changes to processes and questions regarding the implementation of innovative projects. We maintain close links with majority shareholders to ensure that our corporate strategic/technical decisions are aligned with the commercial/financial interests of the Group and its shareholders.

We factor in sustainability-related skills and expertise when identifying and appointing candidates for the Executive Board and Supervisory Board. We value candidates with the knowledge and experience required to transform the operating model to make it more climate-friendly, as well as industry-specific knowledge.

The Executive Board and Supervisory Board are equally committed to sustainability by complying with the sustainability-related recommendations set out in the German Corporate Governance Code (GCGC). The Supervisory Board has included corresponding requirements for itself and its members in a skills profile. Accordingly, “expertise on all sustainability topics that are material to the company” is the guideline for the control function and is covered by the committee chairs and other individuals. Because we have an obligation to report on sustainability matters, this topic is linked particularly closely to the consolidated financial statements and is closely monitored in this context by the Audit Committee and its Chair. The Committee Chair maintains their expertise by

participating in relevant training. In addition, the Chair regularly discusses sustainability reporting with members of the CSRD Core Group, some of whom have also received external training on ESG matters.

To achieve the strategic sustainability goals, we have introduced the position of a Chief Sustainability Officer to coordinate the planned transformation of the two German specialty production sites of H&R Ölwerke Schindler GmbH, Hamburg, and H&R Chemisch-Pharmazeutische Spezialitäten GmbH, Salzbergen, which are of great importance to the entire Group, to more renewable feedstock sources. He is supported in this work by a core team, the CSRD Core Group. The CSRD Core Group is made up of the Group’s Executive Board and representatives of the core departments that play a key role in defining and gathering the data required to prepare a CSRD-compliant report, including the definition of necessary strategies, actions, targets and metrics. The CSRD Core Group consists of the Managing Director of H&R Komplementär GmbH (as the managing body of the H&R Group), the Managing Director of H&R Group Finance GmbH, the Head of Business Development of the Hansen & Rosenthal Group, the Head of Communications of H&R GmbH & Co. KGaA, the Head of the Integrated Management System (IMS) of the H&R Group, and the H&R Group’s Global CSRD Reporting Coordinator. It is responsible for setting and monitoring targets at Group level. We also ensure that we take market and Group strategic concerns into consideration alongside operational factors when formulating our targets. The Group’s Executive Board is also directly involved in overseeing the operations of the Group.

Together, they select interim goals and verify goals that have already been achieved.

Further information about the Group’s bodies can be found in the “Statement on Corporate Governance” and the “Supervisory Board Report”. Both of these documents can be downloaded from our website at www.hur.com/en/investor-relations, either separately or as part of the 2025 annual report.

Processes and internal documentation of corporate governance

We are convinced that the progress that the Group achieves in terms of quality management, safety, protection of the environment and human health, and compliance not only enhances the reputation of the Group, but also ensures the profitability and, as a result, the ability to sustainably increase the company's value and guarantee future viability.

We combine these aspects with our approach of flawlessly controlling and continuously improving production processes and associated services. This is anchored in our corporate policy. Conceptually, we also utilize an integrated management system (IMS) that encompasses all Group processes and their associated workflows. Employees of the H&R Group can access the full version of the handbook for the integrated management system on the intranet or excerpts from it in the training system. We communicate our values to interested external parties in the form of our corporate policy and Code of Conduct, which can be consulted on our website. More information on the Code of Conduct and its contents can be found in S1-1.

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

The Supervisory Board and the Executive Board address sustainability matters in different ways. The Group Treasury department is responsible for submitting an assessment of the Group's current risk portfolio, including sustainability risks, and the implementation of risk management procedures, to the Audit Committee of the Supervisory Board.

The Supervisory Board and the Audit Committee examined the annual and consolidated financial statements prepared by the Executive Board in detail as part of their meeting in March 2025. They also discussed sustainability reporting and approved the 2024 report for publication. This report was prepared in line with the CSR Directive Implementation Act (CSR-RUG) as the requirements had not yet been transposed into national law. The Executive Board and the Supervisory Board addressed CSRD reporting requirements throughout the year as they expected the requirements to be transposed into national law in the near future. Both the Executive Board and the Supervisory Board – represented by the Chair of the Audit Committee – committed time to updating the materiality assessment. This process included evaluating impacts, risks and opportunities (IROs) and the indicators derived from these IROs. The topics discussed in depth included the selection of internal stakeholders, the issues of climate change and climate change mitigation, energy consumption as well as procurement of materials and feedstocks as drivers of the Group's transformation strategy.

The Supervisory Board communicated on a regular basis with the Audit Committee to make sure it was aware of any updates.

The Executive Board is briefed on the risk portfolio, including sustainability risks, on a quarterly basis.

The Executive Board is responsible for preparing the annual financial statements and the sustainability statement for H&R KGaA.

As an owner-managed group of companies, we place sustainability at the heart of our corporate and investment policies. In line with this approach, our administrative, management and supervisory bodies integrate sustainability matters into their decision-making processes for major projects.

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

The work of the Group's Executive Board is also measured from a sustainability angle. We provide a short-term variable remuneration component (ESG bonus) to create incentives for achieving non-financial targets in areas related to the environment, social matters and governance. The short-term variable remuneration comprises a target bonus with non-financial performance criteria, based on a one-year assessment period. The ESG bonus amounts to €100,000.00 if targets are fully achieved. This accounts for 5% to 15% of the total remuneration when compared to other fixed and variable remuneration components. The ESG component accounted for around 15% of the exclusively variable remuneration components (total sum of multi-year variable component, one-year variable component and ESG component).

At least one climate-related sustainability target is included when sustainability targets are agreed.

The following non-financial performance criteria and potential ESG targets are derived from the company's sustainability strategy:

- Reducing GHG emissions
- Reducing the energy requirements of the company and its subsidiaries
- Increasing the share of energy from renewable sources
- Increasing use of renewable feedstocks
- Reducing waste and wastewater volumes
- Promoting occupational health and safety
- Guaranteeing fair working conditions
- Enhancing training and education opportunities for employees
- Preventing human rights violations in the company's own operations and the supply chain
- Avoiding problematic employment and working conditions in supply chains

By specifying non-financial performance criteria relating to ESG, the variable remuneration is consistently aimed at the achievement of key points of the strategic objectives of the company, particularly in the area of environment and sustainability. At the same time, it takes account of the overriding aim of the H&R Group to create long-term added value for people, the environment and society. The concrete ESG targets for the financial year are specified by the Advisory Board prior to the start of the respective financial year, based on the aforementioned catalog (the specified "ESG targets"). Target achievement levels are assessed after the end of the financial year. For the achievement of an overall degree of target achievement of 100%, a target amount is specified in euros. If the targets achieved for the respective financial year exceed the specified ESG target values, no proportional increase of the target amount takes place. Upper limits are defined for this target amount. If the targets achieved fall below the specified ESG target values, a proportional reduction of the target amount takes place. If an overall degree of target achievement of 75% is fallen below, the payment of an ESG bonus completely ceases to apply.

At its meeting on December 11, 2024, the Advisory Board of H&R Komplementär GmbH resolved the following four equally weighted targets for the

2025 financial year for the sole Managing Director, Mr. Niels H. Hansen:

	Target
1.	International business: successful implementation of the business plan requirements for the Lumut site
2.	Transformation: completion of the business plan for a pyrolysis oil processing plant at the Hamburg production site and decision on the investment
3.	Achieving ISCC+ certification as a prerequisite for the mass balance approach in line with the sustainability strategy at the two German production sites and in China (if expected by local customers)
4.	Setting CO ₂ reduction targets for Scopes 1 and 2 in accordance with SBTi criteria and methodology at the two production sites.

The Advisory Board determined target achievement at its meeting on January 26, 2026. The Group will report on this in its remuneration

report, which will be approved by the Annual Shareholders' Meeting on May 27, 2026.

Statement on due diligence (GOV-4)

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies (GOV-2)
	Integration of sustainability-related performance in incentive schemes (GOV-3)
Engaging with affected stakeholders in all key steps of due diligence	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)
	Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies (GOV-2)
	Interests and views of stakeholders (SBM-2)
	Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)
	Policies related to climate change mitigation and adaptation (E1-2)
	Policies related to own workforce (S1-1)
	Processes for engaging with own workforce and workers' representatives about impacts (S1-2)
	Policies related to business conduct and corporate culture (G1-1)
	Policies related to substances of (very high) concern (E2-1)
	Policies related to the use of water at production and processing sites (E3-1)
Identifying and assessing adverse impacts	Policies related to resource use and circular economy (E5-1)
	Management of relationships with suppliers (G1-2)
	Prevention and detection of corruption and bribery (G1-3)
	Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)
	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Core elements of due diligence	Paragraphs in the sustainability statement
Taking actions to address those adverse impacts	<p>Actions and resources related to climate change policies (E1-3)</p> <p>Actions and resources related to pollution of air, water or soil (E2-2)</p> <p>Actions and resources related to substances of (very high) concern (E2-2)</p> <p>Actions and resources related to the withdrawal, use and consumption of water (E3-2)</p> <p>Actions and resources related to resource use and circular economy (E5-2)</p> <p>Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)</p>
	Management of relationships with suppliers (G1-2)
	Prevention and detection of corruption and bribery (G1-3)
	Targets related to climate change mitigation and adaptation (E1-4)
	Energy consumption and mix (E1-5)
	Gross Scope 1 and 2 GHG emissions (E1-6)
	Our metrics related to pollution of air, water or soil (E2-4)
	Our metrics related to substances of concern E2-5
	Our metrics related to substances of very high concern E2-5
	Water consumption (E3-4)
Tracking the effectiveness of these efforts and communicating	Metrics related to resource inflows (E5-4)
	Metrics related to resource outflows (E5-4)
	Characteristics of the undertaking's employees and metrics (S1-6)
	Collective bargaining coverage and social dialogue (S1-8)
	Diversity metrics (S1-9)
	Persons with disabilities (S1-12)
	Training and skills development metrics (S1-13)
	Health and safety metrics (S1-14)
	Targets related to substances of (very high) concern (E2-3)
	Targets related to the withdrawal, use and consumption of water (E3-3)
Targets related to resource use and circular economy (E5-3)	
Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities related to own workforce (S1-5)	
Remuneration metrics (pay gap and total remuneration) (S1-16)	
Incidents, complaints and reports with significant impacts on own workforce (S1-17)	
Incidents of corruption, bribery or compliance violations (G1-4)	

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

The risks to which the H&R Group and its subsidiaries are exposed are identified, assessed and quantified (to the extent possible) across the entire Group in a uniform manner. We communicate the results and take appropriate measures to limit potential impacts where necessary. The assessment is based primarily on estimates by in-house experts – such as the risk managers at the local units – which in turn are based on appropriate assumptions about the corresponding risk.

Risks are classified according to criteria. They are then measured using an approach in which the nominal extent of a potential risk is considered in relation to the likelihood of occurrence. All risks measured for an individual company are entered in the “risk inventory” and reported quarterly to the Risk Control department of the parent company, H&R KGaA.

In view of the increasingly stringent requirements for reporting and risk reporting in the area of sustainability, the H&R Group has appointed globally responsible individuals to form an ESG (Environment, Social, Governance) organization. These individuals provide sustainability-related information and – where available – specific indicators to the risk management system in the course of systematic assessments. This data makes it possible to refine and expand the risk inventory.

We have integrated the process for identifying, assessing and managing sustainability risks for sustainability reporting purposes into our Group-wide risk management system and its quarterly risk inventory surveys of our subsidiaries. We also classified and presented previously identified risks in the risk inventory that are relevant to ESG matters by ESG topic, and refined the risk inventory in the area of sustainability-related risks. This involved expanding the existing risk monitoring cycle with quarterly assessments related to the risk spectrum and enriching it with the knowledge of global ESG experts. The additional classified

ESG risks are covered separately in the quarterly reports submitted to the Executive Board of H&R KGaA.

We assessed all ESG risks based on their likelihood of occurrence and potential impact. The risks and opportunities deemed material have been included in the report; see “Description of the processes to identify and assess material impacts, risks and opportunities” under IRO-1.

We identified the following risks in connection with the sustainability reporting process and the determination of relevant metrics:

- The organization for sustainability reporting is still being established, partly because the CSRD has not yet been transposed into German law
- The organizational structure is generally lean, which occasionally leads to staffing bottlenecks and dual workloads
- Including international (Group) subsidiaries that are not subject to comparable local reporting requirements increases the risk of incomplete or inconsistent data

To address these risks, the Group has established an organizational structure dedicated exclusively to collecting and consolidating the necessary data points and preparing the CSRD report. We intend to expand this structure in the future. We communicated a number of new standard operating procedures (SOPs) to Group companies during the current financial year via “DokWeb,” our intranet-based knowledge, document and template repository. At the request of the CSRD Core Group, we created a one-pager to help the Group collect and prepare the data required for reporting; this document consolidates all of the relevant metrics related to environmental topics as well as occupational health and safety. We developed uniform and binding definitions on the basis of training sessions for internal data providers across the Group. Other metrics are taken directly from the Group’s IT systems. The CSRD Coordinator, the CSRD Core Group, and the report author all assess and critically evaluate the data before final processing to make sure that it is consistent.

Overview of H&R KGaA's sustainability strategy, business model, and own stages in the value chain (SBM-1)

Business model

The H&R Group was originally founded as a trading house for petroleum jelly and white oils in 1919. Today, it specializes in refining and processing fossil hydrocarbons, the majority of which are sourced from the petroleum-based processes at fuel refineries.

The H&R KGaA Group's **business model** is market and demand-oriented and comprises the following coordinated **stages of the value chain**:

1. The **distribution** of its products, in particular market development and cultivation for special applications of hydrocarbon-based products through an international network of long-standing distribution partners and its own sales staff;
2. **Product development or application-specific marketing**, in which products are customized to suit the customer's needs based on customer and application-specific requirements;
3. The **production** of hydrocarbon-based specialty products at two German and several international locations in order to ensure the greatest possible customer proximity and delivery reliability. To this end, H&R operates various processing plants of its own, in which the customer- and application-specific specialty products are formulated, as well as tank farms and filling plants; the Group also uses a global network of suppliers comprising independent refineries and contractual refinery partners. The international locations also source primary products from the company's own refineries in Hamburg and Salzbergen.

The product portfolio comprises more than 800 specialty products used in customer industries spanning almost all sectors of the economy and life in the long term. The useful lives of these products are several times longer than that of conventional refinery products, which tend to be used exclusively for energy. We use raw materials derived from both fossil and sustainable hydrocarbons, which we source from upstream suppliers.

The fossil products we use are atmospheric residue (AtRes) and vacuum gas oil (VGO). These are produced in fuel refineries that do not belong to the H&R Group by removing light components (diesel, gasoline and kerosene) from crude oil. The Group's production sites receive these raw materials directly from the producer or indirectly through traders. They are transported to us using ships, tank cars or tanker trucks. Bio-based, synthetic, and recycled materials are sourced through similar channels. These are also sourced from traders, directly from prominent gas producers (CO₂), or produced on site (hydrogen).

H&R divides its business activities into the ChemPharm Refining and ChemPharm Sales segments (together, these make up the Chemical-Pharmaceutical Raw Materials division). The Group also has activities in the Plastics segment, in which precision plastic parts are developed and manufactured.

The resulting sales and contribution to income are broken down as follows, in line with our 2025 consolidated financial reports:

Segment	Sales	Operating income / EBITDA
ChemPharm REFINING	€766.2 million	€57.1 million
ChemPharm SALES	€456.5 million	€36.5 million
PLASTICS	€35.4 million	€-5.5 million
Reconciliation and consolidation	€-16.0 million	€-4.3 million
Total	€1,242.2 million	€83.8 million

Information about our workforce is provided in the table “Number and share of employees by continent and country” within the section “Characteristics of the undertaking’s employees and metrics (S1-6)”. This includes sites with 50 or more employees. Additional information about our employees can be found in the section “Own workforce (S1)”.

Additional information including a detailed presentation of the mission, the markets and corporate structure is available in the “Group Fundamentals” section of the 2025 Group management report.

Special challenges

As a Group that is active in the specialty chemicals sector, we face a wide variety of challenges with our business model. One of the major challenges stems from our vertical integration. The processing steps in our production of specialty products exceed those of other refineries, as their processes end with the production of fuels and base oils. This allows us to produce more complex products with higher margins. Our process also involves higher energy costs and greater consumption of resources. Given our current heavy reliance on fossil products like ATRES and VGO, H&R must either secure a steady supply of these traditional materials from our suppliers for a sufficiently long period or source sustainable alternatives in sufficient quantities to meet our requirements.

Our customers’ focus is changing, too. Today, they demand not just the same proven product quality, but also expect the H&R Group to be in a position to deliver environmentally friendly and certified products. When we supply our customers with feedstock for processing, or products with a reduced product carbon footprint, we are also supporting them with their own efforts toward climate neutrality.

Our customers expect ethical conduct from both the H&R Group and its entire value chain.

The implementation of and adherence to these requirements also requires us to retain our skilled employees over the long term. We can generally only succeed in doing so if we offer our employees good jobs and enhanced job security while positioning ourselves as a responsible employer.

Our sustainability strategy

As an owner-managed group of companies, a sustainability-oriented mindset forms the foundation of our corporate policy. We are convinced that the progress that the Group achieves in terms of quality management, safety, protection of the environment and human health, and compliance not only enhances the reputation of the Group, but also ensures the profitability and, as a result, the ability to sustainably maintain the company’s value and guarantee future viability.

This belief is anchored in our motto “Oil is far too valuable to burn!”, which highlights our conviction to utilize finite resources sensibly. At the same time, we take our responsibility as an employer seriously and place a high priority on employee safety and development.

The H&R Group aims to achieve net-zero emissions in production (Scope 1 and 2) by the end of 2050. This will be achieved primarily through the use of carbon-neutral energy sources. The use of carbon-neutral materials will be increased to gradually reduce our Scope 3 emissions, whenever this is economically viable and technically feasible.

H&R has set internally binding targets that have not yet been validated or certified by external parties. The Group has aligned its operations with EU climate goals and their corresponding annual emission reduction targets. We are also aiming to significantly increase the share of renewable feedstocks in our core products by 2030, provided we can produce and market these product groups economically and competitively.

Detailed information about targets and the sustainability strategy can be found under “Transition plan for climate change mitigation (E1-1)”.

As the H&R Group is reliant on external factors – such as the ramp-up of the relevant markets and the availability of corresponding raw materials and energy sources – and also has to pay for the transformation process using its own financial resources, management and the CSO review our sustainability targets and the measures we implement to achieve them at least once a year.

Overall, we are following a comprehensive approach, which goes beyond the pure raw material aspect/increased use of bio-based or synthesized products. We also intend to drive forward the approach of increased sustainability through the efficient use of water, energy and heat. We additionally intend to continuously develop our expertise in this field in order to successfully continue on the path toward increased sustainability.

The amount of time it takes us to implement these goals will depend on a number of factors. These include the large-scale availability and pricing of renewable materials, as well as our ability to process them in a cost-effective manner using existing, retrofitted or purpose-built production facilities.

We use external assessment tools to evaluate the effectiveness of our sustainability-related activities and improve our processes. In 2025, we once again used the EcoVadis rating to provide an independent benchmark of our performance in the areas of environment, labor and human rights, ethics and sustainable procurement. H&R was awarded a gold medal by EcoVadis in the 2025 financial year. This award puts H&R in the top 5% of the peer group evaluated by EcoVadis in the “Manufacturing Companies” sector.



Interests and views of stakeholders (SBM-2)

The H&R Group's economic success and acceptance are largely dependent on meeting the expectations, interests, and needs of our stakeholders. These include our employees, customers, suppliers, investors, NGOs, and local residents.

The H&R Group maintains ongoing dialogue with all stakeholders to better understand these issues and gain insights that inform our market position and future strategic focus. As part of this process, we take into account both the impact that our business activities have on these stakeholders and what they expect of us.

Our annual and financial reports are an important part of our stakeholder engagement efforts. They provide "our view of things", along with an insight into how we design internal structures and processes, into the goals we set ourselves and the measures we take to systematically drive the H&R Group forward. These reports allow us

to communicate effectively with shareholders and financing partners, who then engage with us directly and provide essential feedback. We take a similar approach to financial market communications and our interactions with analysts.

We proactively engage our employees using newsletters, circulars, and specialized workshops within our operating units. We also make sure to meet our legal obligations under works constitution law. We collaborate closely with the works council and employee representatives on the Supervisory Board.

Our membership in numerous economic and special-interest associations and the close links we maintain with local approval authorities and political decision-makers give us a fuller picture of what is needed to first define and then implement the foundations and goals of a sustainability strategy.

We have identified the following 16 stakeholders and stakeholder groups:

Stakeholder	Stakeholder topics	Communication formats
Majority shareholders / management	Strategy; sustainability; business conduct	Monthly management reports; financial reports; strategy / sustainability workshops
Sales (core products)	Challenges / customer requirements related to sustainability	Sales reporting; weekly video calls about the refinery system; refinery operations meetings (to discuss plant and production management); contact with customers
Sales (co-products)	Challenges / customer requirements related to sustainability	Sales reporting; weekly video calls about the refinery system; refinery operations meetings (see above)
End consumers	Product safety; chemical regulations	Association work; networking; training sessions
Shareholders	Shareholders and owners' interests	Media and financial reporting; association work; Annual Shareholders' Meeting; capital market conferences.
Contractors / service providers	Technical procurement; services	Compliance training
Employees	Workplace safety; own workforce; participation	Training databases; internal newsletters; staff meetings
Suppliers	Procurement of feedstocks; maintain production and reliability	Supplier Code of Conduct; surveys

Stakeholder	Stakeholder topics	Communication formats
Production	Statutory permit requirements; operator duties; operational processes; innovations; implementation of the sustainability strategy	Workshops; training sessions
Logistics	Supply chain; supplier management	Supplier Code of Conduct; surveys
Research & development	Maturity of sustainable products and production processes	Sales controlling; internal steering committees
Authorities / legislator	Operating permit	Internal approval management; structured and regular communication
Banks / insurance companies	Sustainable investment	Bank reporting; discussion and establishment of ESG metrics
Neighbors	Environmental protection	Information events; Lange Nacht der Industrie (long night of industry)
Associations	Networking; lobbying; compliance	Participation in association meetings / training sessions
International sites	Global requirements of customers; local cultural, legal, and economic needs of customers and our own workforce	Video conferences; international strategy meetings; annual budget meeting

We work closely together with our stakeholders on a regular basis. Our long-standing relationships with stakeholders provide us with a deep insight into their current needs and challenges.

Interests and views of stakeholders / own workforce (S1 SBM-2)

Our own workforce is one of the H&R Group's most important stakeholder groups. We maintain a regular dialogue with our employees. We do this directly through regular coordination at various operational levels, newsletters, and works or staff meetings, and indirectly by providing ways for employees to be involved in decision-making processes (Economic Committee of the Works Council; one-third representation on the Supervisory Board). This gives us an insight into their needs and concerns. This feedback is incorporated into our internal Code of Conduct, corporate policy, training measures, guidelines, handbooks and value statements. We want to integrate our employees' perspectives so that our business model fosters a culture of respect and personal responsibility in addition to driving our financial performance.

We involved the H&R Group's key stakeholders in the process of preparing the materiality assessment and surveyed them directly via representatives. H&R's key stakeholders all come from the group of affected stakeholders.

Information about how the administrative, management, and supervisory bodies are informed about the views and interests of affected stakeholders with regard to the undertaking's sustainability-related impacts (SBM-2)

We describe the information channels used by the administrative, management and supervisory bodies of the H&R Group under GOV-1.

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

We clustered the impacts, risks and opportunities (IROs) identified as material in the materiality assessment into sustainability matters to reflect the content of the report and provide it with a structure. These are presented in the table below. Information about the materiality assessment process can be found under "Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)".

Further information about material IROs, for example the extent to which they actually exist or are geographically focused, can be found in the topic-specific chapters of this Group Sustainability Statement.

ESRS	Topic	Sub-topic	Aspect
E1	Climate change	Climate change adaptation	Climate change mitigation and transitory climate goals
E1	Climate change	Climate change adaptation	Legal and regulatory risks, including carbon credits
E1	Climate change	Energy	Energy
E2	Pollution	Pollution of air, water and soil	Emissions to water, air and soil
E2	Pollution	Substances of (very high) concern	Substances of (very high) concern
E3	Water and marine resources	Water consumption, water withdrawals	Water in the production process
E5	Circular economy	Resources inflows, including resource use	Resource inflows
E5	Circular economy	Resource outflows related to products and services	Resource outflows
E5	Circular economy	Waste	Waste
S1	Own workforce	Working conditions S1	Collective bargaining coverage and social dialogue at H&R
S1	Own workforce	Working conditions S1	Shift work
S1	Own workforce	Working conditions S1	Occupational Health and Safety
S1	Own workforce	Equal treatment and opportunities for all S1	Equal opportunities
S1	Own workforce	Equal treatment and opportunities for all S1	Employee development
G1	Business conduct	Corporate culture	Corporate culture
G1	Business conduct	Protection of whistleblowers	Protection of whistleblowers

ESRS	Topic	Sub-topic	Aspect
G1	Business conduct	Management of relationships with suppliers including payment practices	Management of relationships with suppliers including payment practices
G1	Business conduct	Corruption and bribery	Corruption and bribery

Environment

Our material environmental matters are particularly relevant at our German production sites in the Chemicals division.

Processing feedstocks into finished products requires varying amounts of a wide range of energy sources at different production stages, regardless of whether the materials have a fossil or sustainable “DNA”. A significant amount of energy needs to be generated to meet these energy demands. Unless this energy is produced in a climate-neutral way, it can accelerate climate change. Reducing energy consumption is therefore a key objective of our transformation strategy. This issue is particularly important to H&R because its specialty products are used by our customer industries, where they may undergo further processing that consumes additional energy. Consequently, reducing H&R’s energy use has a direct impact on the overall energy balance of the entire value chain.

We cannot definitively rule out the possibility of pollution of soil, air or water at our production sites. Some of these impacts are covered by operating permits. We attempt to minimize, detect and mitigate any additional impact on the environment by taking suitable action, such as structural measures (flue gas desulfurization plants) or sampling. The by-products generated during the production process and the inputs which are approved for use include “substances of (very high) concern”. They are subject to a mandatory authorization process under REACH and are currently unavoidable for the Group based on the current state of technology.

Water is a significant environmental matter with material impacts and risks due to the previously described pollution. It is also used as a product component and a coolant within the production process.

Waste is generated as part of our production process. However, we strive to use the materials we deploy with maximum efficiency. Furthermore, the process of maintaining our operational activities and renovating our sites as part of modernization or maintenance measures generates material that we collect and either reuse, recycle, or dispose of. The sustainability aspect of resource use and circular economy has therefore also proven to be material for reporting purposes.

Own workforce

We have also identified material impacts, risks and opportunities in connection with our own workforce. Our production, processing and sales sites rely on their employees to maintain continuous, legally compliant and safe business operations. Accordingly, both employee recruitment and retention and occupational health and safety are of material importance to the Group. If the Group violates its duty of care, this can have direct impacts on employee health.

We use our system of safety officers to ensure compliance with and continuous improvement of safety regulations at all sites. Our goal is for all sites to achieve occupational safety certification. H&R is a manufacturing company. Companies in our sector generally have higher accident rates than those in purely commercial sectors. An entity-specific consideration within the H&R Group is the fact that some of our employees work on the basis of a year-round 24/7 multi-shift system.

Business conduct

We have identified the corporate policy as a material matter that plays a crucial role in our interactions – both internally and externally. This section primarily addresses questions of compliance, social responsibility and adherence to standards. It includes information about our measures and actions in this area, such as our “Speak-Up Line” whistleblowing system. The connections between the Group and its suppliers and customers is also covered in this section.

Risks and opportunities related to the business model and its resilience

We have identified the most significant sustainability risks in the following areas:

- Climate change
- Pollution
- Resource use
- Own workforce
- Business conduct

Some changes – such as transitioning to more environmentally friendly energy sources – offer significant opportunities. H&R closely tracks developments and requirements to capitalize on these trends. H&R also intends to remain an employer of choice by offering innovative roles, utilizing new employment practices and leveraging employee recruitment and retention technologies.

Overall, we also conclude that the absolute financial impact is still manageable in the short term, but that the absolute impact of ESG risks could become increasingly significant in the medium to long term. We have not identified any risks that are considered to be very likely to materialize in 2025 or the following years which could have a serious negative impact on environmental, employee, social, and corruption/bribery aspects.

The internal risk management system includes the identification and management of the resilience of the strategy and business model while taking the material impacts and risks into account. Additional information can be found in the section “Risk management and internal controls over sustainability reporting (GOV-5)”.

No events in connection with the identified material risks and opportunities had a material impact on our net assets, financial position, results of operations or liquidity position in the reporting year. We do not expect to see any significant changes for the next reporting period.

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

We performed a Group-wide double materiality assessment under the ESRS to assess both the company’s impacts on the environment, people and society and the financial risks and opportunities for the company in connection with sustainability matters.

We followed EFRAG’s Materiality Assessment Implementation Guidance (IG 1) and carried out the specified steps as follows:

- Understanding the context: analysis of the business model, scoping, defining and delineating the value chain, identifying relevant stakeholders
- Identifying potential and actual sustainability matters and related impacts, risks and opportunities
- Assessing potential and actual impacts, risks and opportunities, and grouping them together under sustainability matters

Understanding the context

To determine the context and scope of the materiality assessment, the H&R Group’s activities were identified based on the business model and the various stages of the value chain. To identify relevant stakeholder groups, we followed EFRAG’s guidance, differentiating between affected stakeholders and users of sustainability statements.

Identification of sustainability matters and IROs

In 2017, the relevant non-financial topics were compiled for the first time and approved by the H&R Group's Executive Board. This included an examination of H&R's direct value chains and the topics discussed, up until 2017, in the "Non-financial Performance Indicators" section of the company's Annual Report. In 2024, we launched the double materiality assessment process in light of the CSRD reporting requirement.

All potentially material sustainability matters were systematically identified using the list of sustainability topics in ESRS 1 AR16 to determine entity-specific positive or negative impacts, risks or opportunities (IRO). To identify additional entity-specific topics, we reviewed the annual report, the sustainability report, the EcoVadis assessment, the CDP report and our website. We also surveyed senior management and the Supervisory Board. As part of our review of the materiality assessment for the 2025 financial year, we reviewed the 2024 versions of the aforementioned documents and updated the materiality assessment as needed. This provided a final "long list" of topics, sub-topics and sub-sub-topics, along with their associated impacts, risks and opportunities. In total, our "long list" contained 92 different sustainability matters. The CSRD Core Group then assembled IROs for all of the matters on the long list.

To identify relevant risks and opportunities, we considered the interactions between our material impacts on the environment and society and our dependencies on natural, human, and social resources, as well as how these interactions result in direct or indirect financial consequences for the company.

Assessment of the IROs

The assessment indicated which part of the Group's value chain was affected by all identified impacts, risks and opportunities. We then developed a matrix using a points-based scoring system defined by the CSRD Core Group. On a scale of 1 to 5, ranging from "completely immaterial" to "highly material", the value of each impact, risk and opportunity can be clearly determined to establish its materiality. The CSRD Core Group determined that, using the rating scale of 1–5, all topics with a score greater than or equal to 3 are considered "material", while topics with a score lower than 3 are considered "not material". Sustainability matters are considered material if they meet the definition of financial materiality and/or impact materiality.

We prepared the topics on the "long list" for assessment in line with the aforementioned criteria. We also included additional details in connection with the scale, scope and irremediable character of negative impacts. All points were given a potential likelihood of occurrence and assigned to different time horizons. We adopted the short-, medium-, and long-term timeframes recommended by the ESRS. We used the maximum value from each of the three time horizons to evaluate materiality. We also assessed all risks and opportunities based on their potential financial impact and likelihood of occurrence.

In a first run-through, the CSRD Core Group assessed these impacts, risks and opportunities. During this assessment, we identified topics that are clearly irrelevant to the H&R Group or of only minor significance. In this first review by the CSRD Core Group, we reduced the list by 54 sustainability matters and their sub-topics and sub-sub-topics. We identified these matters as being "not material" using internal research, data and process comparison and the scoring matrix.

Our initial assessment and research provided us with a "medium list", which was discussed with stakeholders and reviewed as part of a materiality workshop. Information about the stakeholders that were selected is provided in the section "Stakeholder interests (SBM-2)".

The CSRD Core Group selected a representative group of stakeholders which would provide as comprehensive a picture as possible of how all interest groups are affected. Our goal was to maximize stakeholder dialogue while maintaining an efficient analysis process. We identified internal representatives to act as proxies for our relevant stakeholder groups.

Since five different ESRS standards cover “environmental” topics, we treated the environment as a stakeholder and assessed it from two distinct perspectives. We decided to appoint an employee from Production as a representative for environmental matters and environmental interests because the majority of material environmental topics are connected with our production processes. We also assess the strategic challenges of transitioning our business model toward sustainable, climate-friendly products and ensuring H&R’s long-term economic future by involving the majority shareholder and their medium- to long-term strategic goals for the Group.

All representatives assessed the list of sustainability matters. The CSRD Core Group reviewed these assessments and discussed them with stakeholder representatives during a workshop. Following this, the CSRD Core Group finalized the material IROs. The final list was presented to the Executive Board and the Supervisory Board of the H&R Group. Both bodies approved the assessment.

The risks and opportunities identified in the materiality assessment process were incorporated into our company-wide risk management system (see ESRS 2 GOV-5).

Reference to topical sustainability matters (IRO-1)

ESRS E1 IRO-1 (climate-related risks and opportunities)

We did not conduct a separate climate risk analysis to identify and assess our material climate-related risks and opportunities. However, we systematically identified both physical risks (direct impacts from heat waves, droughts, heavy rainfall, storms and floods) and transition risks (indirect risks from regulatory, political, technological or market-related changes in connection with climate change adaptation). We consulted internal stakeholders and evaluated our production processes and sites to identify potential strategic measures. We performed site-specific water risk analyses to provide an in-depth analysis of the direct/physical climate risks for our production, processing, and distribution sites. None of the water-related risks identified during the analyses were classified as “high”.

ESRS 2 E2 IRO-1 (pollution of air, water and soil)

With the assistance of internal stakeholders involved in procurement, production, product safety and approval management, the materiality assessment identified pollution of air, water and soil as material, with a particular focus on substances of concern and very high concern. These substances are used as feedstocks at our production sites and also as components of certain products. Due to their production-specific relevance, we limited ourselves to a (production) site-specific analysis instead of performing a Group-wide risk assessment.

ESRS E3 IRO-1 (water and marine resources)

To determine the materiality of the sustainability matter of water and marine resources, we evaluated the water requirements of our production and processing sites. We evaluated the relevant water withdrawal and discharge permits and assessed the quantities used in processes and for cooling purposes based on billing and throughput data.

ESRS E4 IRO-1 (biodiversity)

To determine the materiality of the sustainability matter of biodiversity, we conducted a Group-wide analysis that included all of our sites. We used the “Biodiversity Risk Filter” from the World Wildlife Fund as the basis for our assessment. This analysis did not reveal any significant risks. We therefore categorized biodiversity as “not material”.

ESRS E5 IRO-1 (resource inflows and outflows)

We performed a systematic analysis of our product portfolio, our feedstocks, and how these feedstocks are processed within our value chain. We tracked the quantities and types of waste and the methods used to dispose of them. Together with internal stakeholders from procurement, production, distribution, water management and waste management, we identified the material IROs related to resource use and circular economy. We reviewed our statements about the sustainability strategy for the purpose of the materiality assessment, with a particular focus on the current implementation of the strategy. The current transformation strategy aims for 70% of our core products to contain an average of 10% renewable feedstocks. These renewable feedstocks can be bio-based, recycled or synthetic.

ESRS G1 IRO-1 (business conduct)

During our materiality assessment, we engaged internal stakeholders, including the Executive Board, to identify material IROs. This process highlighted corporate culture, corruption and bribery, whistleblower protection, and supplier and customer relationship management (including payment practices) as material topics.

Disclosure requirements in ESRS covered by the sustainability statement (IRO-2)

In determining the relevant disclosure requirements for the report, we followed the guidelines set out by EFRAG – specifically EFRAG IG 1 and EFRAG IG 3 (“Implementation Guidance 3, List of ESRS data points”) – to reduce the total pool of over 1,100 potential data points to the mandatory disclosures which were relevant for the H&R Group.

We assessed each topical standard (e.g. climate change, own workforce) and disclosure requirement to determine their materiality from the perspective of the Group. We then addressed the materiality of data points in terms of their informative character. A data point was deemed material if omitting it could influence the decisions of the recipients of the sustainability statement. Certain material disclosures were not reported this year due to our voluntary and partial application of the ESRS. The areas most affected by this approach were our Scope 3 emissions and value chain-related disclosures.

The table below provides a list of the disclosure requirements which we complied with on the basis of our materiality assessment:

Standard	Name	Disclosure requirement	Area	Name of the disclosure requirement	References
ESRS 2	General disclosures	BP-1	Basis for preparation	General basis for preparation of the sustainability statement	P. 05
ESRS 2	General disclosures	BP-2	General basis for preparation	Disclosures in relation to specific circumstances	P. 05
ESRS 2	General disclosures	GOV-1	Governance	Role of the management and supervisory bodies	P. 06
ESRS 2	General disclosures	GOV-2	Governance	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	P. 08
ESRS 2	General disclosures	GOV-3	Governance	Integration of sustainability-related performance in incentive schemes	P. 09
ESRS 2	General disclosures	GOV-4	Governance	Statement on due diligence	P. 10
ESRS 2	General disclosures	GOV-5	Governance	Risk management and internal controls over sustainability reporting	P. 12
ESRS 2	General disclosures	SBM-1	Strategy	Strategy, business model and value chain	P. 13
ESRS 2	General disclosures	SBM-2	Strategy	Interests and views of stakeholders	P. 16
ESRS 2	General disclosures	SBM-3	Strategy	Material impacts, risks and opportunities and their interaction with strategy and business model	P. 18
ESRS 2	General disclosures	IRO-1	Impact, risk and opportunity management	Description of the processes to identify and assess material impacts, risks and opportunities	P. 20
ESRS 2	General disclosures	IRO-2	Impact, risk and opportunity management	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	P. 24

Standard	Name	Disclosure requirement	Area	Name of the disclosure requirement	References
ESRS 2	General disclosures	MDR-P	Impact, risk and opportunity management	Policies adopted to manage material sustainability matters	p. 39 / p. 48 / p. 52 / p. 55 / p. 59 / p. 67 / p. 83
ESRS 2	General disclosures	MDR-A	Impact, risk and opportunity management	Actions and resources in relation to material sustainability matters	p. 42 / p. 49 / p. 52 / p. 55 / p. 60 / p. 71 / p. 84
ESRS 2	General disclosures	MDR-M	Indicators and targets	Indicators in relation to material sustainability matters	p. 44-46 / p. 49-50 / p. 53 / p. 57 / p. 62-63 / p. 77-81 p. 85
ESRS 2	General disclosures	MDR-T	Indicators and targets	Tracking effectiveness of policies and actions through targets	p. 43 / p. 49 / p. 53 / p. 56 / p. 61 /p. 75
ESRS E1	Climate change	GOV-3	Governance	Integration of sustainability-related performance in incentive schemes	p. 9
ESRS E1	Climate change	E1-1	Strategy	Transition plan for climate change mitigation	p. 39
ESRS E1	Climate change	SBM-3	Strategy	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 38
ESRS E1	Climate change	IRO-1	Impact, risk and opportunity management	Description of the process to identify and assess material impacts, risks and opportunities related to the climate	p. 22
ESRS E1	Climate change	E1-2	Impact, risk and opportunity management	Policies related to climate change mitigation and climate change adaptation	p. 40
ESRS E1	Climate change	E1-3	Impact, risk and opportunity management	Actions and resources related to climate policies	p. 42

Standard	Name	Disclosure requirement	Area	Name of the disclosure requirement	References
ESRS E1	Climate change	E1-4	Indicators and targets	Targets related to climate change mitigation and climate change adaptation	p. 43
ESRS E1	Climate change	E1-5	Indicators and targets	Energy consumption and mix	p. 44
ESRS E1	Climate change	E1-6	Indicators and targets	Gross Scopes 1, 2 and 3 emissions and Total GHG emissions	p. 46
ESRS E2	Pollution	IRO-1	Impact, risk and opportunity management	Description of the process to identify and assess material impacts, risks and opportunities related to pollution	p. 22
ESRS E2	Pollution	E2-1	Impact, risk and opportunity management	Policies related to pollution	p. 48, p. 52
ESRS E2	Pollution	E2-2	Impact, risk and opportunity management	Actions and resources related to pollution	p. 49, p. 52
ESRS E2	Pollution	E2-3	Indicators and targets	Targets related to pollution	p. 49, p. 53
ESRS E2	Pollution	E2-4	Indicators and targets	Pollution of air, water and soil	p. 53
ESRS E2	Pollution	E2-5	Indicators and targets	Substances of concern and substances of very high concern	p. 50
ESRS E3	Water and marine resources	IRO-1	Impact, risk and opportunity management	Description of the process to identify and assess material impacts, risks and opportunities related to water and marine resources	p. 22
ESRS E3	Water and marine resources	E3-1	Impact, risk and opportunity management	Policies related to water and marine resources	p. 55
ESRS E3	Water and marine resources	E3-2	Impact, risk and opportunity management	Actions and resources related to water and marine resources	p. 55
ESRS E3	Water and marine resources	E3-3	Indicators and targets	Targets related to water and marine resources	p. 56
ESRS E3	Water and marine resources	E3-4	Indicators and targets	Water consumption	p. 57
ESRS E4	Biodiversity and ecosystems	IRO-1	Impact, risk and opportunity management	Description of process to identify and assess material impacts, risks and opportunities related to biodiversity and ecosystems	p. 22

Standard	Name	Disclosure requirement	Area	Name of the disclosure requirement	References
ESRS E5	Resource use and circular economy	IRO-1	Impact, risk and opportunity management	Description of the process to identify and assess material impacts, risks and opportunities related to resource use and circular economy	p. 22
ESRS E5	Resource use and circular economy	E5-1	Impact, risk and opportunity management	Policies related to resource use and circular economy	p. 59
ESRS E5	Resource use and circular economy	E5-2	Impact, risk and opportunity management	Actions and resources related to resource use and circular economy	p. 60
ESRS E5	Resource use and circular economy	E5-3	Indicators and targets	Targets related to resource use and circular economy	p. 61
ESRS E5	Resource use and circular economy	E5-4	Indicators and targets	Resource inflows	p. 62
ESRS E5	Resource use and circular economy	E5-5	Indicators and targets	Resource outflows	p. 63
ESRS S1	Own workforce	SBM-2	Strategy	Interests and views of stakeholders	p. 17
ESRS S1	Own workforce	SBM-3	Strategy	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 65
ESRS S1	Own workforce	S1-1	Impact, risk and opportunity management	Policies related to own workforce	p. 67
ESRS S1	Own workforce	S1-2	Impact, risk and opportunity management	Processes for engaging with own workforce and workers' representatives about impacts	p. 69
ESRS S1	Own workforce	S1-3	Impact, risk and opportunity management	Processes to remediate negative impacts and channels for own workers to raise concerns	p. 70
ESRS S1	Own workforce	S1-4	Impact, risk and opportunity management	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	p. 71

Standard	Name	Disclosure requirement	Area	Name of the disclosure requirement	References
ESRS S1	Own workforce	S1-5	Indicators and targets	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 75
ESRS S1	Own workforce	S1-6	Indicators and targets	Characteristics of the undertaking's employees and metrics	p. 76
ESRS S1	Own workforce	S1-8	Indicators and targets	Collective bargaining coverage and social dialogue	p. 78
ESRS S1	Own workforce	S1-9	Indicators and targets	Diversity metrics	p. 79
ESRS S1	Own workforce	S1-12	Indicators and targets	Persons with disabilities	p. 80
ESRS S1	Own workforce	S1-13	Indicators and targets	Training and skills development metrics	p. 80
ESRS S1	Own workforce	S1-14	Indicators and targets	Health and safety metrics	p. 80
ESRS S1	Own workforce	S1-16	Indicators and targets	Remuneration metrics (pay gap and total remuneration)	p. 81
ESRS S1	Own workforce	S1-17	Indicators and targets	Incidents, complaints and severe human rights impacts	p. 81
ESRS G1	Business conduct	GOV-1	Governance	The role of the administrative, management and supervisory bodies	p. 06
ESRS G1	Business conduct	IRO-1	Impact, risk and opportunity management	Description of the processes to identify and assess material impacts, risks and opportunities	p. 22
ESRS G1	Business conduct	G1-1	Impact, risk and opportunity management	Corporate culture and business conduct policies	p. 83
ESRS G1	Business conduct	G1-2	Impact, risk and target management	Management of relationships with suppliers	p. 83
ESRS G1	Business conduct	G1-3	Impact, risk and target management	Prevention and detection of corruption and bribery	p. 84
ESRS G1	Business conduct	G1-4	Indicators and targets	Incidents of corruption or bribery	p. 85

The table below contains all datapoints derived in our report and which ones were classified as “not material”:
from other EU legislation listed in Appendix B of ESRS 2. It indicates where each datapoint appears

Disclosure requirement	Data-point	Topic of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Reference
ESRS 2 GOV-1	21d	Board’s gender diversity	x		x		material	p. 06
ESRS 2 GOV-1	21e	Percentage of board members who are independent			x		material	p. 06
ESRS 2 GOV-4	30	Statement on due diligence	x				material	p. 10
ESRS 2 SBM-1	40d-i	Involvement in activities related to fossil fuels	x	x	x		not material	n.a.
ESRS 2 SBM-1	40d-ii	Activities related to chemical production	x		x		material	p. 13
ESRS 2 SBM-1	40d-iii	Involvement in activities related to controversial weapons	x		x		not material	n.a.
ESRS 2 SBM-1	40d-iv	Involvement in activities related to cultivation and production of tobacco			x		not material	n.a.
E1-1	14	Transition plan to reach climate neutrality by 2050				x	material	p. 39
E1-1	16g	Undertakings excluded from Paris-aligned benchmarks		x	x		not material	n.a.
E1-4	34	GHG emission reduction targets	x	x	x		material	p. 43
E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				material	p. 44
E1-5	37	Energy consumption and mix	x				material	p. 44
E1-5	40–43	Energy intensity associated with activities in high climate impact sectors	x				material	p. 45

Disclosure requirement	Data-point	Topic of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Reference
E1-6	44	Gross Scopes 1, 2 and 3 emissions and Total GHG emissions	x	x	x		material	p. 46
E1-6	53-55	Gross GHG emissions intensity	x	x	x		material	p. 47
E1-7	56	GHG removals and carbon credits				x	not material	n.a.
E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		not reported	n.a.
E1-9	66a 66c	Disaggregation of monetary amounts by acute and chronic physical risk / Location of significant assets at material physical risk		x			not reported	n.a.
E1-9	67c	Breakdown of carrying amount of real estate assets by energy efficiency classes		x			not reported	n.a.
E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		not reported	n.a.
E2-4	28	Amount of each pollutant listed in Annex II of the EPRTTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x				material	p. 53
E3-1	9	Water and marine resources	x				not material	n.a.
E3-1	13	Special concept	x				not material	n.a.
E3-1	14	Sustainable oceans and seas	x				not material	n.a.
E3-4	28c	Total water recycled and reused	x				material	p. 57
E3-4	29	Total water consumption in m ³ per net revenue from own operations	x				material	p. 57

Disclosure requirement	Data point	Topic of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Reference
ESRS 2 SBM-3 E4	16a-i	Specific impacts, risks and opportunities related to biodiversity and ecosystems	x				not material	n.a.
ESRS 2 SBM-3 E4	16b	Use of ecosystem services	x				not material	n.a.
ESRS 2 SBM-3 E4	16c	Physical risks and transition risks	x				not material	n.a.
E4-2	24b	Sustainable land / agriculture practices or policies	x				not material	n.a.
E4-2	24c	Sustainable oceans / seas practices or policies	x				not material	n.a.
E4-2	24d	Policies to address deforestation	x				not material	n.a.
E5-5	37d	Non-recycled waste	x				material	p. 63
E5-5	39	Hazardous waste and radioactive waste	x				material	p. 63
ESRS 2 SBM-3 S1	14f	Risk of incidents of forced labor	x				not material	n.a.
ESRS 2 SBM-3 S1	14g	Risk of incidents of child labor	x				not material	n.a.
S1-1	20	Human rights policy commitments	x				material	p. 67
S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		not material	n.a.
S1-1	22	Processes and measures for preventing trafficking in human beings	x				not material	n.a.
S1-1	23	Workplace accident prevention policy or management system	x				material	p. 71
S1-3	32c	Grievance /complaints handling mechanisms	x				material	p. 70
S1-14	88b 88c	Number of fatalities and number and rate of work-related accidents	x		x		material	p. 80

Disclosure requirement	Data-point	Topic of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Reference
S1-14	88e	Number of days lost to injuries, accidents, fatalities or illness	x				material	p. 80
S1-16	97a	Unadjusted gender pay gap	x		x		material	p. 81
S1-16	97b	Excessive CEO pay ratio	x				material	p. 81
S1-17	103a	Incidents of discrimination	x				material	p. 81
S1-17	104a	Non-respect of UNGPs on Business and Human Rights or OECD guidelines	x		x		material	p. 81
ESRS 2 SBM-3 S2	11b	Significant risk of child labor or forced labor in the value chain	x				not material	n.a.
S2-1	17	Human rights policy commitments	x				not material	n.a.
S2-1	18	Policies related to workers in the value chain	x				not material	n.a.
S2-1	19	Non-respect of UNGPs on Business and Human Rights or OECD guidelines	x		x		not material	n.a.
S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		not material	n.a.
S2-4	36	Human rights issues and incidents connected to upstream and downstream value chain	x				not material	n.a.
S3-1	16	Human rights policy commitments	x				not material	n.a.
S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	x		x		not material	n.a.

Disclosure requirement	Data-point	Topic of disclosure requirement	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Reference
S3-4	36	Human rights issues and incidents	x				not material	n.a.
S4-1	16	Policies related to consumers and end-users	x				not material	n.a.
S4-1	17	Non-respect of UNGPs on Business and Human Rights or OECD guidelines	x		x		not material	n.a.
S4-4	35	Human rights issues and incidents	x				not material	n.a.
G1-1	10b	United Nations Convention against Corruption	x				not material	n.a.
G1-1	10d	Protection of whistleblowers	x				material	p. 83
G1-4	24a	Fines for violation of anti-corruption and anti-bribery laws	x		x		material	p. 85
G1-4	24b	Standards on anti-corruption and anti-bribery	x				material	p. 85

ENVIRONMENT

REPORTING IN ACCORDANCE WITH THE EU TAXONOMY REGULATION

General information

Regulation (EU) 2020/852 of the European Parliament and of the Council of June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 contains criteria for sustainable investments and also regulates their disclosure. It defines the conditions under which an economic activity is to be classified as environmentally sustainable in order to determine the degree of environmental sustainability of an investment. The EU Taxonomy reporting framework of the H&R Group is aligned with Commission Delegated Regulation (EU) 2026/73, which was published by the European Commission in the Official Journal of the European Union on January 8, 2026. This regulation introduces amendments to reporting under Article 8 of the Taxonomy Regulation (EU) 2021/2178, as well as to the “Climate” and “Environment” Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486.

Approach

Feedback and expertise from interdisciplinary Group departments (Sustainability Management; Energy Management; Group Accounting; Innovative Process Technologies (IPT) and officials (Chief Sustainability Officer)) were included to determine Taxonomy eligibility and reporting for 2025. In the first step, the Group reconfirmed the continued existence of previously identified Taxonomy-eligible economic activities by referencing the activity descriptions provided in Annexes 1 and 2 of Delegated Regulation (EU) 2021/2139 of June 4, 2021. This assessment incorporated subsequent amending regulations, specifically (EU)

2022/1214 of March 9, 2022, and (EU) 2023/2485 of June 27, 2023, alongside the Environmental Act (EU) 2023/2486 of June 27, 2024. The Group also determined if there was a need to add economic activities that had not been previously considered. The NACE codes for classifying economic activities in the European Community were used as indicative support in this context.

The final determination was made in coordination with the CSRD Core Group, which re-evaluated the economic activities and verified whether workflows and processes practiced within the H&R Group actually qualify as economic activities.

In parallel, the three key performance indicators (KPIs) of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) were analyzed in relation to Taxonomy-eligible economic activities and Taxonomy-non-eligible economic activities, and the data was collected with the relevant reference figures (denominator of the KPI) on the basis of our systems for account management, financial controlling and Group accounting. Double counting is avoided by taking financial accounting as a basis.

Incorporation of the materiality concept

We identify and assess Taxonomy-eligible activities based on the materiality concept introduced by Delegated Regulation (EU) 2026/73 to ensure that our reporting focuses solely on business areas with a significant impact on our environmental performance. Economic activities are considered “not material” if, in aggregate, they account for less than 10% of the Group figures for turnover, CapEx and OpEx.

Identified economic activities

The following potentially Taxonomy-eligible economic activities were identified:

- The hydrogen electrolysis system at the site in Hamburg, where hydrogen has been produced since November 2017 and is used in further processing steps as a basis for the manufacture of technical and medical white oils, falls under economic activity 3.10 “Manufacture of hydrogen”.
- The same applies to the plant for producing e-fuels and synthetic waxes. In a power-to-liquid process, green hydrogen and highly pure biogenic carbon dioxide will be used to produce synthesized fuels and heating fuels as well as the base materials for chemical-pharmaceutical specialty products. Here, the hydrogen is at least partially used to manufacture synthetic fuels, meaning that it also falls under 3.10 “Manufacture of hydrogen” due to the fulfillment of the second part of the activity description “Manufacture of hydrogen-based synthetic fuels”.
- Another economic activity identified was the production of cable-filling compounds at our UK site in Tipton. H&R manufactures products in Tipton that are used in power cables, among other things. H&R’s products are used for insulation and stability. These cables can also be used, in particular, where wind farms – both onshore and offshore – or solar parks are connected to the grid infrastructure for energy and power supply. In our view, this falls under “Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation”, economic activity 3.20.
- In addition, the H&R Group supplies the municipality of Salzbergen with district heating and provides the necessary pipelines and meters. In our opinion, this falls under “District heating/cooling distribution”, economic activity 4.15.
- Another economic activity identified was the operation of the company’s own industrial power plant at the Salzbergen site. It is operated with natural gas as fuel and supplies the production site with electricity, steam and waste heat as energy process components. The operation of the industrial power plant falls under economic activity 4.30 “High-efficiency co-generation of heat/cool and power from fossil gaseous fuels”.
- H&R offers its employees the opportunity to lease both conventional and electric bicycles. In our opinion, this relates to the “Operation of personal mobility devices, cycle logistics”, economic activity 6.4.
- Another economic activity describes the provision of leased or purchased company cars to employees, economic activity 6.5 “Transport by motorbikes, passenger cars and light commercial vehicles”.
- In our opinion, the installation of fixed photovoltaic systems at two locations falls under “Installation, maintenance and repair of renewable energy technologies”, economic activity 7.6.
- The Group reports real estate-related key figures under 7.7 “Acquisition and ownership of buildings”.

All economic activities are assigned to the environmental objective “Climate change mitigation”.

How Taxonomy indicators are calculated

The three indicators we use are turnover, capital expenditure (CapEx) and operating expenditure (OpEx). These are mainly calculated using our financial reporting systems. Some of the information we use to calculate capital expenditure comes from our investment controlling systems. All economic activities identified above as potentially Taxonomy-eligible fell below the materiality threshold of 10% in terms of turnover, CapEx and OpEx in the reporting year. As a result, they are shown as not material in the following table:

Overview of turnover assessed as "not material"

Turnover at Group level (denominator) amounted to €1,242.2 million in the 2025 financial year (2024: €1,338.2 million). The turnover identified as potentially Taxonomy-eligible amounts to € 12.3 million or 1.0% of the Group's total turnover, and therefore falls below the materiality threshold of 10%. As a result, no Taxonomy-eligible or Taxonomy-aligned turnover is reported.

Overview of CapEx assessed as "not material"

Capital expenditure at Group level (denominator) amounted to €70.2 million in financial year 2025 (2024: €64.0 million) and includes property, plant and equipment in accordance with IAS 16, intangible assets in accordance with IAS 38 and leases in accordance with IFRS 16 pursuant to Section 1.1.2.1, lit. a), b) and f) of Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021.

No investments were made in accordance with c) and d) of IAS 40 or e) of IAS 41. The reported figure for total capital expenditure comprises €66.4 million for investments in property, plant and equipment, including leases (€10.1 million), and €3.8 million for investments in intangible assets. It thus corresponds to the presentation in the 2025 consolidated financial statements of H&R GmbH & Co. KGaA.

The CapEx identified as potentially Taxonomy-eligible amounts to €2.3 million or 3.3% of the Group's total capital expenditure volume, and therefore falls below the materiality threshold of 10%. As a result, no Taxonomy-eligible or Taxonomy-aligned CapEx is reported.

Overview of OpEx assessed as "not material"

The operating expenditure at Group level (denominator) in accordance with Section 1.1.3.1 of Delegated Regulation (EU) 2021/2178 of the European Commission dated July 6, 2021, totaled €32.6 million in 2025 (previous year: €33.6 million). In accordance with Section 1.1.3.1, they include the operating expenditure for a) third-party repairs and maintenance, b) R&D costs and c) short-term leases. The total operating expenditure reported comprises €29.2 million (previous year: €30.3 million) for a), €2.5 million (previous year: €2.6 million) for b), and €0.9 million (previous year: €0.7 million) for c). No building refurbishment measures were carried out in the reporting period. These values also correspond to the presentation in the consolidated financial statements of H&R GmbH & Co. KGaA for financial year 2025.

€2.7 million in operating expenditure (OpEx) is potentially Taxonomy-eligible, which accounts for 8.3% of the Group's total operating expenditure. This percentage is below the 10% materiality threshold. As a result, no Taxonomy-eligible or Taxonomy-aligned OpEx is reported.

Disclosure of Taxonomy KPIs

Due to the materiality thresholds applied, this section is limited to the following general overview:

PROPORTION OF TURNOVER, CAPEX, OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ELIGIBLE OR TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING 2025 (SUMMARY KPIS)

2025 financial year	Share attributable to Taxonomy-aligned activities for each environmental objective														
	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
KPI (1)	Total (2)	Share of Taxonomy-eligible activities	Taxonomy-aligned activities	Share of Taxonomy-aligned activities	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Share of enabling activities	Share of transition activities	Non-material activities not subject to assessment	Taxonomy-aligned activities in previous year 2024	Share of Taxonomy-aligned activities in previous year 2024
TEXT	€ MILLION	%	€ MILLION	%	%	%	%	%	%	%	%	%	%	€ MILLION	%
Turnover	1,242.2	0.0	0	0	0	0	0	0	0	0	0	0	1.0	0	0
CapEx	70.2	0.0	0	0	0	0	0	0	0	0	0	0	3.3	0	0
OpEx	32.6	0.0	0	0	0	0	0	0	0	0	0	0	8.3	0	0

CLIMATE CHANGE (E1)

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3, E1 SBM-3)

Companies in traditional industrial sectors are under particularly high pressure to reduce their environmental impact. To meet this challenge, we need innovative technical solutions, transparent and efficient permitting processes and financial viability.

The wheels are in motion; our stakeholders – including customers, suppliers, employees and the media – are driving the transition to a net zero economy. In line with our motto “Oil is far too valuable to burn!”, we have a long-standing commitment to transforming our business model, using renewable raw materials for a greater share of our products and switching to non-carbon-based energy sources.

We did not perform a dedicated climate resilience analysis in 2025. Our internal risk and control system covers climate-related risks identified as material. All identified risks are reviewed on a regular basis. Where necessary, action is taken to reduce the impact of risks. This process includes assessing their potential monetary impact and likelihood of occurrence. The results of our risk and control system are presented to the Supervisory Board on a regular basis; additional information about our risk management and internal control systems is available under ESRS2 GOV-5. The H&R Group recognizes the significance of climate-related risks in relation to its business model and strategic focus. It has therefore set itself corresponding targets as part of its sustainability strategy with the aim of transforming the business model and making it more resilient to the risks that have been identified.

Our materiality assessment identified several material impacts, risks and opportunities related to climate change. Our disclosures focus on the following material sustainability matters:

CLIMATE CHANGE → CLIMATE CHANGE MITIGATION AND TRANSITION CLIMATE GOALS

Material impacts, risks and opportunities	Actual and potential negative impact, risks and opportunities
Stage of the value chain	Own operations; upstream and downstream
Description	<ul style="list-style-type: none"> • Impacts: The manufacturing processes at the production sites require (fossil) energy. CO₂ is also emitted into the air, which accelerates climate change. • Transition risks: Our transformation strategy involves decarbonizing products, which will require increased investment. If we do not pursue this strategy, we may lose customers due to our unattractive fossil-based business model and product portfolio. • Transition opportunities: Transforming our business model to focus on renewable products has the potential to provide new earnings opportunities and give us a competitive advantage, while also increasing our appeal to financing partners and the capital market. • Physical risks: Climate change poses a direct threat to the H&R Group’s sites, particularly those near water, due to rising water levels and increased flooding.

CLIMATE CHANGE → LEGAL/REGULATORY RISKS INCL. CARBON CREDITS

Material impacts, risks and opportunities	Risks
Time horizons	Short and medium term
Stage of the value chain	Own operations; upstream and downstream
Description	<ul style="list-style-type: none"> • Risks: The processing of fossil-based feedstocks could become more strictly regulated or even banned altogether. The Group is also reliant on using carbon credits, which may not be available to the same extent in future.

CLIMATE CHANGE → ENERGY

Material impacts, risks and opportunities	Actual negative impact, risks and opportunities
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; production
Description	<ul style="list-style-type: none"> • Impacts: The H&R Group's facilities and business processes are energy-intensive and rely on external energy that will be derived from fossil fuels over the short to medium term. Even as we undergo our corporate transformation, our energy requirements will not decrease enough to allow for a complete transition to renewable energy sources on their own. • Transition risks: Transitioning toward sustainable feedstocks and fuels will also involve a significant amount of capital expenditure. Compliance with current or stricter energy regulations, such as the Energy Efficiency Act, could drive up costs. • Transition opportunities: In-house energy generation (PV, solar) offers temporary opportunities, but does not completely offset the risks.

Transition plan for climate change mitigation (E1-1)

The H&R Group has not developed a dedicated transition plan for climate change mitigation. The section below outlines our current plans to reduce greenhouse gas emissions, including our overall targets and measures.

Current situation

The H&R Group specializes in the development, refining, processing and marketing of products made from hydrocarbons. The majority of the feedstocks it uses are created in refineries involved in mineral oil processing. We will still need these hydrocarbons in the future to make products for our customers.

Both society and regulatory bodies want companies to take action to mitigate climate change. H&R is taking up the challenge by changing to its feedstocks, optimizing its energy-intensive production processes and adapting the products that it supplies to a wide range of customer industries.

The associated process, including an additional focus on sustainability management as a whole, is summarized in the H&R Group using the term “transformation” (of the operating model).

Targets and actions

The H&R Group intends to continue processing hydrocarbons, but with an aim to move away from fossil-based feedstocks and fuels wherever this is feasible from a supply and economic viability perspective. To comply with the EU Climate Protection Act, the H&R Group will work towards becoming climate-neutral in its production (Scope 1 and 2) by 2050. This involves reducing our greenhouse gas emissions to net zero, measured in tons of CO₂ equivalents. The H&R Group will also reduce emissions throughout its value chain (Scope 3) wherever possible. To achieve its climate targets, the H&R Group will pull two key decarbonization levers: it will defossilize its input materials and decarbonize its energy sources. For more information, please refer to E1-3.

Since 2022, the company has outlined and reviewed its interim targets and measures within the framework of its overall transformation pathway. This pathway is detailed in the CO₂ Reduction Roadmap for Scopes 1 and 2, as well as in the Group-wide environmental directive. It has become a core component of the Company’s strategic approach and business model. Despite this, the financial resources which are required to achieve our climate targets are not disclosed separately in our financial planning.

Information about changes in our Scope 1 and 2 GHG emissions since the baseline year is provided under E1-6. A detailed overview of the H&R Group’s sustainability targets related to climate change and climate change mitigation is provided under E1-4. Resource use and the circular economy are covered under E5-3.

In the future, we will place particular emphasis on fully capturing our Scope 3 emissions. These are currently calculated for our main production sites, but have not yet been reported on a Group-wide basis. As a result, we will not disclose our Scope 3 emissions for the 2025 reporting year. However, we plan to include them in next year’s report.

We expect our Scope 3 emissions to decrease overall as our transformation progresses and we make increasing use of renewable feedstocks in our products and manufacturing processes. We expect customer acceptance to accelerate this process, as more and more sustainable products replace fossil-based ones. Ideally, this will drive growth in both our existing customer relationships and new business, provided we can take business from other market players who continue to rely on petroleum-based feedstocks.

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

Policies related to climate change mitigation and climate change adaptation

A set of Group-wide policies guides our approach to the environment and ensures transparent communication with employees. Our **corporate policy** affirms our commitment to sustainable business operations at the highest level. The **Global Environmental Policy** sets measurable targets for reducing GHG emissions and mandates energy efficiency initiatives in our operations. We also have a **Code of Conduct for Suppliers** due to the importance of ensuring sustainable practices in our supply chain. This Code of Conduct requires our suppliers to align with our environmental goals, report emissions and adopt sustainable practices.

Organization of appointed officers of the H&R Group

Due to the high complexity of the areas of activity and the large number of legal frameworks to be considered, the Group's Executive Board is assisted in carrying out these requirements for monitoring and implementation by an **organization of appointed officers**. It consists of employees who record the legal requirements that are relevant for their area of responsibility, make these clear for all to understand, ensure their implementation and documentation, in addition to reporting on their activities as an appointed officer. This organization of appointed officers covers the following areas in terms of climate change mitigation, pollution and conserving resources:

- Environmental protection
- Energy management
- Waste management
- Water protection/water management

The officers meet regularly to compare, discuss and recommend area-specific measures and targets. Minutes are kept on the topics covered in these meetings and are saved in the integrated management system.

Every H&R Group site is required to perform an annual environmental assessment. **ISO 14001**-certified sites also identify and assess direct and indirect environmental matters.

We pursue a Group-wide approach for the efficient use of energy. With this in mind, we have established an **energy management system pursuant to the ISO 50001 standard** at our refinery sites in Hamburg and Salzbergen. Our refinery sites are aligned with this standard and must therefore meet annual energy targets or improve their energy efficiency. The energy management system also defines company responsibilities and includes commitments to improve energy-related performance and compliance with all applicable statutory requirements relating to energy use. It also provides the framework for individual

strategic and operating targets, along with measures for achieving them. Individual employees at the level of our subsidiaries are responsible for determining energy consumption on site. The management of each subsidiary is accountable for identifying and implementing potential energy-saving projects. At the level of the parent company, an energy manager and the IMS team support our subsidiaries with the process of introducing and improving the energy management system in accordance with ISO 50001. Compliance with the requirements of the **ISO 50001 standard** is regularly monitored as part of the recertification. If the requirements are not met, we adjust our measures and processes accordingly. The last independent audit, which confirmed our ongoing compliance with all of the ISO 50001 requirements, took place at the beginning of 2025. We also conduct annual internal audits to verify and demonstrate that the requirements of the ISO standard are actually applied in practice within the organization.

Worldwide, the processing and sales sites that are not certified and whose energy policies are thus not inherently laid out by the ISO standards have defined **Continual Improvement Process (CIP) projects**. No energy reduction targets are stipulated by the Group for these sites. However, targets can be established in agreements to improve energy efficiency, which are then implemented with specific measures. In the past, such measures have included the use of energy-efficient machines and tools, preventive maintenance and the optimization of local processes.

The H&R Group **Handbook for the Integrated Management System** provides additional instructions regarding the energy management system, the responsible employees and their duties and the organizational structure.

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

The catalog of measures that the H&R Group has implemented in connection with its strategies, is still implementing or plans to implement spans its corporate structure, administration, process technology adjustments and the development of new products.

In addition to our GHG emission reduction target, these include ratings from the EcoVadis platform, the Carbon Disclosure Project (CDP) and the International Sustainability & Carbon Certification (ISCC+).

Collecting this data is essential if we want our efforts to prevent or reduce our emissions to be effective. In addition to calculating the Group's total emissions, H&R also determines the carbon footprint of its products using a DIN ISO 14067 certified calculator.

We have established a working group across our two German production sites to develop energy-saving strategies and identify the technologies we need to implement to reach net zero in production by 2050. The international sites of the Chemical-Pharmaceutical Raw Materials division and the GAUDLITZ Group sites include energy efficiency targets and measures into their budgeting processes on a regular basis. The measures are presented to and reviewed by the Group's Executive Board. These measures will be factored into our financial planning for the next few years based on their economic and financial feasibility.

We already produce some of the other components needed for our processes ourselves. The hydrogen electrolysis plant at our Hamburg production site supplies hydrogen for our hydrotreating plants and can also produce synthesis gas from green hydrogen and green CO₂.

An internal working group will coordinate with the Group energy management team to analyze and develop CO₂ reduction measures for our production process (Scope 1 and 2). Our CO₂ Reduction Roadmap sets out how and by when key milestones are to be achieved (see E1-4).

We hold "Transformation Days" several times a year at our two major German production sites. During these events, we discuss the options available to us from a technical perspective and conduct economic assessments with a focus on emissions from energy sources and analyzing how we could replace natural gas-based furnaces with alternative processes. We evaluate options including power-to-heat, biomethane, and biomass- or hydrogen-based furnace systems.

These Transformation Days are usually attended by the Group Executive Board, the CSO, the senior management of the production sites and their managing directors. They meet with engineers from the Innovative Process Technologies (IPT) department to discuss potential changes to the Group's production processes. These include processing hydrocarbons from recycled plastic, rubber and lubricants as "drop-in" components for our current production setup, processing and separating out raw materials from recycling processes, and testing and developing bio-based aromatic hydrocarbons as potential alternative sources of feedstocks for our production sites.

We have identified a number of measures to decarbonize the fossil energy sources currently used by our production plants. We are assessing additional opportunities in this area. The decarbonization process could be implemented in stages, provided that the technical and economic prerequisites are met and there is sufficient availability. The process would primarily be based on the use of alternative energy sources. This includes connecting to the national hydrogen infrastructure. The Federal Network Agency expects the core network to be operational by 2032. We are

also considering participating in the expansion of energy capacities in the areas of solar and wind power as a user. Initiatives in this area include the offshore expansion in the North Sea, which aims to expand capacity to up to 300 GW by 2050. Discussions also cover the potential planning and implementation of direct investments and the possible construction of production facilities for processing bio-based white and process oils.

The objective of every project we undertake is to reduce our emissions. We expect our Scope 1 and 2 emissions to go down by an average of 4.2% per year between our 2022 baseline and 2050. This reduction will not be linear, as our progress will be dependent on technical constraints and project milestones (see E1-4).

For logistical reasons, the H&R Group's production and processing sites are primarily located near water transport routes. To account for the challenges of rising water levels caused by climate change, H&R has enhanced the flood protection measures it uses for existing facilities and new capital investment projects.

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

The H&R Group's medium- and long-term emission reduction targets are aligned with the EU's climate protection aims. The Group intends to achieve climate neutrality in production (measured in tons of CO₂ equivalents) by 2050, in line with Regulation (EU) 2021/1119 (European Climate Law, also known as the EU Climate Law).

Furthermore, we aim to cut our Scope 1 and 2 emissions – measured in tons of CO₂ equivalents – by an average of 4.2% each year over the long term. This would be in line with the cross-sector requirements of a 1.5°C aligned emission pathway as defined by the SBTi. We are using 2022 as the baseline year as that is the first year for which we have adequate data for comparison purposes.

The reductions we have achieved in our Scope 3 emissions are directly related to the progress we have made in transitioning the product portfolio to renewable feedstocks and putting the pyrolysis oil production plant into operation. We aim to strike a balance between financial viability and sustainability in all of the actions that we take to achieve our objectives so that we can finance our transformation responsibly. Specific targets related to resource use and circular economy are provided in E5-3.

We use an ISO 14001 environmental management system to help us achieve our sustainability targets. Currently, 1,441 of our 1,714 employees worldwide who work at H&R's production and processing sites are covered by an ISO 14001-certified environmental management system. This corresponds to a rate of 84.1%.

Energy consumption and mix (E1-5)

Energy consumption and mix

In order to reduce our emissions, we need to have a clear understanding of our energy consumption

and the energy sources in our mix. This section provides an overview of our current energy consumption and the relative shares of renewable and non-renewable energy sources. By analyzing our energy consumption and mix, we identify opportunities to make improvements to our energy-intensive practices.

IN MWH	2025
(1) Fuel consumption from coal and coal products	–
(2) Fuel consumption from crude oil and petroleum products	141,792.79
(3) Fuel consumption from natural gas	660,715.98
(4) Fuel consumption from other fossil sources	1,398.91
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	484,011.89
(6) Total fossil energy consumption	1,287,919.57
Share of fossil sources in total energy consumption (%)	73.7
(7) Consumption from nuclear sources	55.85
Share of consumption from nuclear sources in total energy consumption (%)	0.0
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	–
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	459,094.11
(10) Consumption of self-generated non-fuel renewable energy	399.65
(11) Total renewable energy consumption	459,493.11
Share of renewable sources in total energy consumption (%)	26.3
Total energy consumption	1,747,469.18

We capture the energy data for all of our sites using the “ESRS One-Pager”, a tool we developed for CSRD reporting that defines the Group-wide methodology for data collection and presentation. This centralized approach ensures consistent and clear reporting across all sites.

The following description of our methodology applies to all of our energy consumption metrics:

- We base the quantities of fossil-derived energy sources used at our sites on invoice data, which we have cross-checked with readings from internal meters. Energy sources that we produce in-house are measured with dedicated instrumentation. In certain jurisdictions, these devices are inspected and certified in line with statutory measurement and calibration requirements. All of our measuring equipment is calibrated on a regular basis.
- The consumption of the energy sources listed in rows (2) and (4) is converted from volume units (liters) to the standardized energy unit (MWh) on the basis of their specific energy content assuming the lower heating value (LHV).
- Fossil-based energy sources procured from external suppliers are tracked using contracts and invoices. Natural gas consumption is calculated on the basis of the higher heating value (HHV). This affects rows (3) and (5) of the table.
- Electricity consumption from nuclear sources in 2025 is attributable to the power used at our South African sites. The local energy mix for electricity supplied by the public grid is partly derived from nuclear sources (source: <https://www.iea.org/countries/south-africa/energy-mix>), see table row (7).

- Renewable energy procured from external suppliers is tracked using contracts and invoices. We have used the energy mix data from those sources to allocate renewable and non-renewable energy in the table, see table row (9).

Energy production

The following table provides a summary of the energy produced in connection with our activities:

IN MWH	2025
Renewable energy production ¹	16,426.21
Non-renewable energy production ²	37,662.00

¹ Includes solar photovoltaic generation in Thailand and South Africa, and electricity generation using steam from renewable sources at the Salzbergen site.

² Operation of emergency power generators; electricity generation using steam from non-renewable sources at the Salzbergen site.

The following description of our methodology applies to all of our energy production metrics:

- Energy generated at our sites from renewable sources (such as solar, wind and biomass) and non-renewable sources is measured using certified measuring instruments.

Energy intensity based on revenue

The following table presents energy intensity associated with our activities related to the processing of predominantly fossil hydrocarbons across the ChemPharm, Refining and Sales segments, as well as the Plastics segment. All of our operations are in high climate impact and energy-intensive sectors.

IN MWH / € MILLION	2025
Total energy consumption from activities per total revenue from activities in high climate impact and energy-intensive sectors	1,406.7

- Total energy consumption: this figure is equivalent to the total energy consumption reported under E1-5.
- Total revenue: sales revenue figures are taken from our annual report. They amounted to €1,242.2 million in the 2025 financial year. This figure excludes value added tax (VAT) and discounts, and therefore meets the definition of “net revenue” under ESRS.
- Calculating energy intensity: we determine energy intensity by dividing our total energy consumption from all activities (in MWh) by sales revenue (€ million). This ratio allows us to assess our energy efficiency in relation to our economic performance and make comparisons over time.

Gross Scope 1 and 2 GHG emissions (E1-6)

Recording our Scope 1 and 2 emissions is a fundamental prerequisite for assessing the environmental impact of the H&R Group. This information will put us in a position to strengthen our sustainability initiatives, particularly with regard to our goal of reducing GHG emissions.

We analyze these emissions to identify areas for improvement and work toward the goal of achieving climate neutrality in our production.

The following table shows our gross Scope 1 and 2 GHG emissions, as well as our total greenhouse gas emissions for the 2022 financial year (base-line) and the 2025 financial year. It also provides an overview of GHG emission targets and the progress we have made toward achieving them. We are planning to disclose our Scope 3 emissions for the first time for the 2026 financial year. In line with the biennial ESRS reporting requirements, we will include previous-year figures and year-over-year changes in our reporting from next year onwards to provide readers with a complete picture of our GHG emissions and how they have changed over time.

CO₂ EQUIVALENTS

IN TONS	Base year 2022	2025	Reduction achieved ¹
Scope 1 GHG emissions	168,497	165,695	-1.7%
Scope 2 GHG emissions²			
Location-based Scope 2 GHG emissions	175,305	170,006	-3.0%
Market-based Scope 2 GHG emissions	51,599	61,678	19.5%
Total Scope 1 and 2 GHG emissions			
Scope 1 and 2 GHG emissions (location-based)	343,802	335,702	-2.4%
Total Scope 1 and 2 GHG emissions (market-based)	220,096	227,373	3.3%
Biogenic Scope 2 GHG emissions	116,549	113,836	-2.3%

¹ Based on the base year; the long-term average annual reduction target in production is 4.2%.

² H&R obtains steam from waste incineration plants at its refinery sites. The emission factors for steam provided by our heat suppliers for 2025 take into account only the emissions that can be directly attributed to the heat supplied to H&R. This is based on the Heat Planning Act of January 1, 2024, under which heat generated from waste incineration is treated as unavoidable waste heat. We have used these emission factors as the basis for reporting our market-related Scope 2 emissions from steam for 2025. To ensure comparability, we have adjusted the emissions for the baseline year using the new emission factors.

Our greenhouse gas inventory covers our production and processing sites. The production sites in Salzbergen and Hamburg are also subject to and actively participate in the EU Emissions Trading System. Their Scope 1 emissions total 152,886 metric tons of CO₂ equivalents, representing 92.3% of the total volume of Scope 1 GHG emissions.

The H&R Group's GHG accounting methodology is in line with the requirements of the GHG Protocol Corporate Accounting and Reporting Standard. The methodological framework follows the fundamental principles of relevance, completeness, consistency, transparency and accuracy. The procedures used to collect activity data and select emission factors are standardized and conducted on Group-wide basis using a centralized approach that incorporates both primary

data and secondary data from external sources. For Scope 1 GHG emissions, emission factors are calculated based on the quantities of commercial fuels purchased (such as natural gas and heating oil) using published emission factors (e.g., ecoinvent). Market-related Scope 2 GHG emissions are primarily calculated using measured electricity consumption and supplier-specific emission factor data.

To calculate location-based Scope 2 GHG emissions, we use publicly available emission factors.

GHG intensity based on total revenue

The following table shows our Scope 1 and 2 GHG emissions relative to our total revenue in 2025:

IN TONS OF CO ₂ E / € MILLION	2025
Total Scope 1 and 2 emissions relative to total revenue	
Total Scope 1 and 2 emissions (location-based)	270.25
Total Scope 1 and 2 emissions (market-based)	183.00

The figure used for total revenue is the figure disclosed in the consolidated financial statements. It

amounted to €1,242.2 million in the 2025 financial year.

POLLUTION (E2)

Description of the process to identify and assess material impacts, risks and opportunities related to pollution (ESRS 2 SBM-3)

The materiality assessment identified the pollution of air, water and soil as material, along with substances of concern and substances of very high concern.

Our global production and processing sites are at a higher risk of causing pollution incidents

than industrial sites that do not process petroleum-based or chemical raw materials. This risk is an inherent part of our production process and business model.

The manufacture and/or handling of hazardous chemical and/or pharmaceutical substances of (very) high concern can have a negative impact on environmental quality and health, whether through the controlled release of these substances or unintentionally through leaks, spills or similar incidents. We need substances of concern and substances of very high concern to manufacture our products. However, we are committed to reducing or replacing these substances whenever possible.

Our fossil-based feedstocks include substances of concern. Our production processes also generate them. We use some substances of very high concern as catalysts or solvents for specific processes in our production facilities.

Substances of (very high) concern

POLLUTION → SUBSTANCES OF (VERY HIGH) CONCERN

Material impacts, risks and opportunities	Potential negative impacts and risks
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; upstream and downstream; production processes; products
Description	<ul style="list-style-type: none"> • Impacts: We use substances in our processes that require authorization under the REACH Regulation. Our feedstocks and end products have the potential to harm the environment or be a health hazard if they are used or disposed of incorrectly. • Risks: Compliance with current or increasingly stringent regulations governing substances of concern could lead to rising costs (e.g. costly substitution or the complete elimination of substances, such as solvents, in production processes).

Policies related to substances of (very high) concern (E2-1)

We pursue a zero-error approach in terms of our product responsibility and the quality of our products. Production is thus regulated by a number of **instructions** in the individual organizational units and is managed at each location by the employees in production. The production processes in use are commonly used processes that are in line with the state of technology in the petroleum-processing and petrochemical industries. The instructions for these processes describe in adequate detail the steps of the activities in the individual organizational units as well as the corresponding interfaces and handover points. They also indicate specific product characteristics, the settings for machinery parameters, carrying out tests and how to handle faulty products. The instructions are on display at the employees' workspaces or are also available electronically via DokWeb.

Our **Code of Conduct** additionally reminds our entire organization to design our production processes and processing plants in such a way that they conserve resources – as a sign of our respect for the environment, the community, our business partners and our employees. We utilize the environmental media of air, water and soil in our activities only with prior approval and construct or operate our production facilities in accordance with these previously granted legal stipulations.

The relevant legal frameworks for ensuring safe products are the **legislation on chemicals and dangerous substances** as well as **REACH** (the European Regulation on the Registration, Evaluation, Authorization and Restriction of Chemicals) and apply to the raw materials processing production units of the H&R Group.

Our Group-wide corporate policy is the top-most guideline for our activity. It calls for an improvement of production processes, products and services in a continual process that is built on the knowledge, responsibility and experience of our employees. The most important tool here for implementation is the **integrated management system** with its safety and risk management system. The management handbook for the IMS applies Group-wide and is available to all employees in multiple languages via our document database DokWeb.

All processes for production and providing services are validated as part of the ISO 9001 certification process before approval is given for serial production or before the service is provided. This includes:

- Qualification of processes
- Qualification of equipment and employees
- Use of defined methods and processes
- Required recordings
- Renewed validation

The most important instrument in ensuring that these materials are handled safely is the position of the officer for product safety. These officers examine the scope and execution of relevant processes and therefore serve additionally to ensure that laws, provisions, audit obligations and regulations are adhered to. In addition, on request the product safety officer instructs employees about matters relevant to chemicals legislation. The officers regularly inform the Executive Board about their activities.

The ISO 14001 certified production and processing sites follow procedural guidelines and use specific actions and physical structures to prevent the release of pollutants into the air, water and soil.

Actions and resources related to substances of (very high) concern (E2-2)

Each manufacturing company within the H&R Group is required to conduct an assessment to identify potential risks related to environmental pollution within its sphere of influence. Subsidiaries that process, use, produce, or resell substances of concern or substances of very high concern subject to the Ordinance on Hazardous Substances (Gefahrstoffverordnung) or REACH authorization requirements must perform optimization calculations regarding the use of such substances and evaluate the availability of potential substitutes.

To ensure that both the sites and their neighbors are protected, we operate our own firefighting crew at our locations or are in close contact with the local emergency teams. Regular drills ensure smooth cooperation.

Targets related to substances of (very high) concern (E2-3)

We do not currently have the technical means to eliminate the use or production of substances of (very high) concern in our production processes, or to replace them at this stage. As a result, we have not yet defined any specific targets in connection with these materials.

The volume of substances of concern is directly correlated with the yield structure of our processes. Our facilities tend to produce a higher volume of substances of concern whenever by-products make up a higher overall proportion of their product mix. We use linear programming (LP) calculations to optimize complex production and blending ratios. This approach is used to maximize the yield of our core products while simultaneously reducing substances of (very high)

concern contained in by-products, based on defined constraints (e.g., feedstock availability, process capacities, quality requirements and permit/

emission specifications). Consequently, the optimizations we achieve using the LP model serve both economic and ecological objectives.

Our metrics related to substances of concern (E2-5)

IN TONS		2025			
Type of hazard class	Hazard class/ category	Total amounts generated during production or used during production or that are procured ¹	Total amounts that leave the undertaking's facilities as products or as part of products	Leave facilities as products ²	Leave facilities as part of products ³
Environmental hazards	Chronic hazard to the aquatic environment (categories 1 to 4)	810,827 ⁴	210,208 ⁴	210,208 ⁴	
Health hazards	Carcinogenicity (categories 1 and 2)	811,087 ⁴	212,347 ⁴	212,347 ⁴	
	Reproductive toxicity (categories 1 and 2)	810,827 ⁴	184,485 ⁴	184,485 ⁴	
	Sensitization of the skin and respiratory system (category 1)	260	-	-	-
	Irritation of the eyes (category 2)	260	-	-	-
	Specific target organ toxicity – repeated exposure (categories 1 and 2)	811,067 ⁴	212,347 ⁴	212,347 ⁴	
		Total volume per pathway⁴	811,067	212,347	212,347
	Total volume (feedstocks plus by-products)				1,023,434

¹ This category includes the total procured quantity of the atmospheric residue feedstock, which is classified as a substance of concern under the REACH or CLP Regulation, as well as the proportion of substances of concern as defined by ESRS in procured mixtures or products.

² This category includes all substances of concern "as a product" as they are inseparably integrated into the product and therefore no longer constitute separable parts.

³ This category includes the quantities sold of our (by-)products, some of which contain substances of concern as defined by ESRS.

⁴ Due to various properties and legal definitions, a substance can be reported in multiple hazard classes, which can lead to double counting. The total is adjusted for double counting; as a result, the weights of the individual hazard classes do not add up to the total.

Our metrics related to substances of very high concern (E2-5)

IN TONS		2025			
Type of hazard class	Hazard class / category	Total amounts generated during production or used during production or that are procured ¹	Total amounts that leave the undertaking's facilities as products or as part of products	Leave facilities as products ²	Leave facilities as part of products ³
Environmental hazards	Chronic hazard to the aquatic environment (categories 1 to 4)	574.0 ⁴	-	-	-
Health hazards	Carcinogenicity (categories 1 and 2)	796.0 ⁴	-	-	-
	Germ cell mutagenicity (categories 1 and 2)	391.0 ⁴	-	-	-
	Reproductive toxicity (categories 1 and 2)	691.0 ⁴	-	-	-
	Sensitization of the skin and respiratory system (category 1)	391.0 ⁴	-	-	-
	Specific target organ toxicity - repeated exposure (categories 1 and 2)	391.0 ⁴	-	-	-
	Total volume per pathway⁴	1,278.95	-	-	-

¹ This category includes the total procured quantity of feedstocks that are classified as substances of very high concern in accordance with ESRS, as well as the proportion of substances of very high concern as defined by the REACH or CLP Regulation in procured mixtures or products.

³ This category includes the quantities sold of our (by-)products, which are categorized exclusively as substances of very high concern as defined by ESRS based on the relevant safety data sheets.

³ This category includes the quantities sold of our (by-)products, some of which contain substances of very high concern as defined by ESRS.

⁴ Due to various properties and legal definitions, a substance can be reported in multiple hazard classes, which can lead to double counting. The total is adjusted for double counting; as a result, the weights of the individual hazard classes do not add up to the total.

Details about metrics related to substances of (very high) concern and how they are calculated

We calculate metrics related to substances of (very high) concern within the Group in two ways: We collect data on the quantities of substances of (very high) concern that remain within the production sites. These include substances used

as process materials and inputs, such as atmospheric residue feedstock and solvents. We also work with Sales to analyze the products and product volumes we sell to determine the amount of substances of concern contained in our finished products. These finished products are assigned to appropriate hazard classes based on the substances of (very high) concern that they contain.

Pollution of air, water and soil

POLLUTION → POLLUTION OF AIR, WATER AND SOIL, EMISSIONS

Material impacts, risks and opportunities	Actual and potential negative impacts and risks
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; production
Description	<ul style="list-style-type: none"> • Impacts: The production process creates residues and pollutants that are emitted into the air. Unforeseen events can also lead to leaks and the pollution of soil, water or air. • Risks: Compliance with increasingly stringent regulations governing air quality and emissions could lead to rising costs due to additional filtration systems being needed or requirements under the Federal Immission Control Act (BImSchG). A similar situation could arise in connection with water quality (e.g., in the form of new or retrofitted treatment facilities). Incidents have the potential to lead to contamination, which could be costly to remediate. • The H&R Group operates wastewater treatment plants at its German chemical-pharmaceutical production sites. This wastewater is continuously monitored before being discharged into local rivers. The cost of this monitoring could increase further if requirements imposed by local authorities become more stringent. • There is still a risk of a technical material failure or human error leading to an unforeseen event which ultimately results in the pollution of air, water or soil.

Policies related to pollution (E2-1)

We use our established ISO 14001 Environmental Management System and the Group-wide system of safety officers (see also E1-2) for the systematic management of pollution. Emission data is based on legally mandated measurements (PRTR) and is governed by the respective operating and emission permits. The Air Pollution Control and Incident Officers at the sites are integrated into the safety officer system and are responsible for recording this data. Their roles and collaboration with local management are clearly defined and are reviewed on a regular basis as part of external compliance audits. The most recent audit was performed in the summer of 2025.

Actions and resources related to pollution of air, water or soil (E2-2)

We have taken a number of preventive measures to further mitigate the risks outlined above. We will continue to take all of the regulatory steps which are required to keep our processes safe and reliable.

Leaks in our tanks could pose a significant danger of water and soil pollution due to the high volume of feedstocks and products that they contain. We check and maintain our tanks on a regular basis. Most of the tank fields at our production facilities are located on surfaces designed to catch any product or substance leaks so that they do not enter the soil or bodies of water.

None of our international processing or sales sites withdraw water from local rivers for production or cooling purposes.

The fuels used by the process furnace of the vacuum distillation unit at the Hamburg site include natural gas, self-generated condensate oil, and biogas from the hydrogenation plants operated on site. The condensate oil and biogas fuels contain sulfur components which are combusted into sulfur dioxide in the process furnace. To comply with the General Administrative Regulation implementing Commission Implementing Decision (EU) 2014/738/EU of October 9, 2014, on Best Available Techniques under Directive 2010/75/EU on industrial emissions (IED) in connection with the refining of mineral oil and gas – which significantly reduces permissible annual sulfur dioxide emissions – the Group began planning, designing and implementing a new flue gas desulfurization (FGD) plant in 2023 and 2024. The FGD plant is located downstream of the process furnace and purifies the flue gas generated by the combustion process. Limestone (calcium carbonate) is used for this purpose to chemically bind the sulfur dioxide. The flue gas desulfurization plant creates gypsum (calcium sulfate) as a by-product. The plant is currently scheduled to go into operation in the first half of 2026.

POLLUTION - POLLUTANTS

IN KG	2025		
	Air	Water	Soil
Non-methane volatile organic compounds (NMVOCs)	245,525.74	-	-
1,2-dichloroethane	50,193.00	-	-
Dichloromethane	84,354.00	-	-

To fulfill the disclosure requirements of ESRS E2-4, we have collected and evaluated Group-wide data on the amount of pollutants emitted into the air, water and soil resulting from our business activities. Our reporting methodology is aligned with the European Pollutant Release and Transfer Register (E-PRTR) Regulation (EC) No. 166/2006. We categorize emissions by their impact on air, water and soil.

Targets related to pollution of air, water or soil (E2-3)

We plan to have all of our production and processing sites around the world ISO 14001 certified by the end of 2026. We are also required to meet air, water and soil pollution targets in order to comply with regulatory permits.

Our metrics related to pollution of air, water or soil (E2-4)

In accordance with the requirements of ESRS E2-4, the Group reports on the quantities of pollutants generated by our production processes and released as emissions into the environment.

Emissions are only disclosed for pollutants where the thresholds defined by the E-PRTR have been exceeded. During the financial year, the threshold was only exceeded for pollutants released into the air.

Greenhouse gas emissions are reported separately under ESRS E1-6. Substances of (very high) concern are disclosed in the section dedicated to E2-5.

WATER AND MARINE RESOURCES (E3)

Material impacts, risks and opportunities related to water and marine resources (ESRS 2 SBM-3)

Our materiality assessment identified water consumption, water withdrawals and water discharges as material topics. Withdrawing water makes less

available for the environment and other users along the value chain. Water is an important resource for H&R for three reasons. We use water in our production process for cooling and, in our emulsions product group, as a key ingredient in the finished product. Accessing, withdrawing and using water is highly regulated to ensure universal access to clean water.

WATER AND MARINE RESOURCES → WATER CONSUMPTION, WATER WITHDRAWAL, WATER IN THE PRODUCTION PROCESS

Material impacts, risks and opportunities	Actual and potential negative impacts and risks
Time horizons	Medium and long term
Stage of the value chain	Own operations; production
Description	<ul style="list-style-type: none"> • Impacts: Our production processes require water both as a product ingredient and for cooling. The amount of water that we discharge may not always be enough to replace the amount that we withdrew. During summer months, water levels may be reduced further due to H&R withdrawing water. Water is utilized across our sites to clean machinery and equipment. The volume of water used may contribute to a decline in local groundwater levels. Water is also a component of certain products (emulsions), which can consist of up to 60% water. This water is sourced from local providers. The water withdrawals used to produce emulsions have the potential to lower groundwater levels. • Risks: Any violation of water permits could result in significant penalties for H&R. Stricter regulations could also restrict the Group’s access to water in the future.

Unlike our international processing and sales sites, our German production sites withdraw water from the Elbe and Ems rivers to cool the equipment used for processing. We treat this water before returning it to the rivers. The Group complies with all relevant federal legal and reporting requirements for both of these sites. We did not consult affected communities at our international sites because the amount of water withdrawn is very low.

We also use water in our chemical-pharmaceutical specialty products within the emulsions product group.

Policies related to the use of water at production and processing sites (E3-1)

Our **corporate policy, Code of Conduct and Integrated Management Handbook** require us to use all resources responsibly. This obligation extends to water withdrawals and water use.

Our **Global Environmental Policy** provides the Group-wide framework for water management, while local **withdrawal and usage permits** provide the legal framework for each production and processing site. All of these documents are available electronically via DokWeb, with the exception of site-specific documents.

Our production sites withdraw water from the Elbe and Ems rivers for cooling and return it after use. Some water evaporates during the cooling process and is released into the environment. Our aim is to reduce these losses to the greatest extent possible. We also use purification and treatment systems to prevent pollution in the water we return. Given its importance, site management holds ultimate responsibility for water management and legal compliance, supported by the organization of appointed officers.

Actions and resources related to the withdrawal, use and consumption of water (E3-2)

Local authorities and official bodies audit our water withdrawal and discharge volumes for the Elbe and Ems rivers on a regular basis to monitor our compliance with water permits. Any differences between withdrawal and discharge volumes are related to condensation processes. This means that the water has not been lost, but has been returned to the natural water cycle.

We reuse cooling water where possible to save resources. We account for seasonal fluctuations in river levels by actively controlling our process plants and adjusting capacity to align with restricted water withdrawal limits.

There is no way to avoid using water for cooling purposes. Cooling the process plants is necessary for both safety and financial reasons. Cooling water circuits are strictly separated from process and product lines. This prevents cooling water from coming into contact with our products or production materials so that it can be safely returned to the environment. We will evaluate any future technologies that offer equivalent cooling performance while using less water than our current systems.

Our production and processing sites use water treatment plants to prevent water pollution. We test the water we discharge for contaminants on a regular basis. Our testing process is monitored by external agencies. We also adjust pH levels to match local bodies of water and protect regional flora and fauna. The legal framework for water withdrawal and return in connection with our production sites is laid out in Section 65 of the Federal Water Act (WHG) as well as the Ordinance on Installations for Handling Substances Hazardous to Water (AwSV).

The most important measure for organizational monitoring here is also the organization of appointed officers, for which the on-site water protection officer monitors the operational processes that are material for water management as well as legal requirements. On top of this, the discharge of wastewater is monitored by the authorities (Lower Saxony Water Management, Coastal Defense and Nature Conservation Agency) through inspections and taking samples. We use water treatment plants to purify all of the rainwater collected at our plant sites before it is discharged into rivers.

Each site is required to perform an annual water risk assessment to assess their exposure to potential risks like water scarcity, water stress and flooding. This data is fed into a water balance that allows us to assess the Company's overall water risk.

We produce emulsions in the regions where demand exists to keep. We primarily manufacture and market emulsions at five sites in the Netherlands, the UK, China, Malaysia and Thailand. We source the water we need from local suppliers. We collaborate with customers to develop precise emulsion formulas so that we use resources as efficiently as possible. These oil and water mixtures are tailored to the needs of our customers. This means that the amount of water that goes into our emulsions varies based on their specifications. Our Research and Development teams help customers to use emulsions in the most efficient way possible and optimize their component mixtures.

Targets related to the withdrawal, use and consumption of water (E3-3)

The amount of water we need to withdraw can affect the production capacity of our plants, particularly during warm summer months. We will continue to use our cooling water as efficiently as possible and will keep track of new technologies to make further improvements.

Our customers' specific needs determine the exact composition of our emulsions. Our internal research and development department works with our customers to create the most effective emulsion formulas. We keep the routes we take to our customers as short as possible when delivering emulsions.

At present, the Group does not have any specific water-related targets.

Water consumption (E3-4)

The table below summarizes our metrics related to the withdrawal, use and consumption of water:

IN M ³	2025
Total water withdrawal	42,713,435.42
Total water discharge ¹	42,676,613.87
Total water consumption	464,410.85
Of which in water stressed areas	-
Water recycled and reused	29,047,871.40
Water recycling / reuse rate ²	68.0%
Total water storage	7,429.84
Year-over-year change in total water storage	214.00

¹ Calculated as total water withdrawal less consumption, plus recovered rainwater.

² Total water recycling/reuse as a percentage of total water withdrawal.

The figures reported above are captured using flow meters or determined based on invoices from utility providers. In instances where primary data was unavailable, figures are based on internal estimates.

Water intensity based on sales revenue

The following table presents water intensity associated with our activities related to the processing of predominantly fossil hydrocarbons across the ChemPharm, Refining and Sales segments, as well as the Plastics segment.

IN M ³ / € MILLION	2025
Total water consumption per total revenue	373.86

RESOURCE USE AND CIRCULAR ECONOMY (E5)

Material impacts, risks and opportunities (IROs) related to the circular economy (ESRS 2 SBM-3)

Our production processes are still heavily reliant on petrochemical primary products. The increasing scarcity of fossil resources, coupled with regulatory drivers such as carbon pricing and more stringent chemical regulations (e.g., REACH restrictions on specific waste streams), represents a significant financial risk. Furthermore, price volatility for fossil-based feedstocks and the limited availability of sustainable alternatives is having a direct impact on our manufacturing costs.

RESOURCE USE AND CIRCULAR ECONOMY → WASTE

Material impacts, risks and opportunities	Actual negative impacts and risks
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; production
Description	<ul style="list-style-type: none"> • Impacts: Global production sites generate various non-recyclable waste streams. These are diverted to incineration or landfill, resulting in emissions. • Risks: Rising costs related to waste disposal (e.g. hazardous waste) and waste sorting.

RESOURCE USE AND CIRCULAR ECONOMY → RESOURCE OUTFLOWS RELATED TO PRODUCTS AND SERVICES

Material impacts, risks and opportunities	Actual negative impacts and opportunities
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; production
Description	<ul style="list-style-type: none"> • Impacts: The distribution and use of our chemical and pharmaceutical products have negative impacts in the form of a continuous outflow of resources. Because our products are often fully consumed by the end of their life cycle or cannot be adequately returned to the material cycle (due to insufficient take-back systems or low recyclability), secondary raw materials are permanently lost. This leads to the depletion of natural resources and increases our dependence on primary raw materials. • Opportunities: Transitioning to sustainable feedstocks could open up new markets and accelerate the market ramp-up of environmentally friendly solutions as availability increases.

RESOURCE USE AND CIRCULAR ECONOMY → RESOURCES INFLOWS, INCLUDING RESOURCE USE

Material impacts, risks and opportunities	Actual negative impacts, risks and opportunities
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; production
Description	<ul style="list-style-type: none"> • Impacts: Our process plants require a continuous inflow of (primarily fossil-based) feedstocks. While these are derived from petrochemical waste products, they are indirectly linked to natural resources. The extraction and processing of these materials can have significant negative impacts on the environment. Inefficient resource use within our production processes may also lead to increased material intensity and put unnecessary stress on the environment. • Risks: The new feedstocks we need to implement our three-pillar strategy and supply the market with sustainable products are currently expensive and only available to a limited extent. • Opportunities: Securing new feedstocks will allow us to drive our transformation strategy and could accelerate our entry into new markets.

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

The Group's commitment to responsible resource management is governed by the interplay between our **corporate policy, Code of Conduct and Integrated Management Handbook**. These operational guidelines are strategically reinforced by the H&R Group **Global Environmental Policy** and its overarching sustainability targets.

Waste

Because of the wide variety of types of waste, the quantity, complexity of disposal procedures and disposal costs, operational waste management has a high priority for the H&R Group and is a key focus area for our organization of appointed officers. At the same time, this waste is very materially linked to the processing of feedstocks for the coupling process as well as in relation to the processing plants at both production sites.

The legal parameters for the production sites are laid out in **Section 60, paragraph 2 of Germany's Act to Promote Circular Economy and Safeguard the Environmentally Compatible Management of Waste (Circular Economy Act – KrWG)**. Additional requirements arise from the recurring certification in accordance with **ISO standard 14001**.

The most important measure for adhering to the requirements is the position of the waste officer. This officer oversees the scope and execution of processes stipulated by waste law at the Hamburg and Salzbergen sites. This also includes in particular matters of professional and legal disposal. The classification of the waste, the selection of the specialized disposal contractors and compliance with the requirements is also monitored at both sites by an external and independent company. It also supports the work of the waste officer with internal audits and audits by the disposal contractors and therefore additionally ensures that laws, provisions, audit obligations and regulations are adhered to. In addition, the waste officer informs Group employees on matters of waste management, using the waste handbook or disposal plan created individually for each location. The officers report on their activities, and this report is then provided to the Executive Board.

Resource use

The H&R Group's long-standing motto "Oil is far too valuable to burn!" represents our commitment to using finite resources responsibly. We avoid including products which are used to service short-term fuel or energy requirements whenever possible. Instead, our products serve long-term purposes throughout their life cycles.

H&R is currently undergoing a process of transformation. In 2025, our efforts remained centered on the procurement of sustainable feedstocks. Our strategic approach of engaging with various suppliers and using different materials has become significantly more refined, particularly in connection with recycling. As with the processing of traditional mineral oil-based feedstocks, a large part of H&R's expertise lies in the analysis of available samples. The "intrinsic value" and potential yield are also key factors in terms of sustainability and form the foundation for future strategies.

At present, however, the "traditional" operating model remains the norm, with these refineries predominantly purchasing and processing vacuum gas oil and atmospheric residue from the fuel production processes of large multinational oil companies.

By using these feedstocks in our production facilities, "residual" materials from upstream value creation, fuel production and thermal utilization are removed and fed into an additional stage of the value chain. This processing of feedstocks is considered part of the "reuse" level of the circular economy pyramid.

Ideally, the transformation of the H&R Group's operating model will lead to a significant reduction in the use of fossil-based feedstocks. In the future, these are to be derived from renewable sources, produced synthetically, or obtained through recycling processes, thereby serving as a key lever for the defossilization of feedstocks. This transition will reduce our GHG emissions and help us to achieve our climate targets. For

further details on the transformation strategy, please refer to section ESRS E1. We will increase the share of renewable, synthetic and recycled products in our portfolio on a systematic basis in the coming years. Our aim is for this share to go up at a disproportionately high rate.

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

For our production sites, improving how we use resources begins with planning facility operations and optimizing output structures. We use LP planning to manage the production process by entering core parameters. These parameters include the quantity and composition of raw materials, their compatibility, sales requirements, and the prices for feedstocks and products. This approach is also optimizing the Group I co-production processes at H&R sites, where solvent refining generates both core products and by-products. We aim for the highest possible yield of core products because they provide a higher level of income. Our customers also refine them in additional stages of the value chain for long-term use.

Our sales team also finds buyers for by-products and co-products so that they do not need to be incinerated. In the 2025 financial year, we used approximately 95.8% of our co-products in this way.

By the end of 2025, we had tested nearly 240 potential feedstocks derived from treated waste oils, plastics and tires. Just under 30 samples of synthetic raw waxes were evaluated. The technical viability of these materials will determine how much capital will be required in the future. This will also affect which project partnerships we engage with, as well as the investments we put towards upgrading our existing process plants and processing capacities.

The H&R Group is moving in the same direction as its customers. To name one example, many of our customers in the tire industry are exploring ways to supplement their primary feedstocks with recycled materials. This involves pyrolysis, a process that uses heat to break down old tires into valuable raw materials like recycled carbon black (rCB) and tire pyrolysis oil (TPO). This process reduces carbon emissions and reuses the feedstocks involved in the original tire production process in an effective way. It also contributes to developing the circular economy. Pyrolysis offers many benefits over incineration or landfilling, including sustainable recycling and lower GHG emissions. It also protects natural resources and the environment by producing high-quality recycled materials that are an effective alternative to fossil resources. H&R is currently assessing what it needs to do to make it financially viable to process these pyrolysis oils.

Our comprehensive waste disposal policy covers waste generated by feedstocks, products and services at our sites, as well as waste resulting from on-site processing and transport to customers. This system relies on waste infrastructure plans to ensure that waste streams are systematically documented across all of our international sites. Every manufacturing company within the Group is required to conduct a risk assessment to identify potential waste-related risks within its sphere of influence. Assessments are performed using a dedicated reporting template which we make available via DokWeb, our internal document management system. Identified waste streams are characterized, quantified, classified and assessed from a legal perspective using waste stream diagrams.

The H&R Group adheres to the waste hierarchy to avoid waste and ensure that it is disposed of properly.

- Avoidance
- Preparation for reuse
- Recycling
- Recovery
- Disposal

In alignment with circular economy principles, the Group is committed to finding ways to reuse and recycle materials. We ensure that all hazardous waste is handled and disposed of in accordance with local regulatory requirements. Each site maintains detailed waste records to track relevant waste categories.

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

Our product portfolio already contains a number of products which are made using renewable materials.

We have established the following voluntary targets for utilization and recyclability:

- We want 70% of our core products to contain an average of 10% renewable feedstocks by 2030, provided we can manufacture these products economically and market them competitively. We use the mass-balance approach to determine this share.
- We want the H&R product portfolio to be based entirely on sustainable raw materials by 2050. To achieve this, we are exploring all available technologies, including biomass-based, synthetic and recycled raw materials that meet the state-of-the-art technical standards of the time.
- We are evaluating the design and implementation of a pyrolysis oil processing plant with a capacity of 100 kt per year. We are currently aiming to put this plant into commission by 2031. The H&R Group could implement this project alone or by working in cooperation with suitable partners.
- We are aiming for all H&R Group sites with production and/or processing capacities to be ISCC+ certified to ensure the traceability of their feedstock supply chains by 2026.

H&R intends to decarbonize its production and defossilize its products as part of its transformation strategy. We plan to use the alternative feedstocks described above to achieve this. These materials come from bio-based sources, synthetic processes or recycling.

In general, our waste comprises substances that are directly connected to processing and storage at our production sites. At the same time, our calculations also include project-related waste that does not originate from our production processes, such as soil that is excavated during construction. Waste that we cannot currently avoid is disposed of professionally and in compliance with all legal requirements. In general, our goal is to keep the amount of waste as low as possible.

No other Group-wide waste targets have been established, and we currently have no plans to do so.

Metrics related to resource inflows (E5-4)

Atmospheric residue and vacuum gas oil account for the majority of the chemical-pharmaceutical feedstocks used by the H&R Group. H&R processes these feedstocks to create over 800 products which are used in a wide range of industries across the world.

Feedstocks from our Plastics segment – which produces precision components from plastic granules – have not been included in the calculations for 2025 below.

RESOURCE INFLOWS

IN METRIC TONS	2025
Total weight of feedstocks used during the reporting period	1,118,520.44
Percentage of bio-based feedstocks that were used to manufacture our products (in %)	0.2%
Total weight of secondary reused or recycled components, products and materials used in the reporting period	810,826.58 ¹

¹ The purchased feedstock (atmospheric residue) is a by-product of fuel and heating oil production. H&R uses this residue to manufacture durable chemical-pharmaceutical raw materials for the processing industry.

Metrics related to resource outflows (E5-5)

Our focus on using raw materials efficiently and ensuring high yields extends to the products we create. Traditional refinery products (such as fuels for heating and transport) tend to be used for energy purposes for brief periods. The majority

of our products, on the other hand, are used for far longer. We serve many different customer industries where our products undergo further processing in later stages of the value chain. It is therefore difficult to determine which products or components could eventually be reintegrated into the economic cycle. A number of industries are developing ways to recycle their products and, by extension, our components. The tire industry is one such example.

Metrics related to waste

Resource outflows – waste	
IN METRIC TONS	2025
Total weight of waste	8,122.04
Total weight of hazardous waste	1,912.46
Hazardous waste diverted from disposal	518.30
Hazardous waste not yet assigned to recovery operations	13.30
Hazardous waste diverted from disposal due to preparing for reuse	119.84
Hazardous waste diverted from disposal due to recycling	60.58
Hazardous waste diverted from disposal due to other recovery operations	324.58
Hazardous waste directed to disposal	1,394.16
Hazardous waste directed to disposal by incineration	272.03
Hazardous waste directed to disposal by landfilling	288.08
Hazardous waste directed to disposal by other disposal operations	834.05
Total weight of non-hazardous waste	6,209.58
Non-hazardous waste diverted from disposal	5,847.71
Non-hazardous waste not yet assigned to recovery operations	23.00
Non-hazardous waste diverted from disposal due to preparation for reuse	0.00
Non-hazardous waste diverted from disposal due to recycling	1,963.16
Non-hazardous waste diverted from disposal due to other recovery operations	3,861.55
Non-hazardous waste directed to disposal	361.87
Non-hazardous waste directed to disposal by incineration	66.55
Non-hazardous waste directed to disposal by landfilling	195.09
Non-hazardous waste directed to disposal by other disposal operations	100.23
Non-recycled waste	6,095.3
Non-recycled waste as a percentage of total waste	75.0%

The majority of the waste reported above is generated by our production sites in Hamburg and Salzbergen. At the international processing and sales sites, there is either no processing waste or only insignificant amounts. This is also summarized above in our Group waste record. In certain instances the specific recovery method is unknown as this information has not been provided by our disposal contractor. Waste in this category is disclosed as “waste not yet assigned to recovery operations” above.

As much as possible, we strive to reduce or reuse waste rather than dispose of it.

In total, the waste generated by H&R’s sites is only a fraction of the raw materials originally used. It includes all substances and materials that cannot be recycled by refineries (other than scrap metal, paper, etc.) or disposed of separately (other than residual operating materials, household waste, etc.) due to their composition. This waste, which is classified as “hazardous” in the Waste Catalog Ordinance (AVV), and other regulations, is sent for incineration as hazardous waste by special disposal companies and serves as a source of energy.

SOCIAL OWN WORKFORCE (S1)

Our employees are the driving force behind the H&R Group’s success. It is no surprise that our materiality assessment identified most ESRS S1 topics as material. Information about how we conducted our materiality assessment and selected stakeholders is provided in section ESRS 2 IRO-1.

Our Group employs highly qualified and experienced employees in all business segments across the world. This applies to all divisions and areas of work, be it in production and processing, in sales and logistics or in administration. Key areas of the company that are relevant to the Group’s commercial success also require a high level of specialist expertise and, in some cases, special (additional) qualifications required by the state.

Definition of own workforce S1

Our own workforce consists of our employees.

We define an employee as anybody with a formal full-time or part-time contract at one of our Group companies. This includes people with permanent or fixed-term contracts who receive their salary from our divisions. The workforce also includes working students, although strictly speaking, the purpose of their employment is not to perform duties under an employment contract but rather to pursue their education. External staff who do not have a formal employment contract with an H&R Group company are excluded from the “own workforce” category, even if they occasionally work for the Group. This group includes independent contractors and people employed by third parties who come under the “employment activities” category (NACE Code N78). H&R rarely uses workers from third-party companies. We only use them to manage short-term peaks in our workload that our own workforce cannot handle. The H&R Group rarely uses non-employees or independent contractors.

Our human resources strategy covers everyone in our own workforce.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3, S1 SBM-3)

As part of the materiality assessment, we assessed our impacts, risks and opportunities (IROs) related to our own workforce and identified the following material IROs:

OWN WORKFORCE: WORKING CONDITIONS → COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE AT H&R

Material impacts, risks and opportunities	Potential negative impacts
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; own workforce
Description	<ul style="list-style-type: none"> • A lack of effective social dialogue between employers, employees and employee representatives can have profound negative impacts on the workforce. • These can range from psychological stress to legal and economic consequences for the entire organization. • Working time models have a direct influence on the health, motivation and productivity of our employees, and by extension their long-term employability. • Systematically low wages can lead to financial insecurity, decreased job satisfaction and higher employee turnover. • Collective bargaining agreements can secure fair wages.

OWN WORKFORCE: WORKING CONDITIONS → SHIFT WORK (ENTITY-SPECIFIC)

Material impacts, risks and opportunities	Actual negative impacts
Time horizons	Short and medium term
Stage of the value chain	Own operations; own workforce
Description	The H&R Group has established multi-shift systems for its main production and processing sites. Night work or long shifts can lead to fatigue, psychosocial stress and sick leave.

OWN WORKFORCE: WORKING CONDITIONS → OCCUPATIONAL HEALTH AND SAFETY

Material impacts, risks and opportunities	Potential negative impacts, risks and opportunities
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; own workforce
Description	<ul style="list-style-type: none"> • Impacts: Due to their nature, jobs within chemical-pharmaceutical production sites involve specific risks that go beyond general life risks. The Group has a fundamental interest in minimizing risks for employees and protecting their health. • Risks: Potential non-compliance with occupational health and safety legislation may result in regulatory penalties and fines. Workplace accidents and occupational health issues typically lead to operational downtime and a loss of productivity. • Opportunities: Motivated, qualified and, above all, healthy staff at all levels and in all Group companies contribute to the success of the company. A robust safety culture enhances our reputation as a company.

OWN WORKFORCE: EQUAL TREATMENT AND EQUAL OPPORTUNITIES → EQUAL OPPORTUNITIES

Material impacts, risks and opportunities	Potential positive and negative impacts
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; own workforce
Description	<ul style="list-style-type: none"> • Workplace violence and harassment pose significant risks to mental and physical well-being. • Gender inequality regarding work and performance can fuel dissatisfaction within the workforce and reinforce stereotypical roles and unhelpful societal expectations. • H&R has an opportunity to foster inclusion and equal opportunity by providing underrepresented groups with access to the labor market, regardless of gender, age, cultural background, religion, disability, or sexual orientation.

OWN WORKFORCE: EQUAL TREATMENT AND EQUAL OPPORTUNITIES → EMPLOYEE DEVELOPMENT

Material impacts, risks and opportunities	Potential negative impact
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; own workforce
Description	Currently, not all employees across the Group have equal access to training programs. As a result, they do not have identical opportunities for personal and professional development. This is due to the varying regional availability of external providers and the fact that the SAM electronic training system has yet to be fully rolled out on a Group-wide basis.

The role of our own workforce in implementing the sustainability strategy

Our own employees have a key role to play in the financial success of the H&R Group and implementing our corporate strategy. Their technical, commercial and professional expertise ensures that our business activities are feasible, legally compliant and successful from a commercial perspective. The performance and experience of our employees – not only in key positions within the Group, but across the board – shape the H&R Group’s image as a reliable and innovative partner.

We believe that the potential negative impacts we identified as material in connection with working conditions and equal opportunities are prevalent within the environment in which the Group operates. Furthermore, we have not identified any material impacts on our own workforce resulting from the transformation or the push to make our operations more environmentally friendly and climate-neutral. We take a holistic approach to communication and the Group’s human resources strategy to address the inherent risk of failing to engage the entire workforce during a transformation process.

Industry-specific challenges

Occupational health and safety are important topics for us as a production company in the chemical industry. We also recognize that our business model involves an inherent level of systemic risk.

Most of the company’s employees have permanent contracts. For more information, please refer to the disclosures related to S1-6. H&R allows employees to work remotely unless this is impossible for operational reasons.

Policies related to own workforce (S1-1)

Our cooperation is based on the H&R Group’s binding **Code of Conduct**, which applies throughout the Group, along with the **corporate policy**. They provide a set of values which govern our partnerships and interactions, both between peers and across hierarchical levels. They explicitly prohibit any form of discrimination and are firmly anchored in H&R’s corporate culture. The workforce is familiarized with the principles through frequent training measures. The document is also published on the website so that it can be consulted at any time by employees who want to know if they are taking the right action. The **Code of Conduct** explicitly prohibits any form of discrimination, bullying or insults. This expressly includes all matters relating to ethnicity, skin color, nationality, language, ancestry, religion, social background, disability, physical constitution, sexual orientation, health, membership in associations, political affiliation, gender, age, appearance or other legally protected characteristics.

The Code of Conduct defines the Group’s core principles and values and details how they are implemented in practice.

These include:

- Employees
 - Respect for human rights in alignment with the UN Global Compact, to which H&R is a signatory
 - Discrimination prohibited
 - Ban on child labor, forced labor and illegal employment
 - Occupational health and safety
 - Interaction with business partners
 - Privacy
 - “Speak-Up Line”

- Governance
 - Prevention of corruption
 - Trade controls, tax laws and customs
 - Prevention of money laundering and the financing of terrorism
 - Lobbying / political donations
 - Benefits, gifts and donations
 - Compliance with antitrust and competition regulations
 - Avoiding conflicts of interest
- Product responsibility
 - Safety of products
 - Brand and property rights
 - Reporting, documentation and external communication
- Climate and the environment
 - Sustainable business practices
 - Risk and resource management

Employees at the German production sites in Hamburg and Salzbergen are covered by an in-house collective bargaining agreement modeled after the agreement of the Industriegewerkschaft Bergbau, Chemie, Energie (IG BCE) trade union. Additional information about collective bargaining coverage and social dialogue can be found in section S1-8.

As a globally active Group, H&R is committed to complying with the local laws in effect at its sites, particularly those related to protected characteristics. We believe that we benefit from the wide range of skills and the dedication of all our employees. We see the diversity of the people we employ as an asset. Employees with disabilities and health conditions are offered particular protection. We work closely with the relevant agencies to find solutions that enable employees with health restrictions to keep their jobs or move to a suitable position. This allows us to retain skilled workers and keep long-standing, valuable knowledge within H&R.

The human resources management of the H&R Group is organized in a decentralized way, in order to take into account site-specific and country-specific differences. Local human resources departments at the sites tailor their human resources management approaches to fit country-specific requirements. The particular conditions in local and regional labor markets pose a special challenge to the human resources management, as they sometimes differ greatly, such as in terms of demographics and level of education. They are supported by the Group human resources department in Hamburg. This department is also responsible for implementing and drawing up the HR strategy and ensuring compliance.

The Group maintains a structured organizational framework, as detailed in our organizational chart. Where this is not otherwise contractually stipulated, all Group employees have function and job descriptions which clearly cite their tasks, authorizations and responsibilities.

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

One-Third Participation Act and workers' representatives

All companies with more than 500 employees are subject to the co-determination regulations of the One-Third Participation Act (DrittelbG).

Because the parent company of the H&R Group is subject to the One-Third Participation Act, our workforce makes up one third of the Supervisory Board of H&R GmbH & Co. KGaA, with shareholders making up the remainder.

As a commercial enterprise, the H&R Group has a responsibility to respond to business and earnings trends affecting different parts of the company to ensure the future viability of the entire Group. It is also possible for the employment situation and working conditions to be affected by the implementation of corporate strategies as well as restructuring and HR measures. We have a duty to consult employees during these processes and keep them informed. The Group relies on constructive partnerships with employee representatives on the Supervisory Board to ensure that these processes are handled in a balanced and socially responsible manner. The Executive Board believes that employee representatives are vital partners when it comes to communicating health and safety topics and helping employees to buy in at a subsidiary level. Their Works Councils are also involved in drafting action plans in the run-up to major technical projects. The German

production sites in the Refining segment and the German parent company of the GAUDLITZ Group have their own Works Councils. The representatives of these Works Councils make up the Group Works Council, which raises the interests of our own workforce with the Executive Board and site management. Members of the Works Councils meet with each other as well as with members of the Executive Board and management several times a year.

The Group's decentralized approach to employee and employee representative involvement allows our own workforce to engage with on-site contacts who specialize in local legal and cultural contexts. We conduct standardized annual anonymous surveys at our international sites to canvas the views of our own workforce. Group management and local managers then jointly evaluate these results to ensure that our own workforce is involved in a meaningful way. The results are incorporated into operational decision-making processes.

The Head of Human Resources in Hamburg holds overall responsibility for the involvement of our own workforce, working together with employee representatives and conducting direct employee surveys.

H&R operates the improvement suggestion management system "Fit for Future" for the German production sites. The goal is to utilize the motivation and will of the workforce to make improvements, thus increasing corporate success and contributing to job satisfaction. The task of all senior executives is to take suggestions from employees seriously and support these once they have been evaluated.

At the same time, an improvement and suggestion system fosters a culture among all our employees of shared responsibility in the company's development. All of the ideas and implemented measures of this improvement management system are recorded and processed via the intranet. A bonus system for implemented suggestions also increases the incentive to make suggestions.

Additional details about how H&R involves its workforce and the role of employee representatives are provided under Disclosure Requirement S1-8.

Social dialogue

The H&R Group is committed to fostering active social dialogue by facilitating open communication between the Group as an employer and its employees. These efforts focus on economic, employment and social policy matters of mutual interest. The Group's Executive Board maintains close links with the Group Works Council and local employee representatives. This includes participating in meetings organized by the Works Council, in addition to hosting staff meetings. Information is provided using internal e-mail channels or disseminated through a hierarchical structure, from site, departmental and divisional leadership down to the workforce.

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

One of the key ways we ensure compliance with our fundamental values across the Group is our whistleblower system. Employees or external stakeholders can use our anonymous "**Speak-Up Line**" to report suspected violations of the Code of Conduct or other ethical and legal principles. This system is fully compliant with applicable

whistleblower protection laws. All Group employees have been made aware of the "**Speak-Up Line**" through the Code of Conduct and the related training measures. The "**Speak-Up Line**" can be reached in person, by post, e-mail, telephone or via the compliance portal. Reports can be made both openly and anonymously. Contact information for the "**Speak-Up Line**" can be found on the public website, internally on the Compliance Portal, in the compliance documents, at compliance training sessions and as a local notice displayed in the individual locations.

Every report received is directed immediately to the Head of Human Resources of the Group's parent company H&R GmbH & Co. KGaA and investigated. He also provides Group management and the Supervisory Board with reports about previously reported incidents and any action that was taken.

Whistleblowers can be included in the fact-finding process if they wish. Employees identified in a report are granted a hearing and employee representative bodies are involved as necessary. Disciplinary measures for misconduct are determined on a case-by-case basis depending on the severity of the incident. Possible disciplinary measures are reviewed and approved on a case-by-case basis. We continuously monitor the long-term effectiveness of these actions.

This procedure is formalized in Group work instructions and communicated to employees using DokWeb.

We also review and address any complaints that we receive in connection with the company itself or its processes.

Employees with management responsibilities are specifically required to report potential incidents and put a stop to them.

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

Occupational health, safety and shift work

H&R is committed to providing safe working conditions for the entirety of its workforce. We use a variety of preventive health measures and training schemes to protect the health of our employees. This is particularly important due to the Group having a higher risk of accidents than companies in other sectors due to the inherently risky nature of manufacturing facilities in the chemical industry. The Group defines occupational safety requirements for its own workforce and everyone that enters its production sites, such as service providers, contractors, suppliers or visitors.

Our Group aims to be an employer that employees are happy to choose, safe in the knowledge that we will prioritize their health, safety and well-being. This applies in particular to shift work, which requires effective health and safety measures. To achieve this, the H&R Group designs workflows that prioritize well-being. This involves scheduling adequate breaks and recovery periods, providing dedicated rest areas, offering occupational health care and running occupational health programs.

Protecting the health of our employees is firmly anchored in the Group's corporate policy. Motivated, qualified and, above all, healthy colleagues at all levels and in all Group companies contribute to the success of the company.

This principle is part of our integrated management system. Its components – primarily the safety and risk management system – regulate how we define processes to uphold occupational health and safety within the Group and monitor their effectiveness. The major legal regulations that govern the actions of our German Group companies as binding guidelines include the law on company physicians, safety engineers and other specialists for occupational safety – the German Occupational Safety Act (ASiG) for short – and the German Social Accident Insurance Regulation 2 (DGUV V2). The organization of appointed officers ensures adherence to these and monitoring of the relevant processes, training on this matter and reporting to the executive level responsible. We also comply with the occupational health and safety requirements of ISO 45001.

In general, we act under the principle that all errors, be they accidents, damage to property or injuries, are preventable. Our goal is therefore a zero-accident approach.

We comply with the German statutory requirements stipulated in section 2 of German Social Accident Insurance Regulation 2 (DGUV V2) and Section 5 of the Occupational Safety Act (ASiG) at both production sites by deploying specialists in occupational safety. Organizationally speaking, these are classified directly below the refinery management and are supported in their work by additional safety officers, who in turn are part of the previously mentioned organization of appointed officers.

Occupational health care and safety specialists provide support by taking suitable measures to prevent accidents and work-related illnesses. These efforts are supported by internal procedures, guidelines and process descriptions dedicated to occupational health and safety. Many of the occupational health and safety measures that we take are aimed at raising employees' awareness of potential dangers and avoiding accidents – to protect them as well as their coworkers.

Therefore, a key safety issue at all of our sites is providing continuing education to our workforce. We hold regular training sessions on topics related to safety and require all our employees to use our online safety instruction system on a regular basis. These sessions are held every year or every two years, depending on the nature of the training. The training courses are carried out either electronically through our training system SAM or in person. Completion of training is documented in the training management information system (SMIS database). Both before starting to work and at regular intervals thereafter, employees are required to attend briefings and training courses at which they are informed about possible safety risks, potential dangers, and how to properly handle hazardous materials.

We are committed to making continuous improvements to our safety performance by having recurring safety audits performed by safety officers and specialists, reviewing accidents in detail, monitoring and reporting “occupational safety” and “health & safety” metrics, and ensuring active engagement from senior management. At a Group level, this topic is handled as part of the weekly meetings of the Executive Board and Executive Committee, as well as joint sessions between the Executive Board and the Supervisory Board. At a site level, local management maintains direct contact. All H&R Group employees are required to diligently follow all safety rules in their own work areas.

Contractors, suppliers and transport companies working for us are also included in the safety strategy. For example, anyone who has to drive on the refinery sites or move around the premises for the first time, or as a one-off, without being accompanied by an H&R employee undergoes video-based induction training as soon as they enter the site. This training is provided in multiple languages. Completion of the induction training is recorded in a database. The selection process for our contractors and service providers is documented in the handbook for the integrated management system. For the selection, key criteria include the

certification status of the potential service provider and whether certification is truly necessary for the intended service. The final selection is made using site-specific self-reporting forms, which include questions about SCC – safety certification for contractors who provide technical services in industrial plants.

Throughout the Group, the implementation of the corporate policy is carried out through observance and implementation of local laws and regulations.

We collect data about workplace accidents and close calls on a regular basis. Reporting close calls on a regular basis increases the workforce’s awareness of dangerous situations and potential dangers.

We take action to avoid workplace accidents in all areas of the Group. Alongside personal protective equipment, clear rules of conduct and regular training, H&R continually reviews its processes and improves occupational safety by implementing targeted optimization measures.

In case of a relevant event, for example, involving bodily injury or physical loss or damage, or an event that is related to business continuity, the direct managers and safety managers must immediately notify the company departments that are responsible for health, safety and environmental protection. As such, occupational health and safety training focuses not only on prevention, but also and in particular on the following up of events, addressing these with a catalog of measures. This strengthens the role of the safety officer, who systematically works through all processes and their causes together with those affected and management. The employee representatives are likewise involved in these analyses. The findings are incorporated into training measures – also by including the individuals affected – and are thereby handled proactively.

An overview of our occupational safety metrics is provided in S1-14.

Equal opportunities

We believe that briefing all new employees on the Group's Code of Conduct when they join H&R effectively combats discrimination while promoting equal treatment. Our own workforce is also required to complete training on the Code, essential conduct requirements and compliance issues on an annual basis. Violations of the Code of Conduct are not tolerated. All employees and supervisors are required to report violations of the Code of Conduct directly. These reports can be made through a supervisor or anonymously using the "Speak-Up Line" complaint and whistleblower system (see S1-3).

Our employees' remuneration is based both on the requirements of their positions and on their individual performance. A large proportion of the workforce is covered by collective bargaining agreements. Some of these set remuneration levels between trade unions and our Group, while others apply to the entire sector. These agreements foster fair competition, gender-neutral pay structures and social stability (see S1-8).

Employee development

Maintaining skills within our Group is of immense importance, particularly given societal expectations for a more adaptive and sustainable industry. Strengthening these skills is a key goal of our ongoing training and development policy. The ongoing development of the H&R Group's operating model described above requires further training for employees so that the company can remain competitive in the market with future technologies, progress successfully on this transformation pathway and make greater use of non-fossil feedstocks.

When choosing advanced training courses for our experienced employees, we follow an approach that promotes employees' individual strengths and helps them to develop their potential and achieve their individual career goals. In addition, the current need for qualifications and thus the training of employees is evaluated by supervisors or the employees themselves, and also through employee reviews. Legal instruction obligations are taken into account as part of the overall training planning. The effectiveness of training is assessed and documentation of the training is created and archived in the training database of the H&R sites. Details on employee qualifications are regulated, where needed, by site-specific process instructions. We also use the aforementioned process systematically for employees with temporary contracts or contractual workers such as contractors or contingent labor.

Currently, not all employees have equal access to the online training available through our SAM system. This is due to the varying regional availability of external providers and the fact that the training system has yet to be fully rolled out on a Group-wide basis. We are working hard to integrate additional sites and provide employees with equal opportunities for personal and professional development across the Group.

The increasing complexity of our plants and equipment also requires well-trained employees. For example, we only deploy experienced employees in the measuring and control stations to monitor the processes at the production sites and to control the systems in shift management, and we assign young, new employees to work alongside them over a period of several years. By pairing up new and experienced staff, there is a continual exchange of knowledge and experience in the shift system. New employees learn about the special features and operation of each facility in detail in the course of their training and in the years that follow. This ensures the smooth operation of our facilities – and keeps important knowledge within the company.

Our long-term success in the global market depends on us having a highly skilled workforce. For this reason, we consider our investment in training, education and professional development to be a direct investment in the future of the Group. Developing non-academic junior staff is a core element of our HR strategy. In Germany, we achieve this by providing junior staff with in-house vocational training and teaching at technical universities.

We have a proven track record of developing our future leaders at our German site through a dual degree program in process engineering. This targeted approach has allowed us to prepare them for their future roles within the company in a way that meets our specific needs. We currently have no dual students in training within the company. We are also currently reevaluating our partnership with the dual study program at Hamburg University of Applied Sciences (HAW), with a focus on identifying alternative options weighted more toward the practical side.

In South Africa, we launched a training initiative for the local population under the leadership of Group management in partnership with other local companies. We established two training programs based on the German dual vocational training system together with the German Chamber of Industry and Commerce in South Africa. These programs prepare secondary school graduates for careers in the chemicals sector. The initiative has the support of local authorities. H&R is also working toward having the initiative accredited at a national level.

We provide employees with professional development and training opportunities whenever this is feasible and appropriate. Our goal is to identify talent within our own workforce, foster their development and retain employees over the long term. We align training measures with the personal career goals of our employees. Our global sites also provide structured career development pathways tailored to the needs of their workers.

Like many industrial companies, our Group is facing an increasing shortage of skilled employees and managers. We are addressing this challenge by providing the training initiatives described above and positioning ourselves as an attractive employer for experienced professionals with performance-based remuneration models and flat organizational structures. H&R is committed to maintaining the qualifications that our employees already have, while also enhancing their skills through targeted training and education programs.

The Group is also committed to recruiting new colleagues. Demographic trends mean that we have to fill vacancies as quickly as possible. Our employees will require new skill sets as our transformation process continues. We will therefore continue to upskill our existing workforce as needed in addition to recruiting externally for key positions.

Collective bargaining coverage and social dialogue at H&R

Depending on their specific roles, activities and locations, new employees joining the Group may be covered by collective bargaining agreements. Executives are typically employed on the basis of individual employment contracts outside of these collective agreements. The same principle applies to employee representation, which is formally supported in all jurisdictions where corresponding legislation is in place. For a detailed breakdown of our collective bargaining coverage, please refer to section S1-8. For further information on our approach to social dialogue, please refer to section S1-2.

Monitoring the effectiveness of our actions

To verify the effectiveness of our health and safety initiatives, we submit our occupational health and safety management system for external certification in line with the ISO 45001 standard on a regular basis. We also use the Plan-Do-Check-Act (PDCA) plan derived from this process. This framework supports our continuous improvement process by enabling us to systematically resolve challenges, manage risks and make sustainable improvements to our standards. Additional topics are covered in our training database and made available to employees throughout the year. Our workforce also has the opportunity to provide their feedback about these measures through our established employee dialogue and participation formats.

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

Health and shift work

In general, we act under the principle that all errors that occur during our day-to-day work or operations that could result in damage to property or injuries are preventable. Our goal is therefore a zero-accident approach.

Events that nevertheless occur that are relevant to the occupational health and safety of employees are recorded Group-wide for internal reporting purposes according to the standardized criteria of the indicators lost time injury frequency (LTIF – number of workplace accidents with at least one day lost for every one million working hours) and lost workday injury severity (LTIS – number of days lost per work accident). These figures are used as the basis for measurable, outcome-oriented targets for occupational safety - one of our material sustainability matters.

In addition to providing employees with training about safe working practices, we believe that having our occupational health and safety management system certified is the most effective way to significantly reduce the rate of workplace accidents and incidents and achieve our “zero accident” goal. Certification strengthens employee confidence in the safety of our internal processes and sends a clear signal to customers, business partners and regulatory authorities. We renewed the ISO 45001 certification for our German sites in 2024. The locations of our subsidiary in South Africa have also been ISO 45001 certified. Our goal is to ensure that all employees at our production and processing sites are covered by ISO 45001 certified systems by the end of 2026. This is currently true for 930 employees, or 54.3% of our total workforce. We are working toward achieving certification for an additional 653 employees, or 38.1% of our workforce.

Both our current and transformed operating models involve our production and processing sites operating on a 24/7, 365-day basis. For this reason, the Group uses a multi-shift structure. We have no current plans to reduce or increase the number of shifts. Instead, our scheduling is driven by operational requirements and compliance with labor regulations. We are also committed to providing shift systems which protect our employees and keep them healthy, in line with legal requirements, collective bargaining agreements, works agreements and individual employment contracts.

Equal opportunities

In line with the legal form of the Group's parent company H&R GmbH & Co. KGaA, in accordance with Section 76, paragraph 4 AktG, the general partner with full personal liability, H&R Komplementär GmbH, has defined the following targets and deadlines for achieving them in agreement with the Advisory Board and the general partners of H&R Komplementär GmbH for the levels of management below the Executive Board:

As for achieving a certain percentage of women at the levels of management below the Executive Board, the managing director of H&R Komplementär GmbH has defined a minimum target quota for women of 20%. We determined that there were 245 management positions Group-wide in 2025 according to the definition in S1-9, of which 57 were held by women. The target quota was thus 23.3% globally. Additional tables and information can be found in section S1-9.

Employee development

Training and development are managed on a departmental and site-specific basis. As a result, we do not have any global training and development targets.

Social dialogue

We have not established any global targets for employee representation.

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

Our metrics related to own workforce

The following tables provide some key metrics about the composition of our workforce. Unless stated otherwise, we report employee figures as headcount as of December 31, 2025. This figure only includes the active workforce. We count each active employee as one person. An individual is considered an employee for the purpose of this metric if they are working full-time or part-time under a fixed-term or permanent employment contract with one of our subsidiaries. The total workforce disclosed is identical to the figure used in the financial reporting for the H&R Group.

We classify employees as "female", "male" or "diverse" (including "not disclosed"), based on the identification documents recognized in the employee's country of employment.

We only provide country-level breakdowns for countries in which H&R employs at least 50 people.

Characteristics of own workforce

As of December 31, 2025, the H&R Group employed a total of 1,714 employees. For further information, please refer to the “Group Fundamentals” section in the combined management report of H&R KGaA and the H&R Group.

The table below provides the total number of employees in the Group and a breakdown by gender.

	2025
Male	1,221 / 71%
Female	493 / 29%
Diverse	- / 0%
Total number of employees	1,714 / 100%

The table below provides a continent- and country-level breakdown for countries in which H&R employs at least 50 people. Employees are allocated to countries based on the location in which they work.

		2025
Europe	Germany	904 / 57.7%
	United Kingdom	55 / 3.2%
	Czech Republic	89 / 5.2%
Asia	China	368 / 21.5%
	Malaysia	58 / 3.4%
	Thailand	77 / 4.5%
Africa	South Africa	84 / 5.1%

Our employees are allocated to different segments as follows:

	2025
Chemical-Pharmaceutical Raw Materials REFINING	751 / 43.8%
Chemical-Pharmaceutical Raw Materials SALES	603 / 35.2%
PLASTICS	289 / 16.9%
Other activities	71 / 4.1%
Total number	1,714 / 100%

The table below provides a breakdown of our workforce by contract type and gender in the reporting year.

	2025			Total
	Male	Female	Diverse	
Total number of employees	1,221	493	-	1,714
Number of employees with permanent contracts	1,101	398	-	1,499
Number of employees with temporary contracts	120	95	-	215

Employee turnover in the 2025 reporting year

Voluntary resignations by our own employees, terminations by the H&R Group, retirements and deaths were incorporated into the employee turnover rate for the first time in the 2025 financial year. Our employees are very committed to the H&R Group. This is evidenced in particular by the generally low staff turnover rate of just 4.0% at the German chemical-pharmaceutical production sites of the Refining segment. In the Sales segment, which comprises the overseas sales and processing sites, the quota for 2025 was 6.8%; in the Plastics segment, it was 33.2%. The latter was due primarily to the restructuring measures at GAUDLITZ and the further relocation of production capacities from Coburg to the Czech Republic.

Overall, the Group had a turnover rate in the past year of 10.1%. It was not possible to reconstruct the previous year's figures for comparison purposes due to the changes in methodology that were made in 2025 to align with ESRS. A comparison between the reporting year and the previous year will be available in the 2026 non-financial Group report.

Local HR departments at the relevant subsidiaries maintain up-to-date master data for their workforce. This data was retrieved and consolidated centrally for reporting purposes.

Data from the German production sites forms the core of the dataset, as more than half of our employees are based in Germany.

Collective bargaining coverage and social dialogue (S1-8)

This section breaks down the extent to which employees in the European Economic Area (EEA) and elsewhere are covered by collective bargaining agreements. Collective bargaining agreements are in force for the Group at the sites of the ChemPharm Refining segments. Individual non-collective bargaining agreements were negotiated with the smaller proportion of Group employees in Germany, and GAUDLITZ employees.

Percentage of total employees covered by collective bargaining agreements

2025

44.7%

	Collective bargaining coverage	Social dialogue
Coverage rate	EEA employees (for countries with > 50 employees representing > 10% of total)	Workplace representation (EEA only) (for countries with > 50 employees representing > 10% of total)
0-19%	-	-
20-39%	-	-
40-59%	Germany	Germany
60-79%	-	-
80-100%	-	-

We do not have collective bargaining agreements in certain countries and markets due to their administrative, commercial or legal frameworks. We work closely with trade unions and/or employee representatives in these countries to implement business decisions and manage relationships between managers and employees. The working and employment conditions of

employees in these countries are governed by local legislation, our global corporate policy and the Code of Conduct.

The employees at the German sites of the ChemPharm Refining and Plastics segments are also represented by bodies at a company level and by a Group works council.

	2025
Percentage of total employees covered by employee representatives (total: 747)	43.6%
Of which in Germany (total: 734)	98.3%
Of which outside of Germany (UK; total: 13)	1.7%

For more information about how our employee representative bodies are structured, see section S1-2.

Diversity metrics (S1-9)

When it comes to filling leadership positions below the level of the Executive and Supervisory Boards, we consider an employee to be in a leadership position if they have the authority to make decisions and exercise their discretion in connection with personnel and material matters.

The table below provides the total number of employees in leadership positions the Group, broken down by gender and segment:

Employees in leadership positions (headcount)	ChemPharm Refining	ChemPharm Sales	Plastics	Other	Total / number
Male	75 (90.4%)	85 (67.5%)	21 (80.8%)	7 (70.0%)	188 (76.7%)
Female	8 (9.6%)	41 (32.5%)	5 (19.2%)	3 (30.0%)	57 (23.3%)
Diverse	-	-	-	-	-
Total	83	126	26	10	245

Our training and development approach is also evident in the age demographics of our workforce, with 15.9% of our employees being under 30 years old. 55.5% of our employees are aged between 30 and 50, while 28.5% are over 50.

H&R will continue to develop young talent in line with its current approach to training. At the same time, we are convinced that age diversity creates added value and helps the Group to achieve its economic objectives.

Persons with disabilities (S1-12)

The following table shows the percentage of employees with disabilities:

	2025
Percentage of employees with disabilities – subject to data protection restrictions (in %)	1.3%

The disability status of employees in Germany is subject to data protection. The legal definition of “persons with disabilities” may vary across the countries and markets in which we operate. The actual share may therefore be higher, as disclosure is voluntary and reporting is limited to jurisdictions where collecting this information is legally permitted.

Training and skills development metrics (S1-13)

The SAM training system

We have been using the electronic training system SAM provided by Secova for years for the instruction and further training of our employees. In 2025, the total number of planned training courses Group-wide (number of employees multiplied by training courses assigned) was 22,764. In 2025, a total of 1,397 employees completed the tasks assigned to them in the training system. Overall, 241 Group departments were incorporated into the online training courses in 2025. 99.8% of the total training courses were completed within the one-year period (22,729 courses completed). In total, training amounted to approximately 6,739 hours of training for the Group, or around four hours and 48 minutes per employee. Employees were allocated an average of 16.3 training courses.

The companies in the GAUDLITZ Group and some of the subsidiaries in the UK and NL have not yet been integrated into the SAM system. SAM was rolled out there last year, but some departments and employees have not started using the system yet.

New content can be added to the training system, depending on the specific needs of the individual subsidiaries or departments.

Some training activities are not delivered using the SAM system. With the help of the training management information system (SMIS database), we document not only the SAM training activities in the Group, but also the training courses on various process instructions of our process units and legally required instruction on hazardous substances. Such instruction is to be given orally in accordance with the Hazardous Substances Ordinance (GefStoffV), but it is also recorded in SMIS afterward.

Health and safety metrics (S1-14)

We have made occupational health and safety systematic according to ISO 45001 and certified the Group’s main sites. Sources of error and risks are thus identified and can be removed or minimized. We view the certification of our occupational safety management as suitable for significantly reducing the number of workplace accidents and damage and for achieving our zero-accident goal. As of December 31, 2025, 54.3% of our workforce was covered by our ISO 45001 certified health and safety management system.

As in the previous year, there were no fatalities in 2025 among our own employees or the contractors and service providers working on H&R premises which were caused by work-related injuries or ill health and occurred during business hours.

Occupational safety metrics

2025 was the first year in which our workplace safety metrics were reported across the entire Group. A standardized approach was used across all segments. A total of 289 days were lost across

the Group. The table below breaks this figure down to show the number of days allocated to our own workforce, contractors and service providers. An average of 10.3 days were lost per accident.

OCCUPATIONAL SAFETY AT H&R'S GROUP COMPANIES

	2025
Total work hours	4,102,362
Of which own workforce	2,769,060
Of which contractors/service providers	1,333,302
Number of fatalities as a result of work-related injuries and work-related ill health	0
Rate of recordable work-related accidents (in %)^{1,2}	
For own workforce	6.1
For contractors/service providers	8.3
Number of recordable workplace accidents²	28
Of which own workforce	17
Of which contractors/service providers	11
Number of cases of recordable work-related ill health²	0
Of which own workforce	-
Of which contractors/service providers	-
Number of days lost due to work-related accidents	289
Of which own workforce	235
Of which contractors/service providers	54

¹ Per 1,000,000 hours worked.

² "Recordable" refers to "lost-time workdays" resulting from injuries recorded in the Group's system.

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

We are currently unable to calculate a gender pay gap or the ratio of median employee remuneration to Executive Board remuneration. We will assess whether this can be determined in future.

Incidents, complaints and reports with significant impacts on own workforce (S1-17)

No incidents of discrimination, harassment or other serious human rights violations were reported in the 2025 reporting year, either directly or through our "Speak-Up Line" whistleblower system. As a result, the H&R Group was not subject to any related fines, compensation payments or sanctions.

GOVERNANCE CORPORATE POLICY (G1)

We are currently in the process of establishing systems to systematically track the metrics which are required to meet our reporting obligations under ESRS G1. Robust data that fully complies with

the standard's requirements is not yet available for the current financial year. We plan to have all of the relevant metrics established by the 2025 financial year.

GOVERNANCE / CORPORATE POLICY → CORPORATE CULTURE

Material impacts, risks and opportunities	Potential negative impacts
Time horizons	Short and medium term
Stage of the value chain	Own operations; own workforce
Description	A company's success can be negatively impacted by how it treats its employees and the overall dynamics within the workforce. A non-existent or inadequate corporate culture leads to internal conflicts, impairs motivation and indirectly reduces overall performance.

GOVERNANCE / CORPORATE POLICY → CORRUPTION AND BRIBERY

Material impacts, risks and opportunities	Potential negative impacts
Time horizons	Medium and long term
Stage of the value chain	Own operations; customers, suppliers
Description	<ul style="list-style-type: none"> • All unfair commercial practices directly violate the applicable legal framework and fundamentally undermine public trust in the authority of the state and the rule of law. They also exacerbate the inequality between businesses and individuals/society by promoting the achievement of goals through unfair means. • Whenever a company is involved in unfair practices, society usually takes a negative view of that company's affiliates. This exposes business partners to the risk that they will be suspected of participating in these unfair practices, leading to a loss of reputation damage and subsequent financial losses. • For investors, a company's unfair business practices can, in the worst-case scenario, result in the loss of their investment.

GOVERNANCE / CORPORATE POLICY → PROTECTION OF WHISTLEBLOWERS

Material impacts, risks and opportunities	Potential negative impacts
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; own workforce; customers, suppliers
Description	Insufficient protection for whistleblowers increases the risk of potential (reportable) violations remaining unreported.

GOVERNANCE / CORPORATE POLICY / MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS / PAYMENT PRACTICES

Material impacts, risks and opportunities	Potential negative impacts
Time horizons	Short, medium and long term
Stage of the value chain	Own operations; suppliers
Description	Failing to adhere to payment terms agreed with suppliers or misusing our market position could lead to our suppliers becoming insolvent.

Policies related to business conduct and corporate culture (G1-1)

Our cooperation is based on the H&R Group's binding **Code of Conduct**, which applies throughout the Group. It explicitly prohibits any form of exploitation, corruption or bribery and is firmly anchored in H&R's corporate culture. Our "**Speak-Up Line**" **whistleblowing and complaints system** can be used to report both suspected and actual incidents. For further details, please refer to section S1-3 "Processes to remediate negative impacts and channels for own workforce to raise concerns".

We review and update our policies related to our corporate culture on a regular basis. We are committed to meeting high ethical standards in terms of how we conduct ourselves and go about our work. Our training programs cover bribery and corruption topics in detail. We have also conducted internal assessments to identify specific roles that may be more susceptible to potential violations. Roles that interact with external third parties or exercise significant discretion over the allocation of funds are generally considered to be high risk. Within the H&R Group, these roles include procurement, sales, accounting/finance and senior management. For more information on our actions related to combating corruption and bribery, please refer to section G1-3.

Management of relationships with suppliers (G1-2)

H&R maintains long-standing relationships with its suppliers which are based on trust. These relationships serve the Group's objective of ensuring a reliable and steady supply of feedstocks and all other goods and services. We therefore consider maintaining our existing supplier relationships and establishing new links to be relevant to the H&R Group. We source feedstocks, products and services from regional suppliers whenever market conditions allow. We intend to increase this share over the next few years.

Policies related to supplier management

We communicate the H&R Group-wide **corporate policy** to our suppliers, expecting them to respect and adhere to the principles set out.

A supplier's commitment to this corporate policy is an integral part of the supplier selection and evaluation process in the H&R Group, as is the acknowledgment of the additional **Code of Conduct for Suppliers**, which further specifies various aspects of cooperation. Our **anti-corruption guideline** defines additional Group-wide requirements for our relationships with suppliers. Our policies are subject to regular monitoring and are updated as necessary by the IMS team in collaboration with Procurement. Employees can access these policies on the internal DokWeb platform and our electronic training portal.

Our actions related to supplier management

The H&R production and processing sites deliberately do not pursue a single-sourcing approach and can call upon a flexible network of suppliers to secure their feedstock requirements. As a rule, these are other refineries, some of which are operated by well-known oil companies in the fuel refining sector, or third-party dealers through which our feedstocks are sourced – again from the aforementioned refineries.

The goal of our **supplier management** is above all the safe and continual supply to our production sites, processing and sales locations with raw materials and products.

Our supplier selection process involves several stages: We always check whether our potential suppliers have current ISO 14001 certification themselves or are covered by the certification of their parent companies. If this is not the case, this does not necessarily result in exclusion as a supplier. We use publicly accessible sources to check whether a new supplier has adopted a similar sustainability stance to us or is pursuing comparable strategies and measures. This can be the case, for example, if the companies publish their own sustainability reports that clearly set out generally recognized targets or a commitment to binding standards. The aim is to identify the greatest possible overlap between our own values and the statements made by potential suppliers, and to make the decision to work together on this basis. If we decide to collaborate with a supplier, the Group's Code of Conduct and the Code of Conduct for Suppliers become part of the contract.

We have set ourselves the goal of no breaches of the Codes. If we discover any breaches of the Codes of Conduct, H&R also considers this to constitute a breach of the contractual relationship as a whole. The first step in such cases involves asking the supplier to remedy the breach. If the supplier fails to meet our request to our satisfaction, we reserve the right to terminate the contractual relationship.

Another criterion that we use to evaluate both existing and new suppliers is whether they are ISCC+ certified, in line with our own standards. This certification verifies the sustainability and traceability of feedstocks through a mass balance approach. It provides evidence that bio-based, circular (recycled), or renewable raw materials are involved in the production process, even if they are blended with fossil-based feedstocks. ISCC+ certification is an independent, third-party process that assesses our suppliers' commitment to responsible procurement practices. It also provides us with robust data about the sustainability of our purchases.

H&R provides standardized payment terms to all suppliers as part of the ordering process. We clearly define payment deadlines and record them automatically in our systems. We plan to provide specialized training to relevant employees throughout 2026 to ensure that our communication is consistent across the Group, particularly when dealing with international suppliers.

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

We identified the prevention of corruption and bribery as a material topic in our materiality assessment. We have policies in place and take action to address these topics.

We are committed to acting with a high level of integrity. We act with conviction to combat corruption and bribery and foster a transparent and ethical business environment. Our **corporate policy**, **Code of Conduct** and **anti-corruption guideline** apply on a Group-wide basis and are reviewed and updated at regular intervals. Our policies are reviewed every two years, or occasionally annually, and are updated as required by the IMS team and Compliance officers. Employees can access these policies on the internal Dok-Web platform and our electronic training portal. We also provide suppliers and business partners with a summary of our **Compliance Management System** on our website.

The H&R Group has set itself the goal of being seen as upstanding and incorruptible in its business dealings. To achieve this, we place a great deal of emphasis on the correct dealing with business partners, customers and public authorities and therefore ascribe a core position in our **compliance management system** and our Code of Conduct to combating corruption and bribery. The latter clearly states that award decisions are based exclusively on a performance evaluation. Accordingly, we strive for success based on the quality of our performance and will not tolerate any kind of corruption or other unfair business practices that could help to obtain advantages. As a result, the Code of Conduct also contains unambiguous rules covering, among other things, the granting or acceptance of benefits or gifts, participation in primarily non-commercial events, and sponsorship.

We consider the most important measure in preventing unfair practices to be our Group-wide training system, which provides anti-corruption training for our employees. In addition, our employees know that in case of doubt they can contact the compliance manager, their superiors or the Executive Board at any time. We have implemented additional safeguards for the divisions identified as being at higher risk for bribery and corruption in section G1-1. These include clear guidelines for supplier selection and a requirement for a minimum number of bids, an electronic invoice workflow with multiple stages of approval, the dual-review principle, and supervisor approval for all purchase requests (e.g. business travel and equipment and technology purchases).

Potential violations can be reported through H&R's anonymous whistleblowing system, the "**Speak-Up Line**". Reports can be submitted in person, by post, e-mail, phone, or our dedicated compliance portal. For additional details, please refer to section S1-3.

There is also a quarterly assessment of the inventory of risks at all Group-wide sites, during which the managing directors must report on legal and compliance risks.

A total of 2,749 training sessions related to governance and compliance were assigned to our employees, representing over 12% of all training.

Members of the Supervisory Board are not included in these programs. The Supervisory Board has received ad-hoc training from external legal advisors on relevant topics. The most recent session focused on sanctions in connection with the invasion of Ukraine.

Incidents of corruption, bribery or compliance violations (G1-4)

During the 2025 reporting year, there were no convictions for violations of anti-corruption and anti-bribery regulations within the Group.

Independent German Public Auditor's Report on a Limited Assurance Engagement on the Non-financial Group Report Forvis Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft has performed a limited assurance engagement on the German version of the non-financial group report and issued an independent German public auditor's report in German language. The following text is a non-binding translation of the original German independent German public auditor's report.

To H&R GmbH & Co. KGaA, Salzbergen

Assurance Conclusion

We have conducted a limited assurance engagement on the non-financial group report of H&R GmbH & Co. KGaA, Salzbergen (hereinafter: "Company") for the fiscal year from January 1, 2025 to December 31, 2025 (hereinafter: "non-financial report"). The non-financial report has been prepared to fulfill with sections 315b and 315c HGB I "Handelsgesetzbuch": German Commercial Code and Article 8 of Regulation (EU) 2020/852.

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying non-financial report for the period from January 1, 2025 to December 31, 2025 is not prepared, in all material respects, in accordance with sections 315b and 315c HGB and the requirements of Article 8 of Regulation (EU) 2020/852 as well as the specifying criteria presented by the executive directors.

Basis for the Assurance Conclusion

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

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

Our responsibilities under ISAE 3000 (Revised) are further described in the section 'German public auditor's responsibility for the limited assurance engagement related to the non-financial report'.

We are independent of the Company in accordance with the requirements of European law as well as the German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the quality management system in accordance with the IDW Quality Management Standard 'IDW QMS 1 (09.2022) – Requirements for Quality Management in the Audit Practice' issued by the Institute of Public Auditors in Germany (IDW), as well as the International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Emphasis of Matter - Principles for the preparation of the non-financial report

Without modifying our assurance conclusion, we draw attention to the explanations in the non-financial report, which describe the principles for preparing the non-financial report. The Company has applied the European Standards for Sustainability Reporting (ESRS) to the extent stated in the section 'Einleitung' of the non-financial report.

Responsibility of the executive directors and the supervisory board for the non-financial report

The executive directors are responsible for preparing the nonfinancial report in accordance with the applicable German statutory and European legal requirements, as well as with the specifying criteria defined and presented by the executive directors. They are also responsible for designing, implementing and maintaining such internal control that they consider necessary to enable the preparation of a non-financial report that is free from material misstatement, whether due to fraud (e.g. manipulation of the non-financial report) or error.

This responsibility of the executive directors includes establishing and managing the materiality assessment process, selecting and applying appropriate methods for preparing the non-financial report as well as making assumptions and estimates and determining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process of preparing the non-financial report.

Inherent Limitations in the Preparation of the non-financial report

The applicable German legal and European requirements include terms and formulations that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the nonfinancial report.

German public auditor's responsibility for the limited assurance engagement related to the non-financial report

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

As part of our limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional skepticism. Furthermore,

- we obtain an understanding of the process used in preparing the nonfinancial report, including the materiality assessment process carried out by the Company to identify the disclosures to be reported in the nonfinancial report.

- we identify disclosures for which the risk of material misstatement, whether due to fraud or error, is likely to arise, and we design and perform procedures to address those disclosures and obtain limited assurance to support our assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, falsification, intentional omissions, misleading representations, or the override of internal controls.
- we consider the forwardlooking information, including the appropriateness of the underlying assumptions. There remains an inherent and unavoidable risk that future events may differ materially from the forwardlooking information.
- evaluated the reasonableness of the estimates and the related disclosures provided by the executive directors.
- performed analytical procedures and inquiries regarding selected information within the non-financial report.
- considered the presentation of the information in the non-financial report.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the related disclosures in the non-financial report.

Summary of the procedures performed by the German public auditor

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

In conducting our limited assurance engagement, we have:

- evaluated the suitability of the criteria disclosed by the executive directors in the non-financial report,
- inquired the executive directors and relevant staff involved in preparing the non-financial report about the preparation process, including the materiality assessment process carried out by the Company to determine the disclosures to be included in the non-financial report, and about the internal controls relating to that process.
- reviewed the methods applied by the executive directors when preparing the non-financial report.

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the results of the assurance engagement. Consequently, it is not suitable for any other purpose than the aforementioned. Thus, the report is not intended to be used by third parties to make (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility towards third parties.

General Engagement Terms and Liability

The General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] dated 1 January 2024 (<https://www.forvismazars.com/de/de/services/audit-assurance/auftragsbedingungen>) apply to this engagement, including in relation to third parties. In addition, please refer to the liability provisions contained in no. 9 and to the exclusion of liability to third parties. We do not accept any responsibility, liability or other obligations towards third parties, unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We expressly state that we will not update this assurance report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this information is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Hamburg, 30 March 2026

Forvis Mazars GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

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