KRAIBURG TPE

CUSTOM-ENGINEERED **TPE** AND MORE

Creating Sustainable Solutions

SUSTAINABILITY REPORT 2024

KRAIBURG TPE GmbH & Co. KG at the Waldkraiburg site

Reporting period: January 1, 2024 to December 31, 2024

KRAIBURG TPE is a global manufacturer of customized thermoplastic elastomers. KRAIBURG TPE was founded in 2001 as an independent business unit of the KRAIBURG Group and is today the industry leader in the field of TPE compounds. The company's goal is to offer safe, reliable and sustainable products for customer applications. With more than 700 employees worldwide and production sites in Germany, the USA and Malaysia, the company offers a large product portfolio for applications in the automotive, industrial and consumer goods industries as well as for the strictly regulated medical sector. The established product lines THERMOLAST®, COPEC®, HIPEX® and For Tec E® are processed by injection molding or extrusion and offer manufacturers not only numerous advantages in processing, but also in product design. KRAIBURG TPE is by innovative strength, global customer orientation, tailor-made product solutions and reliable service. The company is ISO 50001 certified at its headquarters in Germany and has ISO 9001 and ISO 14001 certification all its sites worldwide.

This KRAIBURG TPE Sustainability Report was prepared in accordance with the European Sustainability Reporting Standards (ESRS) based on the results of a double materiality analysis.

Foreword

For us at KRAIBURG TPE, sustainability is not a passing trend, but a deeply rooted conviction that has shaped our actions for years. We aim to continuously develop our business model in order to meet economic, social and ecological requirements. Our mission is to create more sustainable solutions on behalf of our customers. We support them in manufacturing products with a better social and environmental footprint.

In our almost 25-year company history, we have successfully mastered numerous challenges and gained valuable experience. This gives us the confidence to successfully overcome future hurdles.

We are consciously pursuing a more sustainable way of doing business. The progress we are making is only possible thanks to the commitment and conviction of our employees. They are the ones who constantly create new solutions and bring about improvements with their energy and innovative spirit. We would like to take this opportunity to thank our employees for this.

With this sustainability report, we want to create transparency for our stakeholders and disclose our efforts. We are determined to make our contribution to a more sustainable future. We are consistently pursuing this path. Together with our customers and partners, we are constantly working to find and implement more sustainable solutions.

Waldkraiburg, June 2025

Dr. Monika Hofmann
Director EMEA

Karl-Heinz Ortmeier
Head of Sustainability Management

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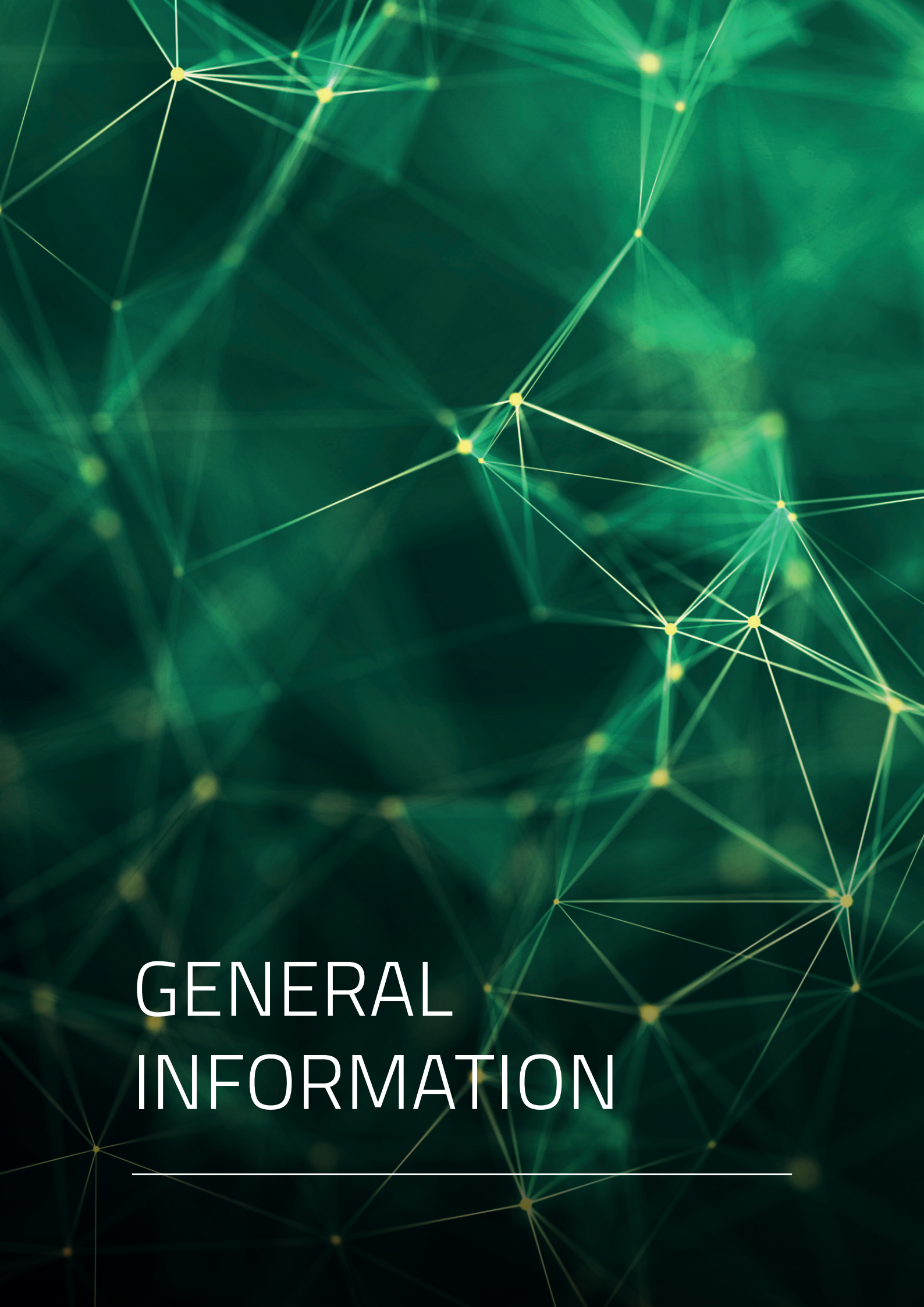


GENERAL INFORMATION

1. Strategy and management

1.1 | Sustainable management for long-term success

For KRAIBURG TPE, sustainability is the necessary balancing act between economic success, environmental protection and social responsibility. Sustainable management is essential for the long-term existence and success of the company. This is why KRAIBURG TPE has established Corporate Sustainability 2023 as a sixth core competence. It is implemented as an integral part of the business mission and business strategy. This means that all employees keep an eye on the future in their current decisions and actions and are equally aware of their commitment to responsible corporate governance. This encourages them to drive forward sustainable solutions. Our slogan "custom-engineered TPE and more" includes sustainability topics through the expansion of business relationships and partnerships.

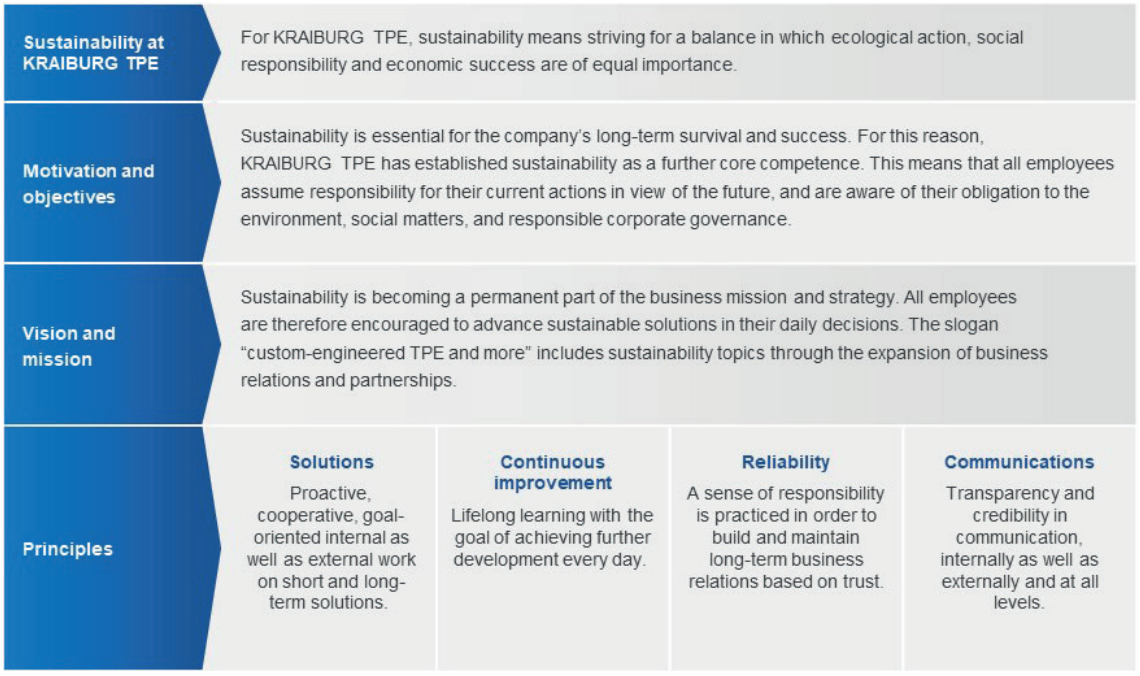


Figure 1: KRAIBURG TPE's commitment to sustainability (Source: KRAIBURG TPE)

While corporate sustainability has been explicitly added as a sixth core competence, each of KRAIBURG TPE's core competencies contributes to sustainable management:

Figure 2: Core competencies of KRAIBURG TPE (Source: KRAIBURG TPE)

International network

Since the beginning of its business activities KRAIBURG TPE has focused on its international presence. Our customers benefit from a decentralized and personal support, logistics and communication network that works quickly and efficiently.

Customization and vision

The company's mission is to produce high-quality material solutions which are being precisely tailored to the requirements and needs of our customers. To achieve this, we use our many years of experience and the extensive expertise of our employees to develop and produce innovative thermoplastic elastomers.

Customer orientation

Our business relationships are based on two principles: We respond quickly and deliver on time. A close and personal exchange enables us to respond to and fulfill individual needs. The global presence of our sales consultants ensures customer proximity and local market knowledge.

Specialization and know-how

Regardless of whether it is the realization of complex projects or the optimal processing of products: Our skilled KRAIBURG TPE specialists partner with customers every step of the way bringing expertise, innovation, and hands-on support to turn project ideas into reality.

Consistently high product quality

Quality begins at the source. We meticulously select raw materials to guarantee consistency and customer confidence. Thanks to our globally uniform production and quality standards, we guarantee effective production processes with consistently high product quality for every batch.

Corporate Sustainability

We design sustainable products and services that serve today's needs without compromising tomorrow's resources. Through collaboration with our stakeholders in strong networks, we turn this vision into reality.

1.2 | Sustainability management and organization

KRAIBURG TPE's Waldkraiburg site has been certified to DIN EN ISO 14001:2015 for its environmental management system since 2002 and to DIN EN ISO 50001:2018 for its energy management system since 2013. The company also has a quality management system in accordance with DIN EN ISO 9001:2015 and ISCC PLUS certification. An extensive data collection system provides full traceability while enabling continuous performance evaluation of the integrated management system. KRAIBURG TPE uses key figures to measure and evaluate performance in the area of sustainability in order to derive appropriate measures where necessary. Defined targets and metrics form the basis for an active process of continuous development of a learning organization. Independent sustainability assessments including the Carbon Disclosure Project (CDP) and EcoVadis ratings provide third-party validation of our systems' effectiveness and performance. Target achievement identified risks and thus the performance of the management system are documented and evaluated annually as part of the management review. In order to expand sustainability expertise within the company, systematic training courses are held and further training is promoted.

The system boundaries of the environmental and energy management system at the Waldkraiburg site are Plant T in Friedrich-Schmidt-Straße (property, production, and administration building). The overall corporate responsibility and thus also the responsibility for corporate sustainability lies with the management. Like at all KRAIBURG TPE locations, sustainability is managed at the executive level by the Local Sustainability Board (LSB) for the main site in Waldkraiburg and the EMEA sales and economic region.

The Sustainability Management Team (SMT) acts as a coordinator and initiator for sustainability projects and activities. Positions with a strong focus on sustainability have been established in the Product Development, Purchasing and Sales departments, which cooperate closely with the SMT. Other departments are also involved on a topic- and project-specific basis. Regular cross-functional consultations facilitate structured knowledge sharing on key sustainability initiatives across departments.

The Global Sustainability Management Team (GSMT) oversees cross-site alignment, drives knowledge sharing, and implements standardized frameworks for sustainability data collection and reporting.

Organization and structure

Management KRAIBURG TPE

Overall responsibility and fundamental endorsement

- CEO
- Director EMEA

Local Sustainabiliy Team (LSB)

Alignment of corporate sustainability, management of sustainability activities,
provision of capacities in the respective areas

- Director EMEA
- Director Corporate Purchasing
- Director Human Resources & Central Services EMEA
- Director Operations EMEA
- Director Product Development
- Director Sales & Marketing EMEA
- Head of Sustainability Management

Sustainability Management Team (SMT)

Working level of sustainability management, coordination and implementation of sustainability projects, initiator for other teams

- Head of Sustainability Management, Head of Environment and Safety Management EMEA
- Corporate Sustainability Manager and Circular Economy Manager EMEA
- Sustainability Manager EMEA
- Energy Manager EMEA
- Environmental Manager EMEA and Climate Manager EMEA
- Safety Manager EMEA

Global Sustainability Management Team (GSMT)

Coordination of company-wide sustainability measures

- Head of Sustainability Management, Head of Environment & Safety Management EMEA
- Corporate Sustainability Manager and Circular Economy Manager EMEA
- Sustainability Manager EMEA
- Energy Manager EMEA
- Environmental Manager EMEA and Climate Manager EMEA
- Senior EHS Executive Asia-Pacific
- QEHS-Manager Asia-Pacific
- EHS Coordinator Americas
- Quality, EHS and QA-LAB Senior Manager Americas
- Corporate Integrated Management System Manager

1.3 | Milestones in the area of sustainability

Since KRAIBURG TPE was founded in 2001, the company has continued to develop in the area of sustainability. Fixed milestones are also planned for the coming years (see Figure 3).

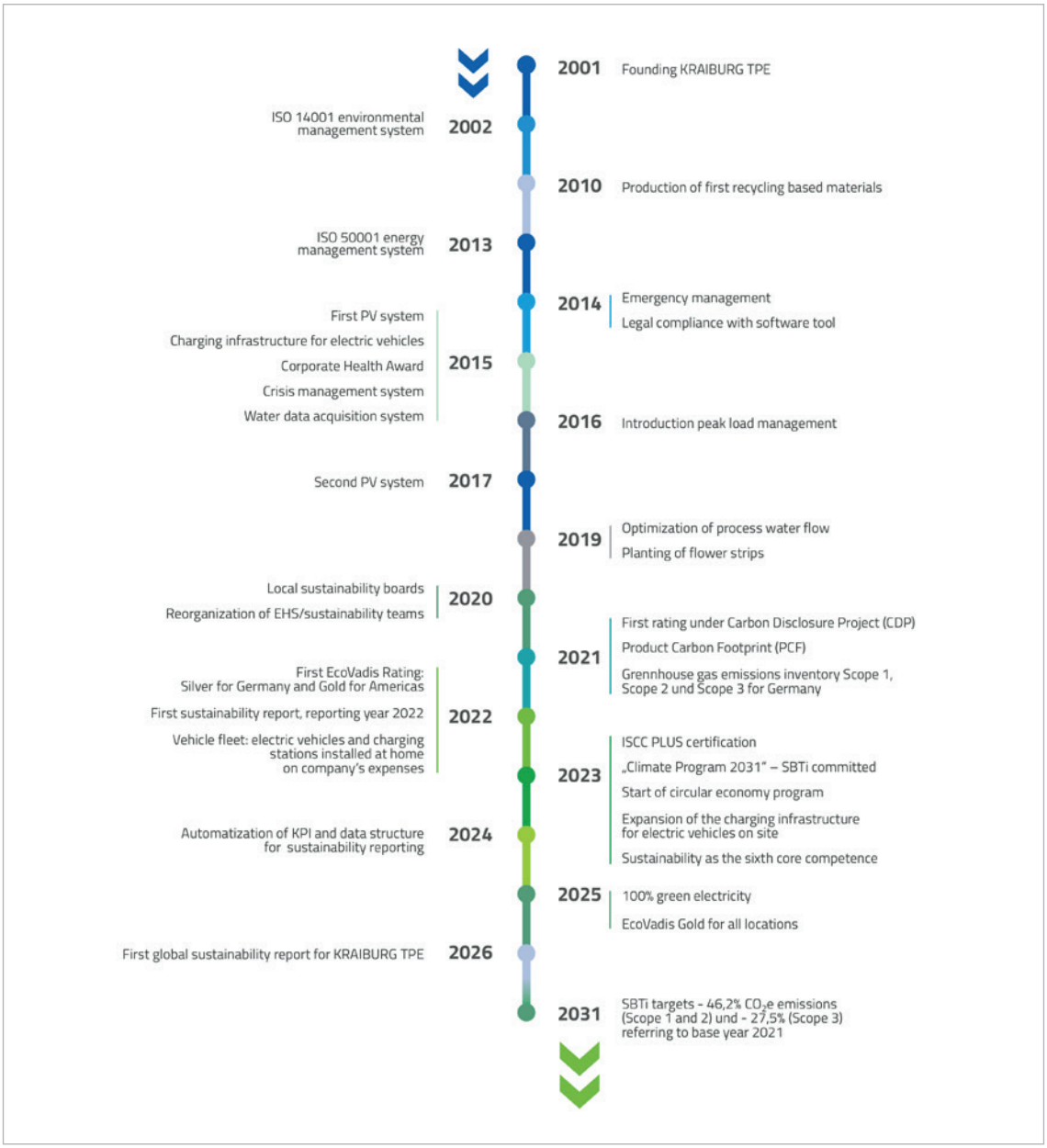


Figure 3: Milestones in the area of sustainability at KRAIBURG TPE (Source: KRAIBURG TPE)

KRAIBURG TPE has also taken important steps towards sustainability at product level:

2010	First production of TPE with recyclate content
2017-2019	First projects and production of bio-based TPE
2021	Product launch: Exterior Post-Industrial Recyclate (PIR) TPE
2022	- Presentation of THERMOLAST® R - Product launch: Universal Post-Consumer Recyclate (PCR) TPE and Interior PIR TPE - First qualification process: "Confirmation of the compatibility of products of KRAIBURG TPE in the PP and HDPE recycling stream" (Independent third-party verification)
2023	- Availability of products with ISCC PLUS certificate - Product launch: Bio-based TPE and TPE with recyclate content
2024	- Product launch: TPE with recyclate for automotive - Product launch: Lightweight TPE with high recyclate content - Automated PCF determination for products

2. Stakeholders, materiality and objectives

2.1 | Involvement of stakeholders

The success of a company depends on the cooperation and involvement of its stakeholders. Their points of view and expectations must be understood, needs and future tasks must be recognized at an early stage and reliably resolved. This is why there is an open and constructive culture of communication and information as well as goal-oriented cooperation.

The most important stakeholders of KRAIBURG TPE are:

- **Employees**
- **Suppliers and cooperations**
- **Customers**
- **Holding company and shareholders**
- **Authorities**
- **Neighboring companies**

Employees

KRAIBURG TPE achieves its sustainability goals through the activities and commitment of its employees. They are involved in a variety of ways: They expand know-how and expertise, identify potential for improvement and develop innovative approaches for more sustainable solutions. Their suggestions are incorporated into the company's activities through employee discussions, the works council committee and an annual, anonymous survey.

Suppliers and cooperations

We cultivate strong, collaborative relationships with suppliers and partners, built on mutual respect and aligned sustainability goals. Through active participation in industry events, global trade fairs, and conferences – including key forums in plastics recycling – we foster meaningful dialogue with companies from our value chain. Our partnerships prioritize long-term ecological and economic benefits for all stakeholders.

Customers

KRAIBURG TPE relies on intensive cooperation with customers and anticipates their requirements, particularly with regard to sustainability. The provision of innovative and customized solutions to achieve sustainability goals has become a key unique selling point of the company. With future-oriented technologies, KRAIBURG TPE is responding to the increasing demand for environmentally friendly materials as well as the requirements of various industries and legal regulations. By using recycled and bio-based raw materials, THERMOLAST® R compounds actively contribute to reducing the product carbon footprint (PCF) and thus to improving the Greenhouse Gas (GHG) Inventory. These TPE compounds support customers on their way to a circular economy and offer tailor-made solutions for their ecological objectives.

Holding company and shareholders

KRAIBURG Holding SE & Co KG acts as a valuable source of inspiration for various sustainability topics The holding company's sustainability manager regularly provides dialog formats and consulting services – involving also the subsidiaries. This results in guidelines, strategies, processes and measures for sustainable management at KRAIBURG TPE.

Authorities

There is continuous contact with the relevant authorities and additional event-driven coordination on various environmental, social and governance issues.

Neighboring company

The neighboring companies have joined forces in the "Waldkraiburg Industrial Community" working group. They meet quarterly and exchange information on environmental protection and occupational safety, among other things.

2.2 | Double Materiality Analysis

In 2023, a comprehensive analysis was carried out in accordance with the principle of Double Materiality. Six material topics were identified for KRAIBURG TPE and its stakeholders that correspond to the topic-related European Sustainability Reporting Standards (ESRS). These are relevant both from a financial perspective potentially affecting the company's business results (outside-in perspective) and with respect to positive and negative effects on environmental, social and governance aspects (inside-out perspective). For the outside-in perspective, KRAIBURG TPE identified acute and chronic physical - such as extreme weather events - and transitory - such as those associated with legislation and market changes - opportunities and risks for the company's success.

As part of the process, dialogues were held with customers, distributors and industry associations to involve stakeholders, such as well as the annual employee satisfaction survey. In addition, KRAIBURG TPE was part of a research consortium led by RWTH Aachen University. The resulting three-dimensional materiality matrix (see Figure 4) was developed at management level with the involvement of the Sustainability Management Team and shows the financial materiality on the x-axis, the materiality of the impact on the y-axis and the diameter of the circles corresponds to the stakeholder relevance. The result was reviewed by the Sustainability Management Team and the Local Sustainability Board for the 2024 financial year and reporting year to ensure it was up to date and, modified slightly, where considered necessary.

As KRAIBURG TPE prepares its sustainability report on a voluntary basis and neither the regulations of the Corporate Sustainability Reporting Directive (CSRD) nor the reporting framework of the European Sustainability Reporting Standards (ESRS) are currently available in their final version, the report is only roughly aligned with the ESRS. The report does not claim to be fully ESRS-compliant. The information is not yet available for some data points, including for standard E2 Environmental Pollution. The data is currently being aggregated and processed, so reporting on this information will only be feasible in subsequent years.

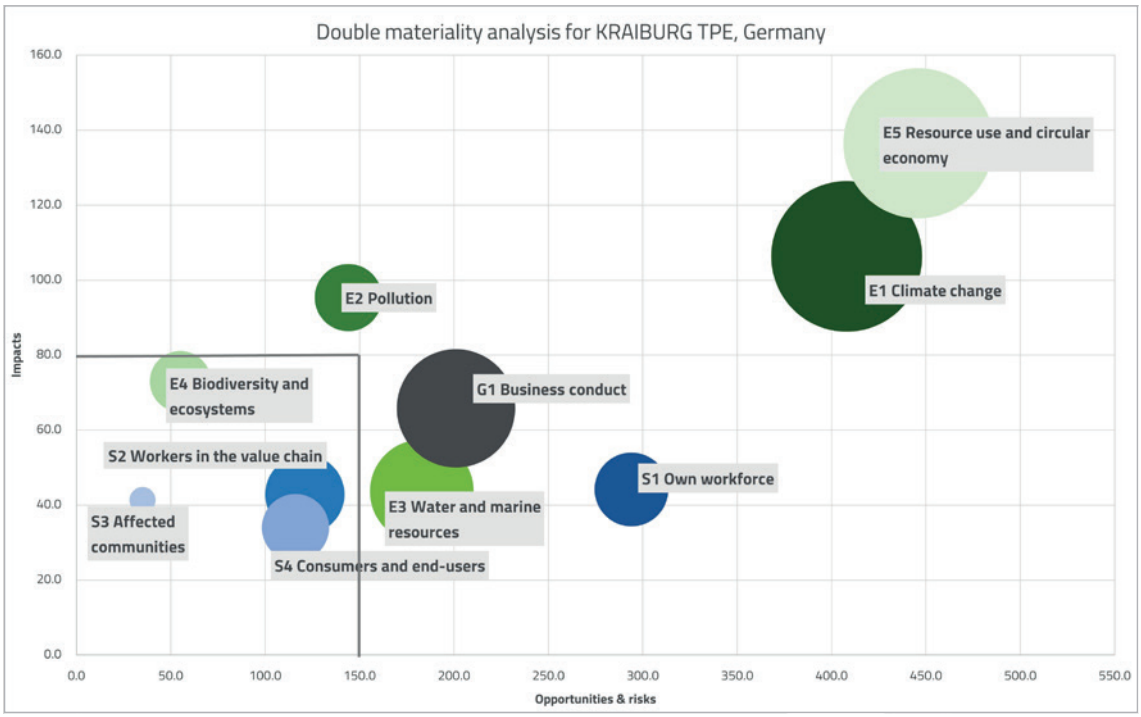


*Figure 4: Materiality matrix according to the principle of double materiality for KRAIBURG TPE at the German site for 2024 (source: KRAIBURG TPE)| * The diameter of the circles corresponds to the stakeholder relevance.*

The material topics for KRAIBURG TPE are those that exceed the set thresholds of 150.0 (for opportunities and risks) and 80.0 (for impacts). They have not changed from 2023 to 2024.

2.3 | Sustainability goals

Based on the materiality analysis, KRAIBURG TPE has defined core topics for the company in line with the ESRS and linked them to targets and measures:

Climate and energy (E1 Climate change)

KRAIBURG TPE is making a contribution to climate protection by identifying and implementing energy-saving potential, further increasing process and energy efficiency, expanding renewable energies and thereby reducing greenhouse gas emissions. KRAIBURG TPE had these climate targets validated by the Science Based Targets initiative (SBTi) to align them with a scientifically sound framework. The aim is also to improve the security of energy supply.

Water (E3 Water and marine resources)

The company conserves water resources by reducing both fresh water consumption and the amount of waste water.

Resource conservation through circular economy (E5 Resource use and circular economy)

KRAIBURG TPE is expanding its portfolio to include innovative product solutions that support the circular economy. The company is also focusing on the efficient design of production processes, packaging and transportation. Suppliers and customers are actively involved in the process to increase circularity through external partnerships and business relationships. While valuable resources are conserved, environmentally harmful waste and emissions are reduced.

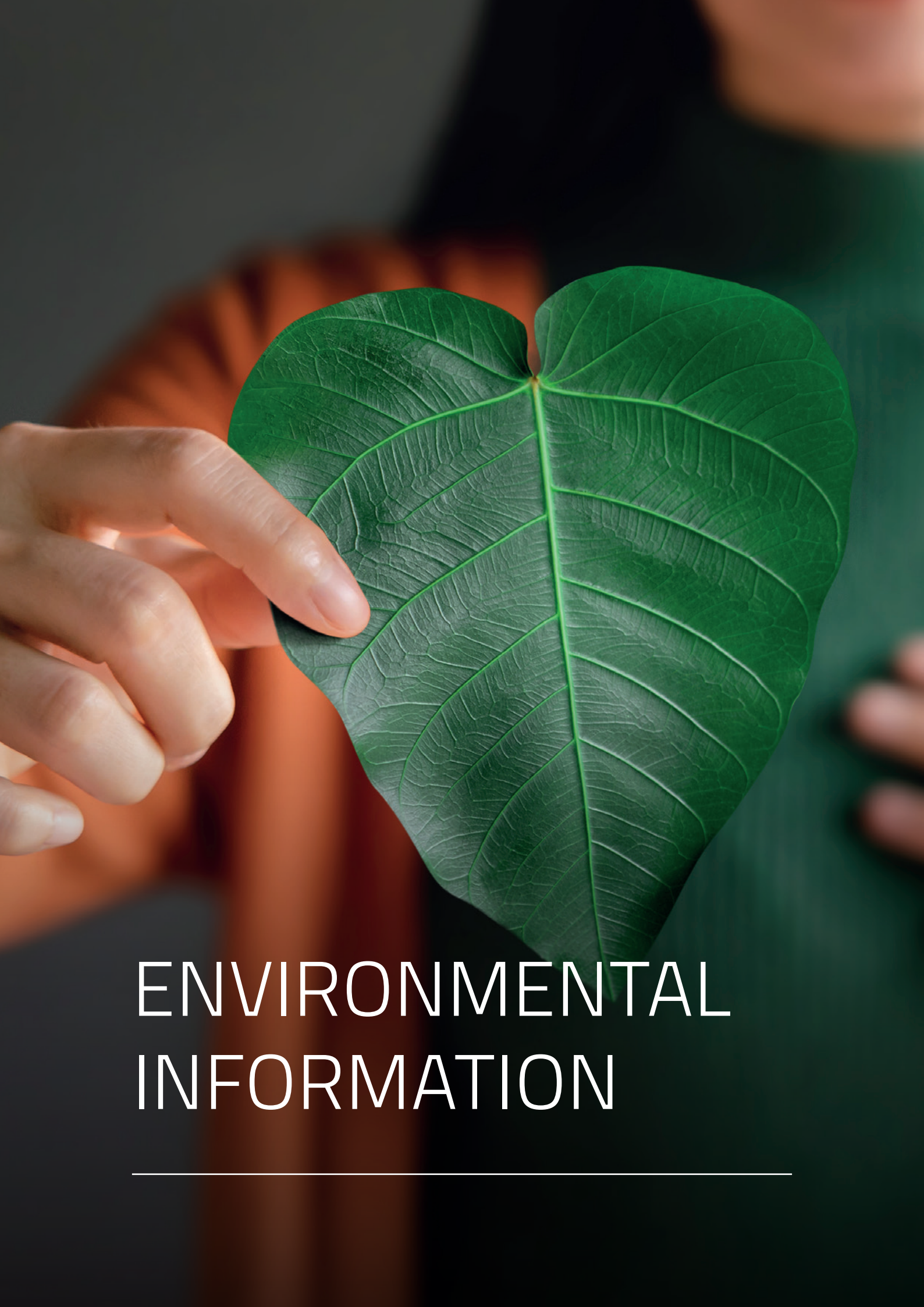
Responsibility towards employees (S1 workforce of the company)

Employee safety and satisfaction are of high priority. Occupational safety standards are maintained at the highest level and intensified in health protection measures. The company continues to attach great importance to working conditions, training and development, equal opportunities and equal rights. In order to achieve this, the management culture is to be strengthened.

Responsible corporate governance (G1 Corporate policy)

KRAIBURG TPE operationalizes sustainability through a triple-bottom-line model, aligning business objectives with environmental stewardship and social impact. Stakeholder engagement is embedded in our governance processes. This attitude is reflected in the values and aspects of the corporate culture. Adherence to the internal code of conduct and compliance guidelines, ensuring legal conformity and creating transparency through standards and certifications are of particular importance.

Figure 5: Sustainability goals of KRAIBURG TPE 2024 (Source: KRAIBURG TPE)



ENVIRONMENTAL INFORMATION

The environmental standards E1 to E5 of the European Sustainability Reporting Directive (ESRS) provide a detailed insight into a company's sustainable practices and impact on the environment. The topics of climate change, environmental pollution, water and marine resources, biodiversity and ecosystems as well as resource use and the circular economy are covered in this framework. Our core topics from the double materiality analysis are climate and energy, water and resource conservation through the circular economy.

KRAIBURG TPE and its business partners strive to conduct their activities in an ecologically sustainable manner. An ambitious and validated reduction program for climate-relevant CO_2e emissions in Scope 1, 2 and 3 is in place for long-term climate protection, with a focus on increasing efficiency, renewable energies and greater security of supply. The conscientious use of water is anchored in our corporate policy and in our environmental and energy management systems, being a valuable, increasingly scarce resource that is essential for our manufacturing process, When selecting raw materials, developing new products, operating production facilities, packaging, transport and logistics, as well as throughout the entire product life cycle (cradle-to-grave), care is taken to minimize the impact on the environment and climate. To contribute to decarbonization and support the transformation to a circular economy, we use recycled and bio-based raw materials and promote recyclability as well as internal recycling. Overall, we want to avoid and reduce waste.

Land use, biodiversity and nature conservation

The land use indicator shows the changes in land consumption on KRAIBURG TPE's properties. The company attempts to ensure that its business activities have as little negative impact as possible on the region's biodiversity. Compensation areas are therefore created. The built-up area in relation to the annual volume produced declined slightly from 2023 to 2024 due to the minimal increase in production volume (see Figure 6).

Land use Friedrich-Schmidt-Straße	2018	2019	2020	2021	2022	2023	2024
Total area in m²	59,487	61,648	61,648	61,648	61,648	61,648	61,648
Green space in m²	29,668	31,829	31,829	31,829	31,829	31,829	31,829
Developed area in m²	29,819	29,819	29,819	29,819	29,819	29,819	29,819
Biodiversity (Developed area / production volume in tons)	0.89	0.92	0.94	0.85	0.93	0.95	0.95

Table 1: Built-up area in m2 in relation to the annual quantity produced in tons (source: KRAIBURG TPE)

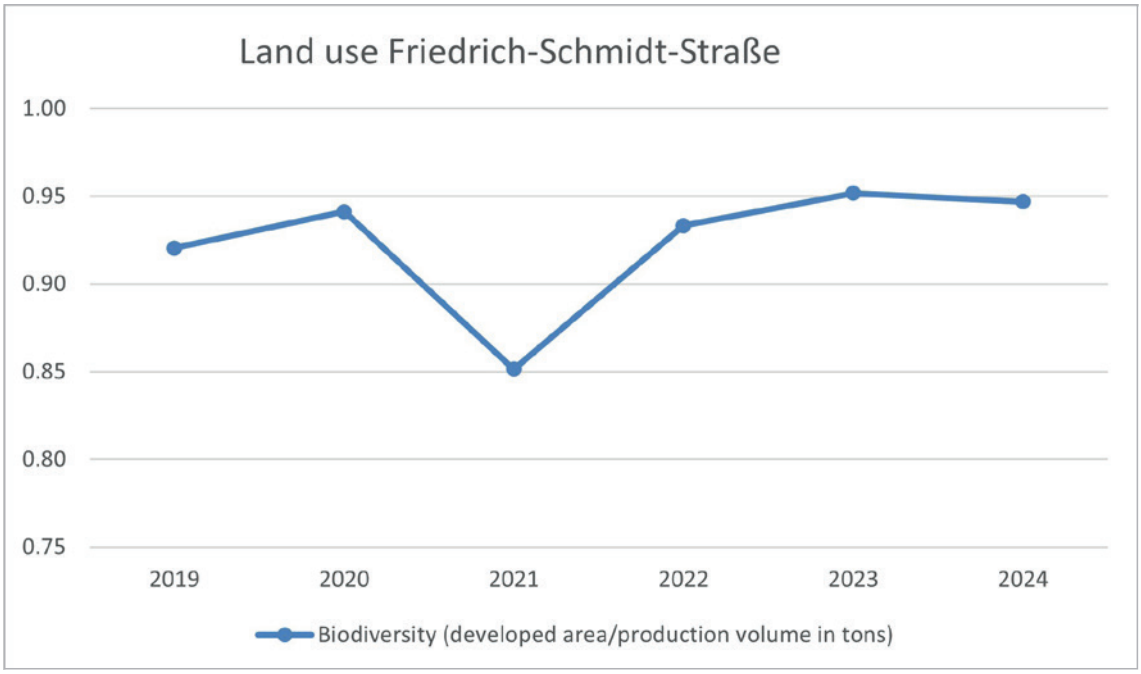


Figure 6: Development of land use in relation to biodiversity (Source: KRAIBURG TPE)

Environmental conditions

The environmental standard DIN EN ISO 14001:2015 requires the monitoring of environmental status indicators in order to recognize changes at an early stage and be able to react to them in good time.

Heat waves / hot days

The German Weather Service (Deutscher Wetterdienst) defines a 'hot day' as any day with maximum temperatures reaching or exceeding 30° Celsius. According to the measurement, 21 hot days and 68 summer days were recorded in Mühldorf, Upper Bavaria, in 2024 (see Figure 7).

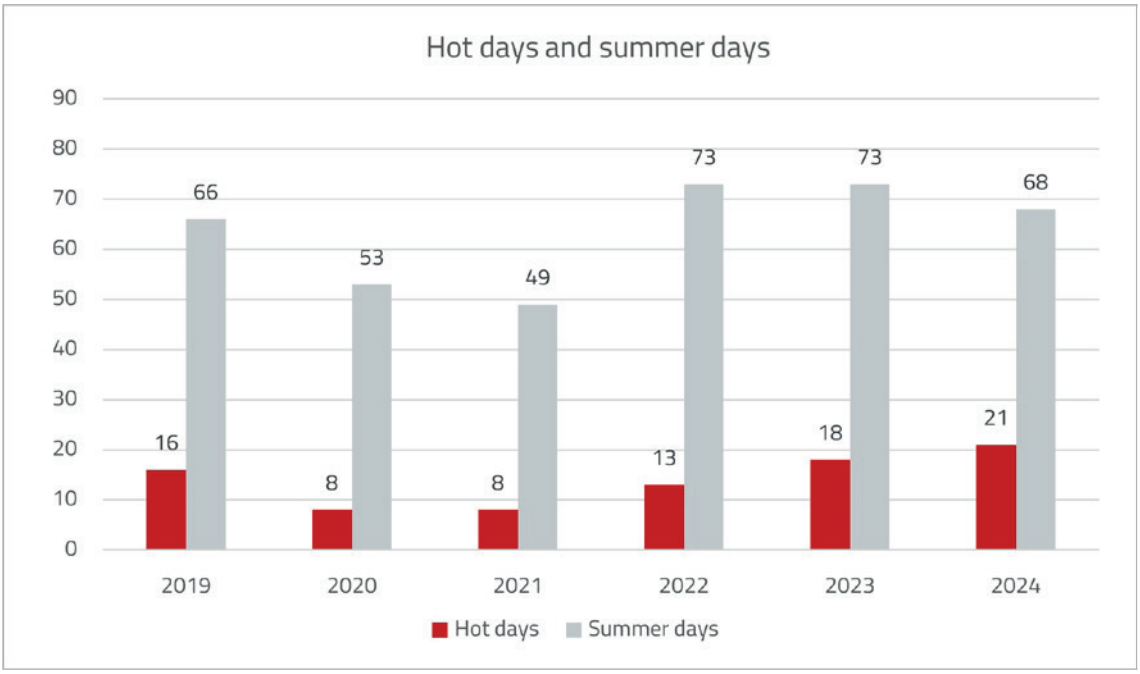


Figure 7: Heat and summer days in Mühldorf, Upper Bavaria (Source: KRAIBURG TPE)

Environmental accidents

KRAIBURG TPE recorded zero environmental incidents in 2024.

Input / output balance

The input/output balance sheet is a component of environmental reports and is recommended by DIN EN ISO 14001:2015. It shows the key parameters of the company's activities.

Input	Quantity	Unit
Material consumption production	**31,132**	**t**
Energy	**11,985**	**MWh**
Electricity	10,373	MWh
Natural Gas	1,611	MWh
Water	**21,129**	**m³**
Drinking water	7,181	m³
Fully softened water	13,948	m³

Input	Quantity	Unit
Production volume	**31,491**	**t**
Waste	**373**	**t**
Non-hazardous waste	333	t
Sepcial hazardous waste	44	t
Luwax hazardous waste	19	t
Waste water	21,129	**m³**
Sewerage	14,761	m³
Evaporation	6,368	m³

Table 2: Input/output balance for plants T and K 2024 (source: KRAIBURG TPE)

The production volume in 2024 is higher than material consumption due to material inventories from the previous year.

Core indicators and development of performance

Core indicators are used to monitor and manage environmental performance.

Indicators	Definition	Unit / dimension	2024	2023	2022	Progress
Specific material consumption	Production volume (yield) / material consumption (production)	t	**1.01**	1.0	**0.948**	*+ 1.0%*
Specific electricity consumption	Electricity / production volume	kWh/t	**329**	330	**338**	*- 0.3%*
Specific cooling water consumption	Heat of evaporation / production volume	kWh/t	**139**	140	**151**	*- 0.7%*
Specific water consumption	Fresh water / production volume	l/t	**680**	660	**790**	*+3.0%*
Specific heating energy consumption	Heating energy / (daily temperature figure x heated area)	Wh/(m²a*Kd)	**47**	54	**51**	*-12.7%*
Specific waste volume	Waste / production volume	kg/t	**12.13**	12.56	**11.38**	*- 3.4%*
Accident rate per 1,000 employees	Number of reportable accidents / 1,000 employees	1	**10.35**	26.41	**5.09**	*- 60.8%*
LTIF (Lost Time Injury Frequency)	Frequency of lost time due to accidents / year	1	**18.66**	23.44	**7.45**	*-20.4%*

Table 3: Development of the core indicators for environmental performance 2022 to 2024 (source: KRAIBURG TPE)

The information and reasons for the development of the core indicators can be found in the respective chapters.

The following core topics and their objectives are detailed in the environmental information section of the report:

3. Climate and energy

3.1 I Risks, opportunities and impacts - Climate and energy
3.2 I Goal 1: Reduce climate-relevant emissions by 2031 aligned with the Science Based Targets initiative (SBTi)
3.3 I Goal 2: Increase process and energy efficiency
3.4 I Goal 3: Expand renewable energies
3.5 I Goal 4: Improve security of energy supply

4. Water

4.1 I Risks, opportunities and impacts - Water
4.2 I Goal 1: Reduce water consumption
4.3 I Goal 2: Reduce wastewater volume

5. Conserving resources through the circular economy

5.1 I Risks, opportunities and impacts - Conserving resources through the circular economy
5.2 I Goal 1: Develop more sustainable and recyclable product solutions
5.3 I Goal 2: Embed sustainability standards in the supply chain
5.4 I Goal 3: Design efficient production, packaging and transportation
5.5 I Goal 4: Increase utilization of own production residues
5.6 I Goal 5: Expand external partnerships and business relationships for increased circularity
5.7 I Goal 6: Avoid, reduce and recycle waste

3. Climate and energy (E1: Climate change)

At the 2015 UN Climate Change Conference, the United Nations adopted the Paris Agreement. The aim of the framework agreement is to limit global warming to 1.5 °C above pre-industrial levels. In order to achieve this, 196 countries - including the European Union - have voluntarily committed to national targets, which are continuously adjusted. Nevertheless, this threshold was exceeded in 2024. However, the international treaty is only considered to have failed if the long-term average is above this level. This also presents companies with a particular challenge. A strategic climate policy requires a basis that takes into account all pillars of sustainability - economic, ecological and social. This is because embedding growth, innovation, cost efficiency and global competitiveness - across value chains - is crucial for a secure energy supply as well as energy and resource efficiency.

The company's own climate reduction targets in relation to Scope 1, 2 and 3 have been validated by the Science Based Targets initiative (SBTi) for scientific substantiation. To achieve these targets, KRAIBURG TPE developed the "Climate Program 2031", which, together with the energy program, includes ambitious measures. The reduction targets relating to Scope 1 and Scope 2 as well as actions from energy management are incorporated into the current climate and energy program on an annual basis. The implementation rate for the reporting year was 98%.

[Climate and energy targets of KRAIBURG TPE]

- **Goal 1:** Reduce climate-relevant emissions by 2031 with the Science Based Targets initiative (SBTi)
- **Goal 2:** Increase process and energy efficiency
- **Goal 3:** Expand renewable energies
- **Goal 4:** Improve security of energy supply

3.1 | Risks, opportunities and impacts - climate and energy

	Evaluation
Physical and transitory risks with relevance to our business	
Achievement of climate targets dependent on third parties (Scope 3)	High
Customer requirements, e.g. on greenhouse gas emissions	High
Price disadvantage due to climate-friendly products	Medium
Security of supply and allocation of electricity and gas	Medium
High energy costs	Medium
Political requirements	Medium
Delivery failures and delays	Medium
Increased prices due to geopolitical disruptions, e.g. crises, wars, gas supply, pandemic	Medium
Deterioration in public perception, e.g. plastics producer	Medium
Opportunities	
Competitive advantages through sustainable products	High
Opening up new market potential	Medium
Increasing demand due to sustainability-related customer requirements	Medium
Credibility through verification of GHG reduction targets (SBTi)	Medium
Impacts	
Increase transparency and systematics via PCF and CCF	High
Reduction of greenhouse gas emissions through product characteristics	Medium
Reduction of greenhouse gas emissions through the recyclability of products	Medium

Table 4: Results of the analysis of risks, opportunities and impacts on the core topic 'Climate and energy' (source: KRAIBURG TPE)

3.2 | Goal 1: Reduce climate-relevant emissions by 2031 with the Science Based Targets initiative (SBTi)

KRAIBURG TPE has been inventorying its greenhouse gas emissions since 2013. This allows us to draw conclusions about decarbonization levers and monitor our own contribution to climate protection. KRAIBURG TPE has developed a 10-year climate program up to 2031 (base year 2021) in order to achieve the company's own climate targets based on the Science Based Targets initiative (see Figure 8). The commitment corresponds to an annual reduction in Scope 1 and 2 emissions by an average of 4.2% and Scope 3 emissions by an average of 2.5%.

Conserving resources through the circular economy is essential for this (see chapter 6).

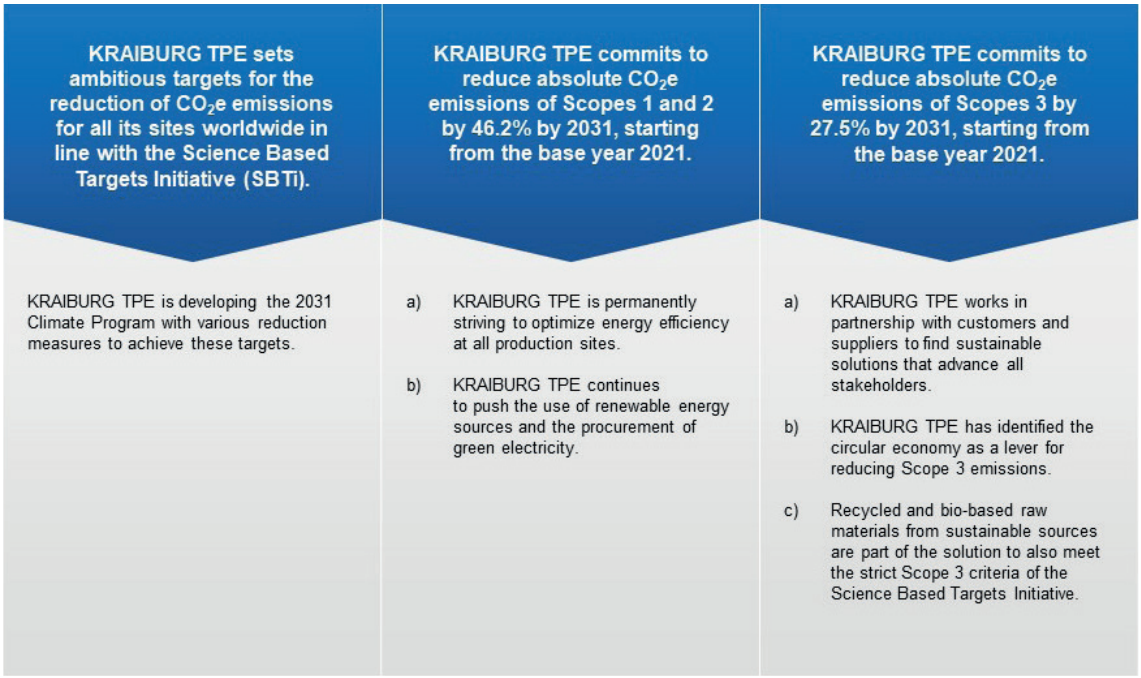


Figure 8: KRAIBURG TPE's 'Climate Program 2031' (Source: KRAIBURG TPE)

KRAIBURG TPE has been reporting the product carbon footprint at product level since 2021. This value provides information on the CO_2e emissions of compounds within the defined system limit. The calculation follows the specifications of the Greenhouse Gas Protocol and the relevant ISO standards 14040, 14044, 14067.

The corporate carbon footprint (CCF) for Scope 1, 2 and 3 has been determined since the base year 2021. At the Waldkraiburg site, direct CO_2e emissions and indirect emissions from purchased energy have been significantly reduced thanks to improved energy efficiency, self-generated electricity from photovoltaic systems and the switch to LED lighting (see Figures 9-11). The increase in emissions in Scope 3.4 and 3.9 is due to better data quality in the calculation of kilometers traveled. The fluctuations in Scope 3.6 are due to the coronavirus pandemic, the subsequent increase in air travel and a new database due to a change of travel agency. KRAIBURG TPE continues to work on various reduction measures.

Greenhouse gas balance

in t CO_2e

	2021	2022	2023	2024	2021 - 2024 in %
Total – market-based	**129,693**	**114,904**	**107,262**	**113,497**	**- 12.5**
Scope 1 Emissions	**692**	**648**	**503**	**484**	**- 30.1**
Scope 2 Emissions – market-based	**3,205**	**2,565**	**2,365**	**1,761**	**- 45.1**
Scope 2 Emissions – location-based	**6,708**	**6,144**	**4,495**	**4,488**	**- 33.1**
Scope 3 Emissions	**125,796**	**111,691**	**104,394**	**111,252**	**- 11.6**
3.1 – Purchased goods and services	92,802	80,544	77,462	75,834	- 18.3
3.3 – Fuel- and energy-related emissions	1,652	1,519	1,149	1.596	- 3.4
3.4 – Upstream transportation and distribution	10,854	11,367	9,373	16,064	48.0
3.5 – Waste generated in operations	584	492	541	540	- 7.5
3.6 – Business travel	19	199	287	450	2,268.4
3.7 – Employee commuting	324	346	247	246	- 24.1
3.9 – Downstrea transportation and distribution	336	403	396	408	21.4
3.10 – Processing of sold goods	19,225	16,821	14,939	16,114	- 16.2

Figure 9: The greenhouse gas balance (GHG) of KRAIBURG TPE since base year 2021 (source: KRAIBURG TPE) for EMEA

Scope 1 includes:

Gas consumption, volatile gases, fuel consumption of company vehicles

Scope 2 includes:

Electricity procurement and self-generation through photovoltaics

Scope 3 includes:

- Purchased goods and services, raw materials, packaging materials, contracts
- Fuel and energy-related emissions, including upstream chain emissions of the individual energy sources
- Transportation and distribution (upstream), including road transport, sea freight, air freight, material and packaging transport
- Waste: non-hazardous and hazardous waste
- Business trips: Air travel, rental cars, train travel
- Commuting of employees
- Transportation and distribution (downstream), including ex works transportation
- Processing of the products sold: Power consumption in the injection molding process

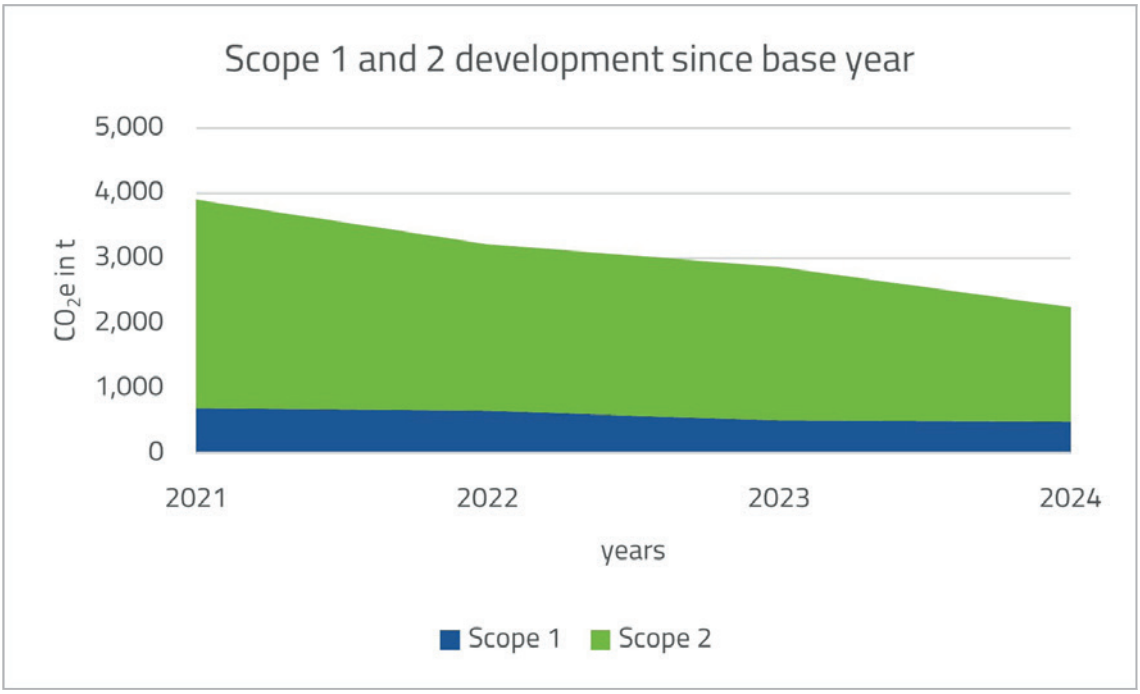


Figure 10: Development of Scope 1 and Scope 2 emissions since base year 2021 (source: KRAIBURG TPE)

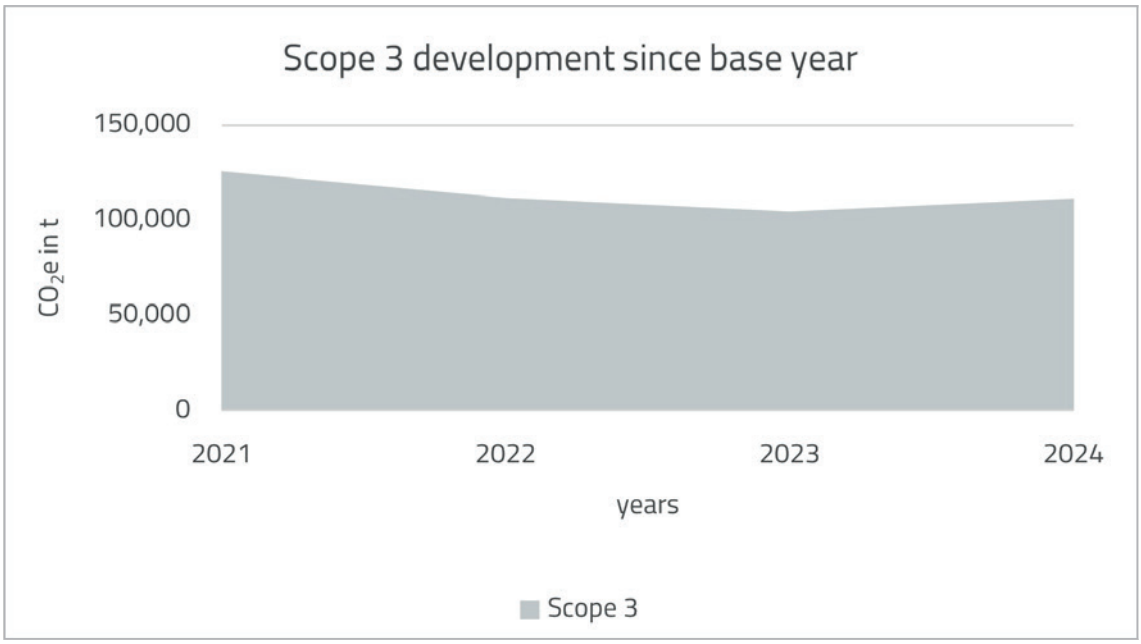


Figure 11: Development of Scope 3 emissions since base year 2021 (source: KRAIBURG TPE)

3.3 | Goal 2: Increase process and energy efficiency

Another key objective is to increase process and energy efficiency in order to reduce energy requirements and the associated climate-relevant emissions in the long term. KRAIBURG TPE obtains energy primarily in the form of electricity and natural gas (see Figure 12). Electricity plays a decisive role in the production process, particularly in the operation of the extruder systems for the production of TPE compounds. It is also used for the supporting infrastructure - for cooling the systems, supplying compressed air and ventilating the production facilities. Natural gas, on the other hand, is primarily used to heat the office buildings.

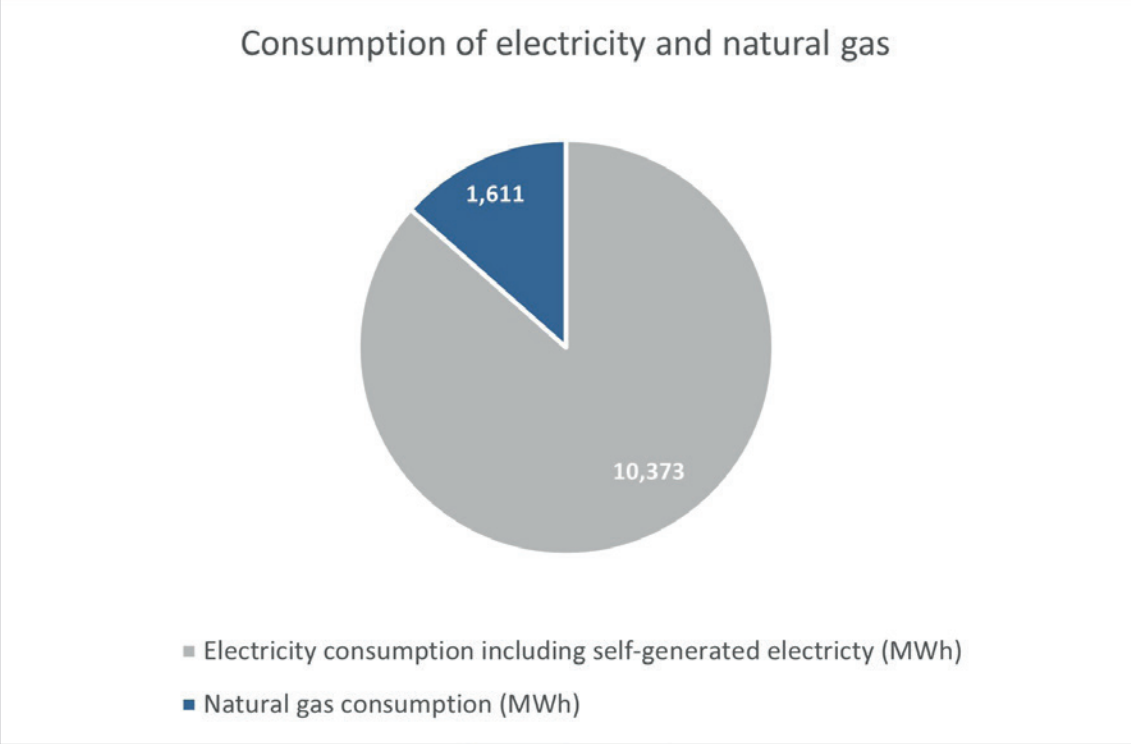


Figure 12: Consumption of electricity and natural gas at KRAIBURG TPE in 2024 (source: KRAIBURG TPE)

Electricity consumption at the Waldkraiburg site will increase only slightly by 0.4 % in 2024 to 10,373 MWh. This was due to the 0.5% increase in the production volume of TPE compounds and the improvement in specific electricity consumption. It fell by 0.1% to 329 kWh/t. Overall, natural gas consumption was reduced by 13.6% to 1,611 MWh due to the closure of the production hall in Teplitzer Strasse. Accordingly, the specific natural gas consumption in relation to the production area fell by 13% to 47 Wh/(m²a*Kd) (see Figure 13). Specific energy consumption (electricity and gas consumption) fell by 2.1% to 381 kWh/t in the reporting year. Overall, this is to be reduced by 8 % to below 350 kWh/t by 2030.

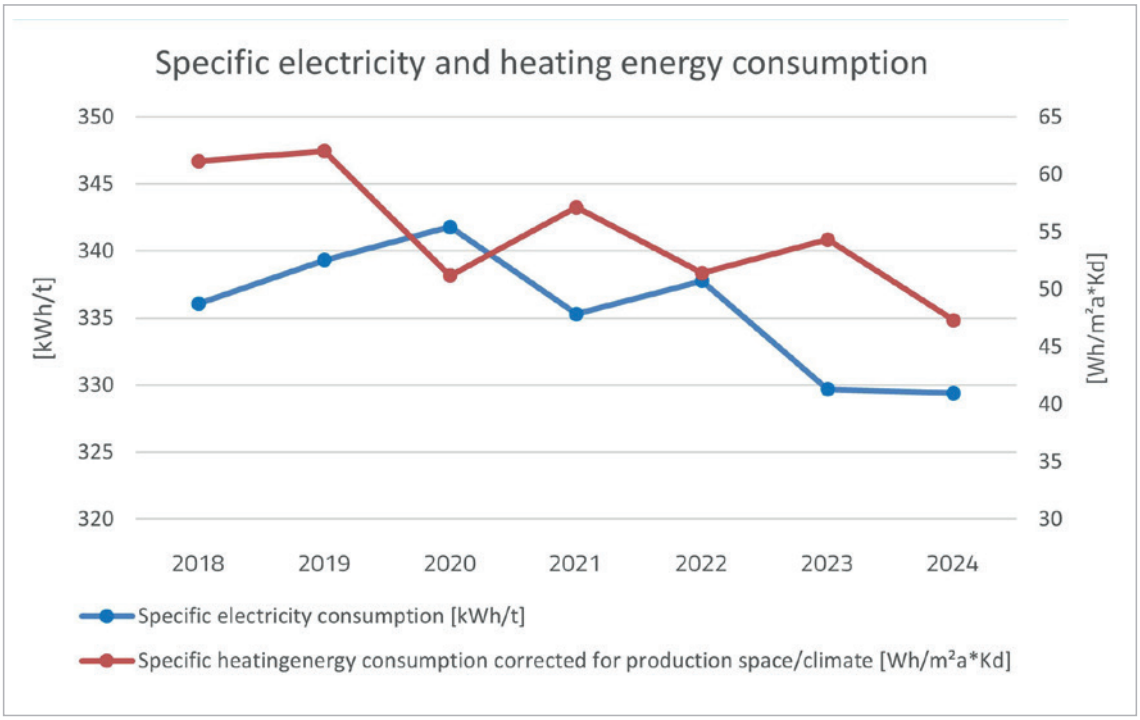


Figure 13: Development of specific electricity and natural gas consumption (source: KRAIBURG TPE)

3.4 | Goal 3: Expand renewable energies

The expansion of self-generated renewable energy contributes to improving the company's CO_2e footprint, reducing environmental pollution and reducing dependence on external energy sources. In the reporting year, the two photovoltaic systems at the site generated a total of 126 MWh of solar power. This in-house generation is to be increased by at least 300% to at least 511 MWh by 2030. In 2024, renewable energy sources accounted for 78% of KRAIBURG TPE's externally purchased electricity. We will increase this share to 100 % by 2025 (see Figure 14). This is a great success that will enable us to reach this important milestone. KRAIBURG TPE is convinced that the use of low-carbon energy sources is an essential approach to generating CO_2e-neutral growth.

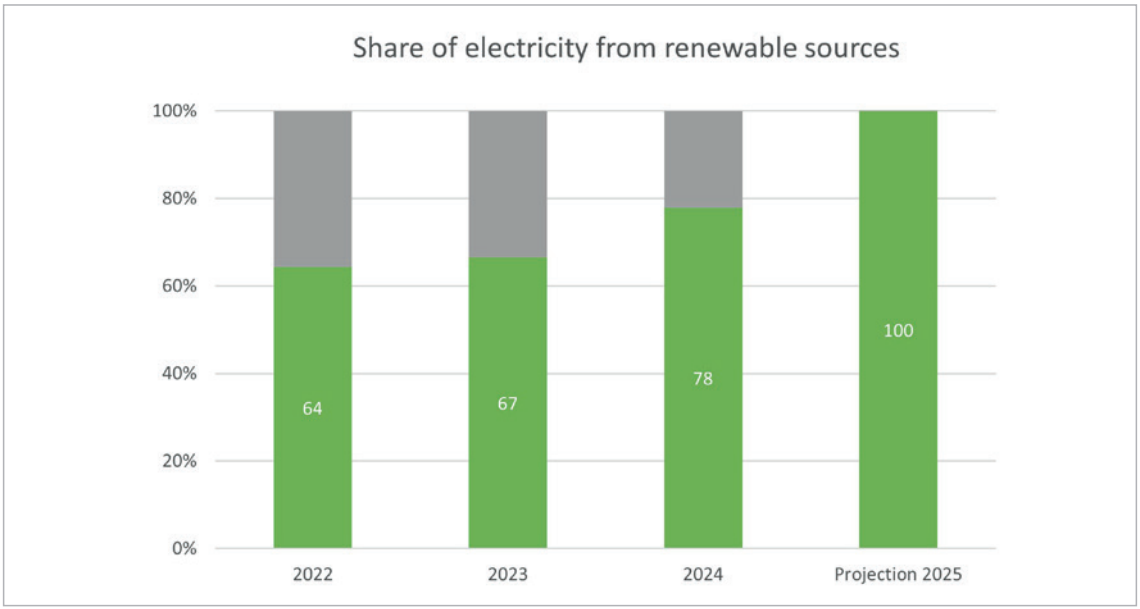


Figure 14: Development of the share of electricity from renewable energy sources by 2025 (source: KRAIBURG TPE)

3.5 | Goal 4: Improve security of energy supply

Planning is currently underway for a second electricity transfer station for the Waldkraiburg site. This will ensure that sufficient electricity is available at all times in the event of an expansion in production capacity. It will also improve the ability to react to possible disruptions in the power supply and increase supply reliability accordingly.

4. Water (E3: Water and marine resources)

Water is a valuable resource that is becoming increasingly scarce. It is of fundamental importance for our manufacturing process. Accordingly, the responsible use of water is anchored in KRAIBURG TPE's policy and is covered by the quality, environment and energy management systems.

KRAIBURG TPE's goals with regard to water

- **Goal 1:** Reduce water consumption
- **Goal 2:** Reduce the amount of wastewater

4.1 | Risks, opportunities and impacts - Water

	Evaluation
Physical and transitory risks with relevance to our business	
Reliable water supply, e.g. for the high water consumption in production, in cases of drought and dryness	Medium
Ban on product lines due to political restrictions, e.g. in cases of drought and dryness	High
Heavy rainfall / flooding	Medium
Opportunities	
Reduction of dependencies in water use	High
Increasing demand for sustainable products, e.g. produced using less water	Medium
Reduction of fresh water consumption	Medium
Impacts	
Microplastic pollution of wastewater	Medium
High water consumption in production, e.g. evaporation cooling towers	Medium

Table 5: Results of the analysis of risks, opportunities and impacts on the core topic of 'water' (source: KRAIBURG TPE)

4.2 | Goal 1: Reduce water consumption

The largest amount of water at KRAIBURG TPE is produced by evaporation during cooling processes. The installed water meters (KBR system) quickly identify abnormal water consumption, including leaks. Thanks to the short response times, fluctuating water consumption has been significantly minimized. Furthermore, a better root cause analysis is possible (see Figure 15).

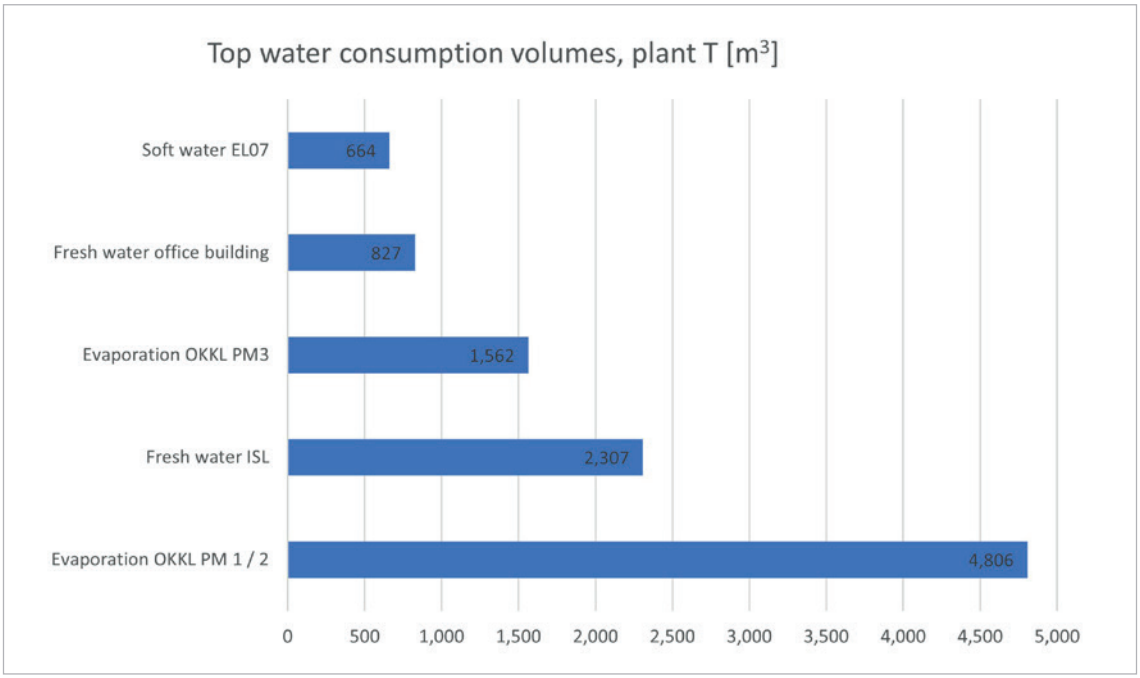


Figure 15: The five largest water consumptions in plant T 2024 (source: KRAIBURG TPE)
EL= Extruder line, ISL= Maintenance, social area and laboratory, PM= Production module, OKKL= Open cooling circuit

In 2024, absolute water consumption rose by 3.2 % and specific water consumption by 3 % (see Figure 16). This was due to various technical errors. Specific evaporation increased by 11.8 % due to the higher production volume and an increased demand for cooling water due to climatic effects (see Figure 17). The cooling requirements of the production halls were almost at the same level compared to 2023.

Reducing the amount of water requires consistent and systematic water management that implements strategic guidelines, continuously identifies potential and derives efficient measures.

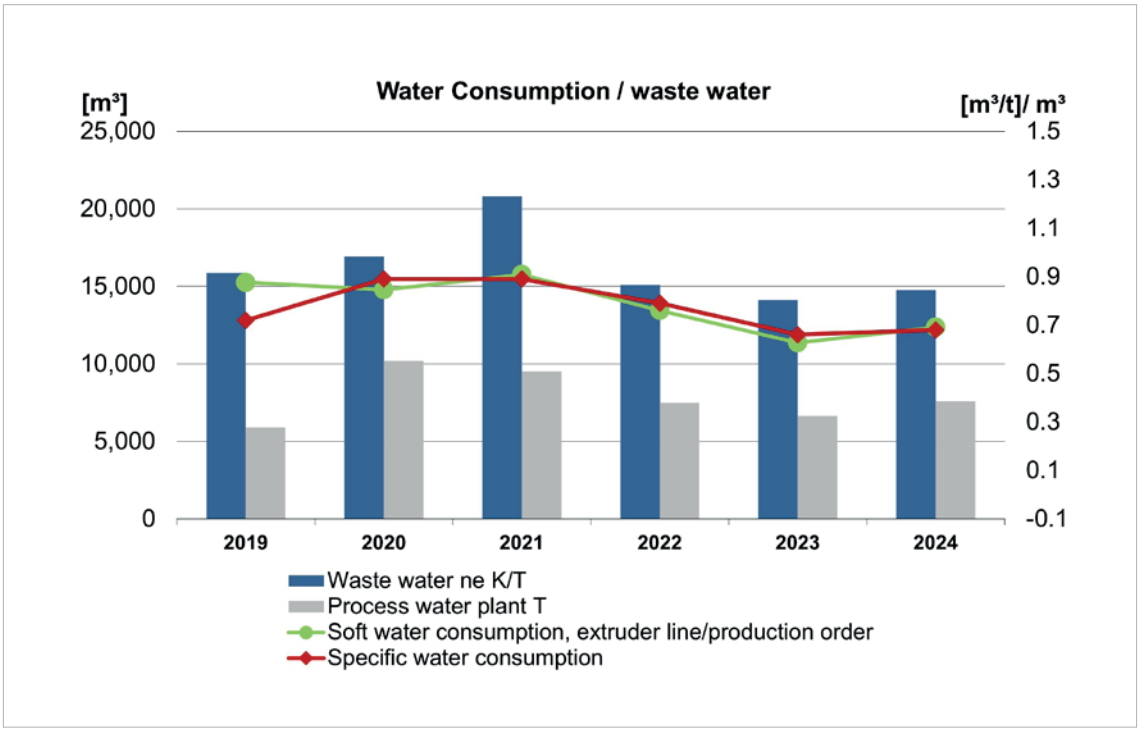


Figure 16: Development of water consumption and wastewater (source: KRAIBURG TPE)

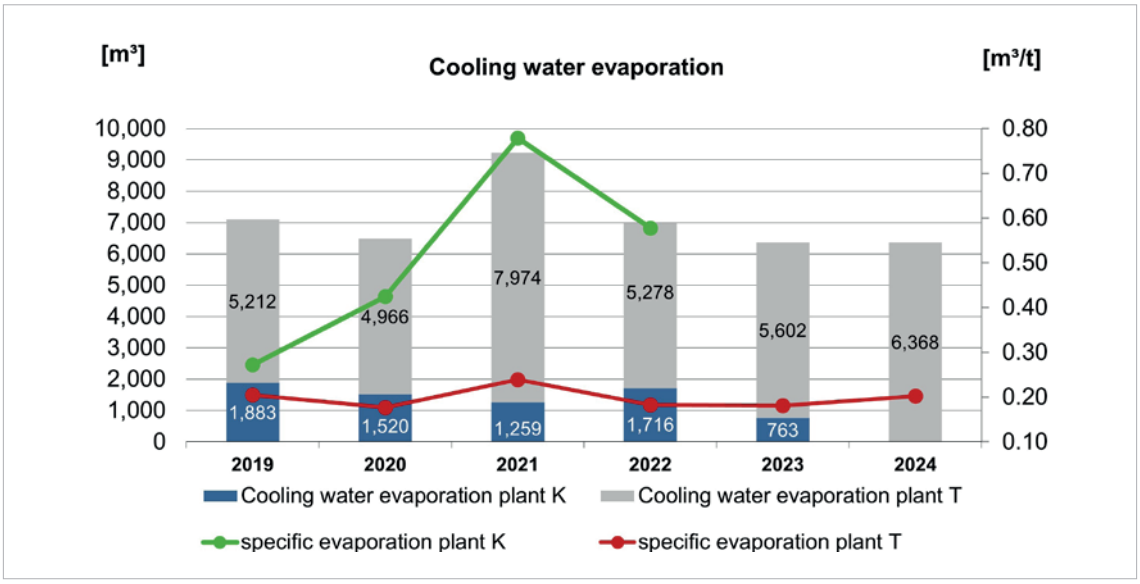


Figure 17: Development of cooling water evaporation and specific evaporation (Source: KRAIBURG TPE)

4.3 | Goal 2: Reduce the amount of wastewater

KRAIBURG TPE has set itself the goal of reducing the volume of wastewater. However, as this correlates with the cooling water requirement, the amount of wastewater discharged has increased by 4.6 % compared to 2023. The reduction target remains in place for the following year.

5. Resource conservation through circular economy (E5: Resource use and circular economy)

The European Parliament defines the circular economy as a system in which existing materials and products are shared, rented, reused, repaired, refurbished and recycled for as long as possible, extending the life cycle of products and significantly reducing waste. This represents a transformation from a linear economic model to a regenerative system of closed loops powered by renewable energy. This plays a central role in the plastics industry in general and at KRAIBURG TPE in particular.

The use of recycled materials and bio-based raw materials as well as the recyclability of materials are becoming increasingly important. This development is being driven by various European and national legislative initiatives as well as the expectations and requirements of business partners and customers. Changing business models that move away from pure product sales towards services are also intended to help save resources and energy, increase resource efficiency and drive decarbonization. As a result of avoiding or minimizing waste, disposal costs, climate-relevant emissions and negative environmental impacts in waste management are reduced.

By introducing products with recycled content, KRAIBURG TPE aims to reduce its dependence on primary raw materials. The circular economy plays a key role in the context of climate protection, as emissions from the production of primary raw materials are avoided. In order to achieve the climate targets set and validated by the Science Based Targets initiative (SBTi) - especially under Scope 3 - a climate program with various reduction measures has been set up. KRAIBURG TPE is convinced that circular economy initiatives including the closing of material cycles are decisive levers for achieving climate targets.

In the reporting year, a cross-departmental program was launched to coordinate and monitor measures to achieve Scope 3.1 climate targets (Purchased goods and services). The following areas of action were defined for this purpose:

1. Increased and systematic use of more sustainable raw materials (see Goal 1)
2. Optimization of in-house recycling (see Goals 3, 4)
3. Development of take-back concepts for TPE materials for recycling (see Goal 5)

KRAIBURG TPE already has a number of processes, work instructions and guidelines in place regarding circular economy, recycling and disposal. Figure 18 shows the current initiatives and activities.

Figure 18: KRAIBURG TPE's current initiatives and activities in the area of circular economy (source: KRAIBURG TPE)

RAW MATERIALS

Compounds with recycled and / or bio-based content (also with ISCC PLUS)

PRODUCT DESIGN

Recyclability of TPE

Identification of the environmental impact of products (focus on climate)

PRODUCTION

In-house recycling

PACKAGING

Optimization of own packaging materials to reduce waste

FURTHER PROCESSING & UTILIZATION PHASE

Supporting our customers in material selection & processing for energy and resource efficiency

Our TPE is of very high quality & supports our customers' durable / circular products

DISPOSAL/RECYCLING

First attempts to take back TPE materials from customers

Non-TPE waste is properly collected & disposed of separately in accordance with the Closed Substance Cycle and Waste

Material cycles can be closed on several levels by obtaining recyclates from different sources (see Figure 19).

Figure 19: Closing loops at various levels (source: KRAIBURG TPE)

KRAIBURG TPE has defined the following goals to conserve resources through the circular economy:

- **Goal 1:** Develop more sustainable and recyclable product solutions
- **Goal 2:** Anchoring sustainability standards in the supply chain
- **Goal 3:** Design efficient production, packaging and transportation
- **Goal 4:** Increase utilization of own production residues and utilization of returns
- **Goal 5:** Expand external partnerships and business relationships for increased circularity
- **Goal 6:** Avoid, reduce and recycle waste

5.1 | Risks, opportunities and impacts - conserving resources through the circular economy

	Evaluation
Physical and transitory risks with relevance to our business	
Dependence on the existing business model, e.g. challenging implementation of a circular economy	High
Dependence on materials	High
Legal requirements, e.g., from the EU End-of-Life Vehicles (ELV) Directive, EU Packaging Directive, Circular Economy Act (KrWG), and other EU regulations	High
Price disadvantage due to more sustainable products	Medium
High costs for alternative raw materials	Medium
Limited recycling options, e.g. post-consumer products, 2K applications	Medium
Limited raw material availability of recycled materials	High
Limited raw material quality of recycled materials	Medium
Public perception as a plastics producer	Medium
Opportunities	
Increasing demand for sustainable products, e.g. with high recycled content	High
Securing future sales markets	High
Increasing resource efficiency	Medium
Securing future sources of raw materials	Medium
Competitive advantage through already good, sustainable products, e.g. recyclability	Medium
Cooperation with external partners (such as recyclers, service providers, customers, suppliers, universities)	Medium
Impacts	
Promoting a circular economy through the recyclability of products	High
Increasing the recycling rate by using easily recyclable materials	High
Reducing the impact on natural raw material sources through recycling	Medium

Table 6: Results of the analysis of risks, opportunities and impacts on the core topic of 'Resource conservation through circular economy' (source: KRAIBURG TPE)

5.2 | Goal 1: Develop more sustainable and recyclable product solutions

Design for sustainability as an extension of "custom-engineered and more"

Design for Sustainability takes sustainability into account throughout the entire product life cycle: from the selection of materials, through the design, manufacturing processes to the end of life or end of use. The concept also includes customer advice on the selection of TPE materials, product design, processing, in the use phase and at the end of product life with end-of-life options for greater sustainability over the entire product life cycle. In this way, products and services are developed that meet the needs of the current generation without jeopardizing the ability of future generations to meet their own needs.

Specifically, product sustainability at KRAIBURG TPE is based on the use of high-quality materials for long-lasting applications, socially and ecologically sustainable production, safety for people and the environment thanks to the reduced negative impact of products and recyclability. KRAIBURG TPE products are currently available with recyclate content, bio-based content and mass-balanced biocircular content with ISCC PLUS certification. The Product Carbon Footprint (PCF) can be provided for all these variants. In this way, customers are supported in achieving their own climate targets.

When verifying the recycled content (Recycled Content Verification), KRAIBURG TPE follows proven procedures in accordance with the recommendations of DIN EN ISO 14021:2016 in order to comply with global regulatory requirements for labeling and information on the recycled content. In addition, the company complies with the requirements of the German Circular Economy Act (KrWG), which implements the EU Waste Framework Directive 2008/98/EC. By complying with those regulations, the company promotes waste prevention, recycling and sustainable resource management.

Important aspects of KRAIBURG TPE's approach are:

1. Requirements for suppliers: The company ensures that its suppliers provide certified evidence of recycled materials, including from EuCertPlast or in accordance with ISO 14021:2016. This ensures transparency and traceability in the supply chain and strengthens the credibility of the information on the recycled content.

2. Mathematical determination of the recycled content: KRAIBURG TPE calculates the recycled content of its thermoplastic elastomers (TPE) on the basis of supplier data and the specific formulation of each product.

3. Future independent third-party verification: The company plans additional external certifications for recycled content claims, including a review of calculation methods and proof of origin. This step will further increase the credibility and reliability of sustainability efforts and provide customers with greater certainty regarding the environmental benefits of the products.

KRAIBURG TPE plans to introduce Product Environmental Footprints (PEF) in order to systematically monitor the environmental impact of our products over the relevant stages of their life cycle (from the cradle to the point at which they leave our factory - cradle-to-gate). These take into account additional impact categories compared to the Product Carbon Footprint (PCF), such as eutrophication, photo-chemical ozone formation, water resources and energy consumption. The information will be used in future as a compass for developing sustainable product solutions.

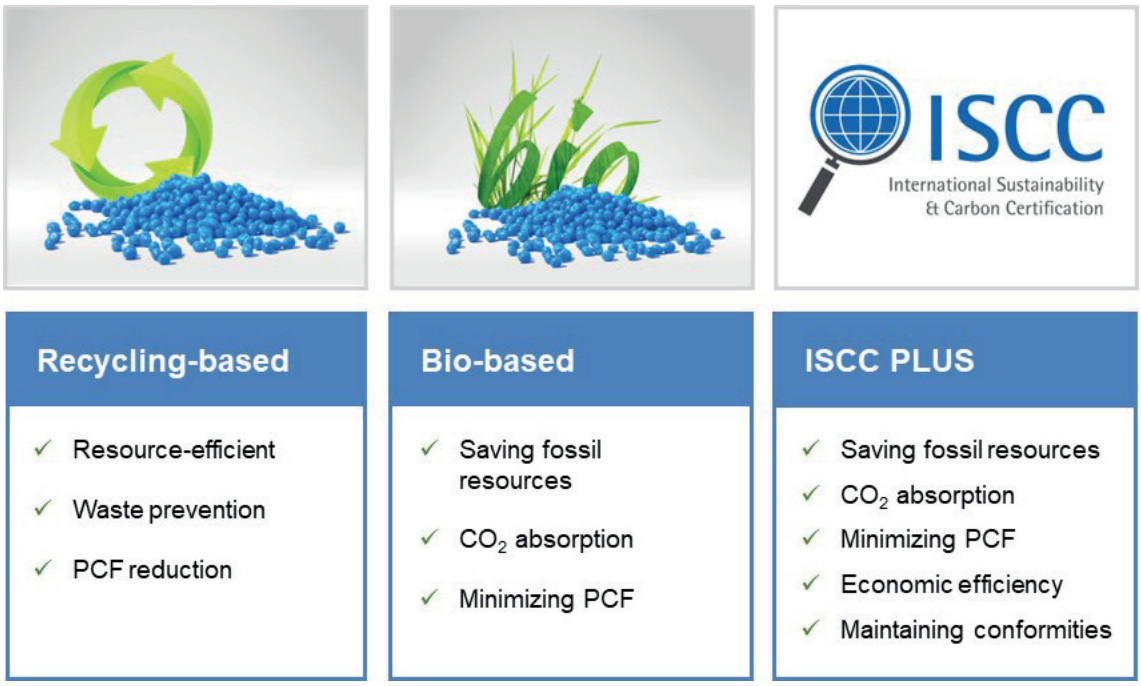


Figure 20: Current options for more sustainable TPE - recycling-based, bio-based and ISCC PLUS (source: KRAIBURG TPE)

In the 2024 reporting year, the further development and transformation of the product portfolio was accelerated as part of the sustainability roadmap in line with the requirements and needs of the automotive, industry, consumer and medical target markets, interested parties and customers. A large number of more sustainable raw materials were screened in a development project. Based on the findings, these can also be used in other products. This is being implemented in extensive innovation projects by Product Development, Sales, Product Management and Purchasing.

The declared goal of increasing the share of more sustainable products and innovative material solutions was realized. KRAIBURG TPE expanded the recycled and bio-based raw material base and maximized the respective share in the compound. All materials are part of the THERMOLAST® R product line, which exclusively contains sustainably optimized compound variants:

- The Universal PCR TPE product was further developed in the Consumer market. It contains materials with up to 79% post-consumer recycled (PCR) content.
- Two new product ranges were commercialized for the consumer and industry markets, which have a post-consumer recycled content of up to 60% and a post-industrial recycled (PIR) content of up to 54%. They enable adhesion to polyamides and polar thermoplastics. In addition, KRAIBURG TPE introduced three material series with bio-based content of up to 71%. Covering a wide hardness range, they allow for adhesion to PP, PC/ABS or PA.
- Virgin products were successfully developed into recycled content variants in the automotive market. The counterpart to the Virgin Interior variant with a post-consumer and post-industrial recycled content of up to 77% has already been launched. This resulted into two new exterior material series as recyclate-based counterparts to very successful virgin variants as well as into another surface-optimized interior series. Special lightweight recycled content materials were also developed. They demonstrate the possibilities of combining highly technical materials with sustainable raw materials and realizing weight-saving potential. They went into series production and launched on the market in 2024.
- The possible uses of recycled content materials are limited, particularly for the strictly regulated medical market and the food sector. Mass-balanced, ISCC PLUS-certified material variants (with biocircular contents) were used in projects for sensitive application areas for the first time in 2023.
- The sales figures for ISCC PLUS-certified materials have tripled compared to 2023.

5.3 | Goal 2: Anchoring sustainability standards in the supply chain

KRAIBURG TPE pursues ambitious sustainability goals. These include the use of bio-based, mass-balanced and recycled raw materials as well as the ongoing identification and qualification of more sustainable alternatives. In order to achieve this, background research, in-depth analysis of product carbon footprint, social compatibility, resource efficiency, product safety, quality and availability as well as careful basic tests are required. Through this process, we establish collaborations with new partners as well as targeted supplier development.

Principles of sustainable procurement

KRAIBURG TPE is committed to sustainable procurement through partnership-based cooperation with suppliers. Transparency, trust, integrity and a long-term approach are at the forefront of these relationships. Together, we strive to design responsible supply chains and reduce product carbon footprints. This in turn contributes to KRAIBURG TPE's sustainability goals. The Supply Chain Duty of Care Act, the United Nations Universal Declaration of Human Rights, the United Nations Sustainable Development Goals, the UN Global Compact, the principles of the International Labor Organization and the OECD Guidelines for Multinational Enterprises serve as a value basis. All suppliers are required to sign the currently valid KRAIBURG TPE Code of Conduct and Sustainability and to act in accordance with its principles.

The principles of sustainable procurement describe the purchasing practices of KRAIBURG TPE and apply to all existing and future business relationships with suppliers of raw materials, services, equipment or similar. They provide an overview of the underlying processes, standards and rules and are intended to ensure the following points:

- Customer satisfaction
- Responsibility for quality
- Supplier development
- Fairness, transparency and legal compliance
- Environmental awareness and sustainability
- Health and safety
- Internationality
- Equal opportunities, non-discrimination and respectful treatment
- Process orientation
- Employee development

The requirements for suppliers are then derived and communicated. Supplier management is governed by a corporate standard encompassing qualification, evaluation and development criteria. Standardized self-assessment questionnaires are used to ensure a meaningful, representative and comparable database on the status of suppliers. Both the qualification phase and the annual reassessment integrate aspects of environmental and sustainability management. KRAIBURG TPE is rated according to EcoVadis and is among the top 2% in the industry in the "Sustainable Procurement" category. The Waldkraiburg site is also ISCC PLUS-certified. This guarantees high social and environmental standards and end-to-end control of the supply chain. A corresponding commitment is expected from suppliers. They are also required to define sustainability targets and measures. In accordance with the Supply Chain Duty of Care Act, KRAIBURG TPE has committed itself to promoting and monitoring compliance with social and environmental standards throughout the entire supply chain.

Material Compliance

KRAIBURG TPE complies with all relevant specifications and legal requirements for materials and substances used. Communication with customers takes place via safety data sheets (in accordance with Regulation 1907/2006/EU), the IMDS system of the automotive industry or through specific individual documents. Continuous monitoring is carried out in order to identify changes at an early stage and proactively inform customers about necessary adjustments to products or their classifications. Existing raw materials already in use are also re-evaluated if necessary and a substitution process is initiated.

5.4 | Goal 3: Design efficient production, packaging and transportation

KRAIBURG TPE aims to make production, packaging and transportation efficient in terms of energy, water and material consumption as well as waste. The amount of internal production waste and other off-spec materials such as returns or blockages after release should be as low as possible. The share of waste material should not exceed 0.8% of the overall production volume. Those waste materials are recycled internally or remain in the cycle by being sold as recyclate to third parties. In the area of packaging, the company was able to reduce the specific quantity of its own packaging by 10% between 2020 and 2023, by 11% for valve box bags and by up to 40% for cardboard packaging - with a recycled material share of around 60%.

Further reductions are technically not possible or would jeopardize the integrity of the product. The remaining improvement opportunities consist of reducing wrapping film usage and systematically transitioning to reusable packaging solutions.

5.5 | Goal 4: Increase utilization of own production residues and utilization of returns

The aim is to promote recycling expertise within the company. In-house recycling, which was established decades ago, is based on sorting and reusing internal start-up materials, production waste and returns. KRAIBURG TPE recycles nearly 100% of these materials in selected compounds rather than disposing of them. Defined processes govern quality control and application decisions

Production residues of similar qualities and colors can either be reused in our own production processes or sold to third parties. Overall, the aim is to minimize the inflow in order to keep stock levels as low as possible while achieving a high recycling rate at a reasonable cost.

This stock increased from 149 to 173 tons in the past reporting year compared to 2023. Nevertheless, the threshold value of 180 tons was still not exceeded.

In the reporting year, a cross-departmental project team worked on optimizing internal recycling. The aim was to reduce the overall amount of in-house production waste - on the one hand by avoiding waste generation in a first place and on the other by increasing internal recycling. Both procedural and organizational potentials were analyzed. Recommendations for action were then drawn up for updated processes for classifying and handling production waste in order to ensure the best possible recycling. In the next step, the feasibility of the technological implementation of the identified scenarios will be examined.

5.6 | Goal 5: Expand external partnerships and business relationships for increased circularity

Partnerships are essential to a circular economy. That is why KRAIBURG TPE works closely with customers, suppliers, universities and research institutes. KRAIBURG TPE provides comprehensive production waste recycling support to customers, from compliant logistics to material recovery and product-grade recyclate incorporation, helping customers meet sustainability targets moreover,

KRAIBURG TPE is an active consortium partner in the CIRLCE project, led by RWTH Aachen University. Membership of the German Rubber Industry Association (WDK) and the Plastics Cluster Austria provide access to extended networks of potential collaborations.

5.7 | Goal 6: Avoid, reduce and recycle waste

At KRAIBURG TPE, the principle of "waste prevention before recycling before disposal" applies. A wide range of waste prevention measures were implemented in the reporting year:

- Strict quality controls of products to avoid customer complaints
- Development of take-back concepts for TPE materials for recycling
- Supporting customers in selecting materials and optimizing further processing to reduce reject rates and lower energy consumption
- Reduced use of operating supplies

Our waste management strategy follows the EU Waste Framework Directive's (2008/98/EC) hierarchy, prioritizing prevention, reuse and recycling over disposal. If there is no possibility of recycling, waste is disposed of properly and in an environmentally friendly manner in accordance with the Circular Economy Act" (KrWG - Kreislaufwirtschaftsgesetz) and the Waste Management Act.

The total specific waste volume (waste volume in relation to total production volume) fell by 3.5% from 12.6 kg/t to 12.1 kg/t in the reporting year.

Non-hazardous waste, some of which is recycled externally and some of which is thermally recovered, is made up of residual waste, plastic waste, paper, wood, iron and steel, for example. The absolute quantity of non-hazardous waste increased slightly by 1%, while the specific quantity increased by 2.6% from 10.5 to 10.8 kg/t. This was due to lower quantities of granulate waste (- 25 %), plastic waste originating from raw materials (- 42 %), iron and steel (- 58 %) and wood (- 12 %). The granulate and plastic waste was sold for recycling to external customers. There was a striking increase - of 47 % - in the quantity of film packaging waste. However, with those packaging materials mainly being delivered by suppliers, KRAIBURG TPE has only limited influence on the quantities.

Hazardous waste includes waste oils and contaminated cleaning wastewater. The volume in this category fell by 13% compared to the previous year, as less waste oil (- 24%) and solvents (- 25 %) had to be disposed of. The waste oils were sold to an external reprocessor for recycling.

Figure 21: Development of waste generation at KRAIBURG TPE (Source: KRAIBURG TPE)

SOCIAL INFORMATION

The four social standards of the European Sustainability Reporting Standards (ESRS) include information on the company's workforce, workers in the value chain, affected communities and consumers or end users. Based on our materiality analysis, we focus on our own workforce in our social information.

KRAIBURG TPE's most important asset is its employees, because they are key to the company's success. That is why they are held in such high esteem. At KRAIBURG TPE, we approach every task with equal importance, tackling challenges through collaborative trust. Our company continuously evaluates workforce impacts alongside operational risks and opportunities. We empower personal accountability, ensuring both employee well-being and business resilience.

We implement targeted initiatives across five key areas to safeguard and empower our people: cultivating shared values, enabling work-life harmony, advancing diversity & inclusion, ensuring health & safety, and providing continuous learning opportunities both internally and through external partnerships. This is our program for today's specialists - and tomorrow's.

Environmental Occupational Safety (UMAS) Program 2024

KRAIBURG TPE has implemented the majority of the measures set out in the UMAS 2024 program relating to legal compliance, explosion protection for plant safety, health protection and sustainability. The degree of implementation is 87%.

As a result, we were able to realize the following highlights:

- Fluctuation rate: 2.67 %
- Loyalty to the company: 90 %
- Satisfaction with work and employer: 86 % (with a participation rate of 44 % of employees)
- Reduction of the thousand-man quota by almost 60 %
- Reduction of the Lost Time Injury Frequency (LTIF) by around 20%
- 27 trainees in 8 training professions

The following core topic and its objectives are explained in more detail in the social information section of the report:

6. Responsibility towards employees

6.1 I Risks, opportunities and impacts - responsibility towards employees
6.2 I Goal 1: Strengthen employee loyalty through job satisfaction
6.3 I Goal 2: Avoid and reduce occupational accidents in the context of occupational safety
6.4 I Goal 3: Support health-promoting behavior through preventive measures
6.5 I Goal 4: Attract, develop and retain skilled workers in line with demand
6.6 I Goal 5: Strengthen leadership culture

6. Responsibility towards employees (S1: workforce of the company)

The safety and health of people is a top priority for KRAIBURG TPE in every situation and at all times. The focus is primarily on the company's own employees. However, negative effects of the company's activities on the workforce in the value chain and on society should also be avoided.

KRAIBURG TPE has clear guidelines for the protection and promotion of its employees as part of its quality, environmental protection, occupational safety and energy policy. Particular attention is paid to the following areas of action:

- Values and culture: Focus on respect, trust and participation
- Health and safety: Accident prevention
- Diversity and equal opportunities: Equal treatment and transparency in processes
- Internal and external (further) training
- Work-life balance

KRAIBURG TPE's objectives on the core topic of "Responsibility towards employees":

- **Goal 1:** Strengthen employee loyalty through job satisfaction
- **Goal 2:** Avoid and reduce occupational accidents (occupational safety)
- **Goal 3:** Support employees' well-being- through comprehensive preventive health program
- **Goal 4:** Recruit, develop and retain skilled workers in line with demand
- **Goal 5:** Strengthen leadership culture

6.1 | Risks, opportunities and impacts - Responsibility towards employees

	Evaluation
Physical and transitory risks with relevance to our business	
Accidents at work	High
Absences due to illness (sick days and sickness rate)	High
Shortage of skilled workers	High
Rising personnel costs	High
Opportunities	
Increase in job satisfaction, motivation and willingness to perform	High
Retention of employees and managers	High
Image improvement through responsible action (employer branding)	Medium
Internal communication and increased transparency	Medium
Impacts	
Increase in job satisfaction	High
Promotion of employee health	Medium
Employer with high job security	High

Table 7: Results of the analysis of risks, opportunities and impacts on the core topic 'Responsibility towards employees' (source: KRAIBURG TPE)

6.2 | Goal 1: Increase employee loyalty through job satisfaction

KRAIBURG TPE's employees are the key to the company's economic success. Long-term retention is therefore essential, especially in view of the increasing shortage of skilled workers. KRAIBURG TPE complies with all statutory standards on working conditions, including working time regulations, protection against dismissal, maternity and parental leave, health and safety at work, and the requirements of the general collective agreement for the chemical industry. In addition, the following measures contribute to employee retention:

Flexible working

The compatibility of work and private life plays a major role for the workforce. For this reason, KRAIBURG TPE offers a range of options for flexibilization. There are basically two types of working time models in the company:

- Fixed working hours: Working hours are determined by the company's shift models
- Flexible working hours: Taking into account operational and personal concerns, employees can flexibly determine the distribution of working hours in consultation with their line manager

Since 1983, age-related leave has been provided in accordance with the collective agreement. This relieves the burden on older employees by shortening their daily working hours according to defined criteria. We also offer flexible part-time models, depending on the job in question.

Mobile working

The advancing digitalization of the world of work makes it possible to perform work completely or partially from any location. Mobile working helps to harmonize the work-life balance of employees and improve their productivity. The prerequisites are the suitability of the activity and the external work-place as well as compliance with data protection and occupational safety regulations. Nevertheless, KRAIBURG TPE attaches great importance to personal relationships and empathic interaction, which is why we continue to value presence in the company.

External employee counseling

All employees and their families are supported in stressful life situations or crises free of charge and anonymously on request by an external, independent counselor. Personal and confidential discussions form the framework for addressing professional, private or health-related issues. The counseling team is bound to confidentiality in accordance with § 203 StGB.

Additional services

In addition, KRAIBURG TPE offers incentives in the form of social benefits, including:

- Marriage and birth allowances
- Certificate bonuses for good performance at vocational school
- Long-service anniversaries
- Childcare subsidies for children not of school age
- Company pension scheme (capital and occupational disability insurance)
- Discounted vacation apartments
- Joint events (e.g. company outing, summer party, etc.)
- Bicycle leasing
- Supplementary long-term care insurance Chemicals and CareFlex Chemicals

In 2024, the fluctuation rate amounted to 2.67%. In the annual employee survey for 2024, 90% of all surveyed employees confirm their loyalty to the company. In general, 86% of employees are satisfied with their work and their employer (with a participation rate of 44% of employees).

6.3 | Goal 2: Avoid and reduce occupational accidents in the context of occupational safety

The aim of occupational health and safety management is to identify potential hazards and risks in advance and thus prevent work-related injuries and illnesses. This is implemented through proactive analyses conducted by the respective responsible parties at KRAIBURG TPE in collaboration with subject matter experts.. Risk assessment is not only a legal obligation in accordance with Section 5 of the Occupational Health and Safety Act, but also a key tool in occupational health and safety management for assessing risks. In the quarterly meetings of the Occupational Safety Committee (ASA) on the topics of environmental management and occupational safety (UMAS), the occupational safety specialist discusses the risks, the environmental management officer, the company doctor,

the works council and the site management take appropriate preventive measures and keep track of them in the UMAS program, among other things. Standardized, systematic risk assessments are performed and the implementation of defined measures is monitored with the help of occupational safety software. If accidents do occur, their causes are analyzed in detail. They are comprehensively reviewed together with those affected and the knowledge gained is used to derive suitable measures. The company also provides ergonomic workplaces and healthy working conditions.

Accident figures are important indicators to indicate the risk of accidents at the Waldkraiburg site. In 2024, there was a total of 4 reportable occupational accidents , which translates in an accident rate per thousand employees of 10.35. The Lost Time Injury Frequency (LTIF), excluding commuting accidents, is 18.66. Both key numbers decreased compared to the previous year (see Figure 22).

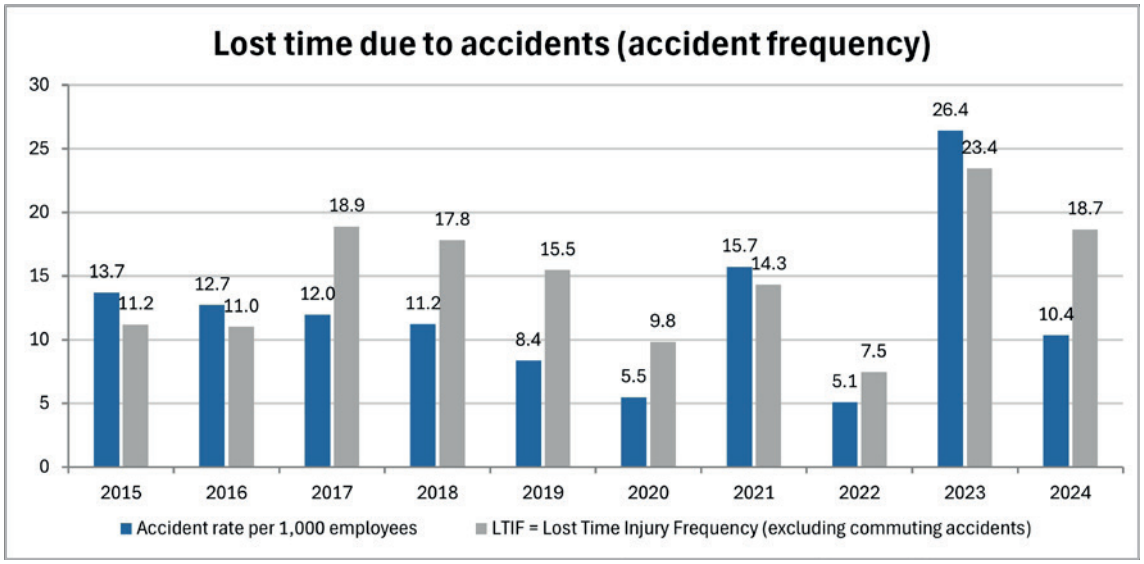


Figure 22: Development of accident frequency at KRAIBURG TPE (Source: KRAIBURG TPE)

KRAIBURG TPE aims to continuously reduce the behavioral causes of accidents. A long-term concept has been drawn up together with external partners, employees and management. Key aspects include systematic behavior monitoring, positive feedback for safe behavior, constructive feedback in the event of risky behavior and acting as a role model.

The safety culture developed by KRAIBURG TPE comprises eight principles. The guidelines help to prevent and reduce accidents at work within the framework of occupational safety. Another prerequisite is the responsible handling of the following risk factors:

Plant safety

To ensure safe, effective and therefore sustainable production, experts continuously identify and assess potential risks - during the planning and design of new plants, during the ongoing operation of existing plants and in the event of plant modifications. The areas of environmental protection, health protection and safety are considered and protective measures are defined. The results also support the continuous improvement of external company management at KRAIBURG TPE. Safety concepts and technology are reviewed at regular intervals with the operators in order to maintain the safety level of the systems over the entire life cycle. In addition, the implementation of legal requirements is checked and confirmed as part of regular audits and safety inspections.

Explosion protection

Systems in which hazardous substances with explosive properties are used are subject to particularly stringent safety and testing regulations. We work closely with the responsible authorities and external specialists to ensure that these requirements are met. We incorporate the results obtained into the further development of our maintenance concept.

Fire protection

The KRAIBURG Group supplements the legal requirements with its own fire safety guidelines, compliance with which is randomly checked by the fire safety officer and other experts. Through the annual fire safety report, the company aims to raise its employees' awareness of fire safety issues and promote a safe working environment.

Noise protection

The noise registers are updated every two years across the board. We receive important information on possible sources of noise from our employees, among others. The associated noise reduction program of KRAIBURG TPE aims to avoid a weighted sound pressure level above 85 dB(A) and to limit the noise in the entire production area to a value below this, which is harmless to health. The specification regarding noise pollution at the property boundary is not exceeded.

Drinking water

The Water Safety Team monitors the hygiene status of the drinking water, records conceivable risks in a risk assessment and takes remedial action. These steps were updated by an external company in 2024.

Handling hazardous substances

Due to the increased number of hazardous substances in terms of raw materials that are potentially dangerous to health, responsibility towards the workforce is increasing. Risks for employees are reduced to a minimum substituting hazardous substances with non-critical or less critical substances. The KRAIBURG TPE hazardous substances guideline "Introduction of new raw materials" avoids raw materials with particularly high risk potential (e.g. CMR substances). Technical and innovative solutions ensure the safe handling of the remaining hazardous substances and the health of the workforce. To check their effectiveness, workplace exposure limit value (OEL) measurements, risk assessments and safety inspections are carried out, from which further protective measures are derived if necessary. These include, for example, the wearing of appropriate personal protective equipment in accordance with the latest standards, the "Substitution testing of hazardous substances" working group and a systematic, software-supported assessment of finished goods classifications for the consistent labeling of hazardous substances and the identification of protective measures.

Hazardous goods

In the reporting year, there were no dangerous goods accidents or incidents involving dangerous goods in which people were injured or goods of significant value were damaged. Together with our external dangerous goods officer, we carried out an audit in 2024 and found no deviations. A dangerous goods report is available. None of KRAIBURG TPE's finished products have dangerous goods properties. Corresponding training courses are held every two years and will take place again in 2025 as required.

Hazard prevention, emergency management and prevention

To avert danger, KRAIBURG TPE introduced a crisis management system in accordance with the KRAIBURG Group guidelines and has since been prepared for disruptions at the site. Practical testing is crucial to the success of such emergency response concepts. For this reason, the crisis team, emergency managers, employees, fire department, necessary rescue services and responsible authorities train for emergencies at regular intervals. Potential for improvement is identified and measures derived on the basis of the analyzed exercises.

6.4 | Goal 3: Support employees' well-being- through comprehensive preventive health programs

In terms of a holistic strategy, Corporate Health Management (BGM) encompasses all measures that contribute to both individual health and a "healthy" company organization. Systematic occupational health management provides employees and managers with orientation and promotes well-being, health in the workplace and performance - in the long term and sustainably. The challenge lies in connecting existing competencies, effectively combining individual health-promoting measures and making their effects on the health of employees measurable. The planned and structured approach is what distinguishes health management from workplace health promotion (WHP).

The Corporate Health Management (BGM) steering committee meets quarterly and creates the basis for all strategies and measures to be implemented. It consists of experts such as the prevention and health manager, the safety specialist, the representative for severely disabled employees, the works council, the HR manager and the company doctor. The basic objectives of the BGM are agreed upon with the management team, are implemented by the prevention and health manager and are monitored by the Occupational Health Physician. Results from the evaluation of the measures are incorporated into the further process.

Main focus in corporate health management 2024

1. Taking demographic developments into account, KRAIBURG TPE aims to demonstrate improvements in the categories of structure, strategy and performance of corporate health management in a benchmark with the German chemical industry. The continuous development of our corporate health management (BGM) is evaluated annually against the Corporate Health Award benchmark.

2. Raising awareness among industrial employees regarding healthy work practices and lifestyle habits was ensured.

3. Employees were sensitized to health-promoting behaviors through screenings, analyses, and informational resources.

4. Employees suffering from psychological stress were taught coping skills and offered help.

6.5 | Goal 4: Recruit, develop and retain skilled workers in line with demand

KRAIBURG TPE uses various measures to pursue the goal of developing and retaining its own specialists in line with demand and with a precise fit.

Vocational training at KRAIBURG TPE

- Vocational training at KRAIBURG TPE includes vocational training in accordance with § 1 of the Vocational Training Act (BBiG), vocational training preparation, advanced vocational training and vocational retraining.

- As part of the dual vocational training program, KRAIBURG TPE passes on the skills, knowledge and abilities required to carry out a qualified professional activity in accordance with the relevant training regulations. At the same time, trainees gain practical experience in the company. Mentors are appointed for each recognized apprenticeship occupation. In the year under review, KRAIBURG TPE employed 27 trainees in 8 recognized apprenticeship occupations.

- Vocational training plays a central role in the development of skilled workers and is crucial for the future development of the company. In this way, KRAIBURG TPE ensures that its employees are optimally prepared for their professional tasks and can meet the company's high quality standards.

Recruitment of specialists

Recruiting specialists is a challenge. A targeted presence in selected media and a positive image conveyed by the company's own employees are of great importance. KARIBURG TPE is starting in 2025 with the development of an employer branding strategy and the implementation of suitable measures. Both internal and external communication are important here.

Training and further education at KRAIBURG TPE

Employees' qualifications and their willingness to engage in lifelong learning are crucial to the company's competitiveness, job security and employability. Training and further education therefore play a central role. As part of the annual training plan, the HR department determines the respective needs of the individual areas and teams. This forms the basis for the budget calculation, planning and approval of further training. In addition, KRAIBURG TPE offers numerous internal measures and training programs that are geared towards specific activities and areas.

6.6 | Goal 5: Strengthen leadership culture

KRAIBURG TPE offers various training modules to further develop managers, covering topics such as situational leadership, conflict resolution and change management. The basics are repeated every five years. In the reporting year, the focus was on team development and the introduction of the new management model. The participation rate was 100%. Training courses for all employees in this area, including feedback, are also scheduled for 2025. In addition, a software-supported employee and management appraisal system will be introduced.

GOVERNANCE INFORMATION

In this chapter, we refer to the topic-specific standard "Governance" of the European Sustainability Reporting Standards (ESRS). It covers business conduct as well as governance, risk management and internal control, including corporate culture, the protection of whistleblowers, animal welfare, political commitment, the management of supplier relationships and strategies to avoid corruption and bribery.

KRAIBURG TPE promotes a corporate culture in which we place great value on mutual appreciation, respect, acceptance and understanding. The company conducts its global business activities in accordance with national and supranational legal regulations and applicable international conventions. The Code of Conduct obliges employees to comply with these legal, ethical and social standards. It is binding for everyone and does not tolerate any violations. These codes of conduct were defined by the KRAIBURG Group and serve as a guide and decision-making aid to ensure group-wide compliance in global markets. Compliance is also extended to the value chain. Transparency is further strengthened through various certifications - which include the upstream supply chain.

Highlights in 2024:

- Reports from whistleblowers: 0
- Violations in the area of corruption and bribery: 0
- External reviews to ensure legal compliance: 193
- Total number of audits: 55
- 9 safety and 2 environmental inspections
- Validation of climate targets through the Science Based Targets initiative (SBTi)
- Successful recertification according to ISCC PLUS
- Sustainability rating of the Carbon Disclosure Project (CDP) in the area of climate with a "B" grade
- Initiating a reassessment of sustainability commitment according to EcoVadis

The following core topic and its objectives are described in more detail in the governance information section of the report:

7. Responsible governance

7.1 I Risks, opportunities and impacts - Responsible corporate governance
7.2 I Goal 1: Adhere to compliance guidelines and implement values and aspects of the corporate culture
7.3 I Goal 2: Continue to ensure legal compliance
7.4 I Goal 3: Ensure transparency through compliance with standards and certifications

7. Responsible corporate governance (G1 Corporate policy)

Responsible corporate governance is crucial to managing KRAIBURG TPE in a conscientious and transparent manner. The interests of our stakeholders are also taken into account.

Responsible corporate governance follows clear principles at KRAIBURG TPE:

- **Transparency:** The organization is open and transparent about its goals, performance and decision-making processes.
- **Accountability:** The organization acts responsibly towards its stakeholders and is aware of its actions.
- **Participation:** The organization actively engages with its stakeholders and involves them in its decision-making processes.
- **Fairness:** The organization ensures that its decisions are fair and equitable and that all stakeholders are treated equally.
- **Responsiveness:** The organization responds to the needs and concerns of its stakeholders and takes appropriate action to resolve issues. This includes a whistleblower procedure for stakeholders to report violations of any kind.

KRAIBURG TPE is a member of the UN Global Compact. This supports companies in their efforts to act on the basis of the ten principles in the areas of human rights, labor standards, the environment and

corruption prevention and promote solutions to achieve the 17 Sustainable Development Goals.

[Goals for responsible corporate governance at KRAIBURG TPE:]

- **Goal 1**: Adhere to compliance guidelines and implement values and aspects of the corporate culture
- **Goal 2:** Continue to ensure legal compliance
- **Goal 3:** Ensure transparency through compliance with standards and certifications

7.1 | Risks, opportunities and impacts - Responsible corporate governance

	Evaluation
Physical and transitory risks with relevance to our business	
Business-threatening events, e.g. cyber attacks, damage to image, pandemics	High
Loss of competitiveness compared to foreign companies, e.g. due to high bureaucratic costs	Medium
Opportunities	
Customer assurance through responsible and reliable behavior	High
Acquisition of new customers, e.g. through transparent business practices	High
Image improvement through reliable appearance, e.g. ethical correctness, reliability, transparency	High
Increasing attractiveness as an employer	High
Long-term and trusting partnerships (customers, suppliers, etc.)	High
Early recognition of stakeholder requirements	Medium
Impacts	
Increasing transparency for stakeholders through responsible business practices	High
Promoting cooperation with customers and suppliers on sustainability issues	High
No corruption through responsible business practices	Medium

Table 8: Results of the analysis of risks, opportunities and impacts on the core topic 'Responsible corporate governance' (source: KRAIBURG TPE)

7.2 | Goal 1: Adhere to compliance guidelines and implement values and aspects of the corporate culture

KRAIBURG TPE attaches particular importance to cooperation and a corporate culture that includes an open communication and feedback culture. Our behavior and our interactions are based on mutual appreciation, respect, acceptance and understanding. Management and employees act in accordance with the law and adhere to internal guidelines, company agreements, compliance rules and the Code of Conduct. The Code of Conduct contains binding guidelines on legally, ethically and socially correct behavior. It was defined by the KRAIBURG Group and serves as a guide and decision-making aid to ensure group-wide compliance in global markets. No breaches of these defined standards will be tolerated.

Labor and human rights

KRAIBURG TPE is committed to the protection of human rights. Forced labor, including prison labor, bonded labor and child labor are strictly prohibited. If the respective national legislation does not require a higher age limit, no children of school age or under the age of 15 may be employed (International Labor Organization (ILO), Convention No. 138). Wages and other benefits may not fall below the legal minimum salary. All labor laws, including those related to time, location, conditions and safety, are complied with. The right of employees to freedom of association and wage negotiations must be respected.

As a representative body, the works council represents the co-determination rights of employees, particularly in social matters. It is entitled to communicate freely with employees within the company. It also has the authority to take on all measures that benefit the workforce and has a comprehensive right to information within the scope of its statutory participation rights.

The co-determination rights include, for example (excerpt from Section 87 BetrVG):

- Issues related to the order of the company and the conduct of employees
- Distribution of working hours and breaks
- Payment of wages
- Establishment of general vacation principles
- Form, organization and management of the company's social facilities

There is also the option of concluding voluntary works agreements, including (excerpt from Section 88 BetrVG):

- Measures to promote capital formation
- Measures for the integration of foreign employees
- Measures for the integration of severely disabled people

KRAIBURG TPE also has a youth and trainee representative body (JAV). It represents the interests of junior employees.

Equal opportunities and non-discrimination

KRAIBURG TPE and its business partners are committed to an open-minded corporate culture based on integrity. It stands for diversity and equal opportunities and distances itself from any form of extremism or discrimination based on ethnic origin, gender, religion or ideology, disability, age, sexual or political inclination. The company observes the General Equal Treatment Act (AGG) to avoid violations. Gender equality is regulated independently in Article 3 (2) of the German Constitution. KRAIBURG TPE ensures this through the collective wage agreement, among other things.

Inclusion

Company management, inclusion officers, representatives for severely disabled employees (SBV) and the works council consider the the employment of people with disabilities as a particularly important social and socio-political task. The inclusion agreement in accordance with § 166 SGB IX supports the participation of severely disabled people in working life and the management of the company. It contains regulations on personnel planning, workplace design and design of the working environment,

working hours, qualifications, prevention and rehabilitation, work organization and integration commission. In this way, KRAIPBURG TPE makes a contribution at company level to more equal opportunities and to combating unequal treatment and social exclusion.

7.3 | Goal 2: Continue to ensure legal compliance

KRAIBURG TPE uses internal compliance guidelines to provide all employees with binding rules for dealing with legal challenges in their day-to-day work. To prevent legal violations, a compliance officer has also been appointed to advise on any questions and to be available as a contact person in the event of legal doubts regarding the company's own conduct or information about the working environment. Any matters reported will be treated confidentially upon request. Furthermore, incidents can be reported anonymously to the independent internal reporting office via a web-based whistleblower reporting system, by telephone, e-mail, in a personal meeting or by post. Whistleblowers do not face any discrimination or other negative consequences. No reports were received in 2024.

Legal Compliance

Due to the large number of revised and new European directives and national laws, the resulting obligations and official requirements for companies, compliance is of central importance for the company. As part of the KRAIBURG Group, KRAIBURG TPE conducts business worldwide - in accordance with legal requirements and official regulations. This is the only way to ensure long-term and sustainable business success. Employees must comply with the legal system within which they act. Violations of the law must be avoided under all circumstances. KRAIBURG TPE's goal is to ensure legal compliance. This requires transparency and an understanding of the relevant requirements. This is made possible by the "Quentic" software system with the partner "eco Compliance", which continuously updates legal requirements and innovations. Review and compliance is carried out in various control and discussion groups. This not only raises awareness among those responsible but also ensures that the necessary compliance measures are implemented. In 2024, 193 reviews were carried out by an external service provider to help ensure legal compliance and 586 valid legal provisions were recorded in the software. This is an increase of around 2% compared to 2023. KRAIBURG TPE was affected by 138 legal changes in the process.

Corruption and bribery

The management, employees, subcontractors and business partners of KRAIBURG TPE conduct themselves in compliance with criminal law and administrative offense regulations In particular, acts of corruption and bribery are punishable by law or subject to fines - both within the private sector and in relation to the public sector. They do not demand advantages for themselves or third parties, do not accept promises of such advantages and do not accept them in return for unfair advantages (bribery). Conversely, offering, promising and granting such an unfair advantage is also prohibited (bribery). This applies above all in relation to public officials and persons with a special public function with regard to their official activities, but also to private individuals, unless there is legally effective approval from their superiors. In the private sector, it is permitted to grant and accept benefits insofar as they are customary and socially appropriate in view of the respective business relationship. As a rule, they may not exceed a value of 60.00 euros. In addition, prior approval is required from the Compliance Officer or the Management Board. This can be granted if the benefit is not linked to preferential treatment. There were no violations in the area of corruption and bribery at KRAIBURG TPE in the reporting year.

Anti-competitive practice

The applicable European and international competition and antitrust law must always be observed. In particular, the following are prohibited:

- the coordination of prices, price increases and other parameters (rebates, discounts, payment terms, etc.),
- the exchange of sensitive market information between competitors, such as sales, prices, strategies, customer data or market shares,
- the division of markets, in particular the mutual allocation of clientele and sales territories,
- Enticement and exclusivity obligations, insofar as they not from the exempted from the ban on cartels,
- Price maintenance obligations, i.e. obligations on the part of customers to resell at a minimum or fixed price,
- the abuse of a dominant market position,
- the coordination of bids in a public or private tendering procedure.

Data protection

The company attaches great importance to data protection. Employees were trained in the provisions relevant to them and sensitized to the handling of personal data. At the beginning of 2024, the outstanding procedures from the register of processing activities were reviewed and revised to ensure they were up to date. The GAP analysis showed that the basic requirements of the General Data Protection Regulation (GDPR) have been implemented.

7.4 | Goal 3: Ensure transparency through compliance with standards and certifications

KRAIBURG TPE strengthens its transparency and credibility by acting in accordance with recognized standards and striving for certifications. A total of 55 audits took place in the reporting year: 34 internal, 14 customer, 5 supplier and 2 certification audits. In addition, 9 safety and 2 environmental inspections were.

- Integrated quality, environmental and energy management: KRAIBURG TPE's environmental management system at the Waldkraiburg site has been certified to DIN EN ISO 14001:2015 for continuous improvement since 2002. The energy management system was confirmed for the first time in 2013 in accordance with the DIN EN ISO 50001:2018 standard. A central component is the identification and evaluation of environmental aspects and the measurement of environmental performance using core indicators. In this context, the company has identified environmental impacts, opportunities and risks along the product life cycle and summarized measures in an environmental program. This process was carried out, documented and optimized using appropriate software support.

- The product carbon footprint of KRAIBURG TPE compounds is reported in accordance with the strict requirements of the Greenhouse Gas Protocol (GHG Protocol) and based on DIN EN ISO standards 14044 and 14067. The processing of customer inquiries and subsequent communication are widely standardized. If all the basic requirements for calculating the PCF are met, existing customers receive meaningful values within a few days.

- KRAIBURG TPE has defined climate targets in accordance with the guidelines of the Science Based Targets initiative (SBTi), based on scientifically sound standards in line with the Paris Climate Agreemen.

- ISCC PLUS: The certification ensures high social and environmental standards along the entire supply chain for ISCC PLUS raw materials. Their use also contributes to achieving the Scope 3 climate targets. Following the initial certification in the previous year for the Waldkraiburg site, successful recertification took place in November 2024 without any deviations.

- Since 2020, KRAIBURG TPE has voluntarily undergone selected external sustainability ratings. The non-profit organization Carbon Disclosure Project (CDP) rated KRAIBURG TPE with a "B" score in the area of climate for the year 2024.

- EcoVadis uses holistic ratings to assess the corporate sustainability of companies. In 2023, KRAIBURG TPE was awarded the "Silver" medal for its commitment to sustainability in the areas of environment, working practices, ethics and sustainable procurement. This puts it amongst the top 15% of companies assessed in the chemical sector. A reassessment was initiated in the reporting year and the result will follow in 2025.

Conclusion

KRAIBURG TPE's sustainability report for 2024 illustrates our progress in the areas of action and in our core sustainability topics. Particularly noteworthy are our efforts in the area of the circular economy and to reduce the corporate carbon footprint as part of the Science Based Targets initiative - with clear targets up to 2031. The measures we have taken underline our commitment to climate protection and our responsibility towards future generations.

Another important factor is the continuous development of our product portfolio. With more sustainable compounds, we offer our customers innovative solutions that are both environmentally friendly and high-performance. This demonstrates our efforts to not only meet current market requirements, but also to actively reduce the ecological impact of KRAIBURG TPE. The high level of employee satisfaction is further proof of our sustainable corporate management. Satisfied and motivated employees are the foundation of our success and are crucial to the positive development of our company.

It is an incentive for us to continuously improve. This is the key to the long-term economic success of KRAIBURG TPE. In future, we will align our sustainability reporting more closely with the European Sustainability Reporting Standards (ESRS) in order to present our activities in a more transparent and comparable manner.

It is an integral part of our mission to continue on the path of sustainability together with our stakeholders and to assume social and ecological responsibility based on our core competencies. In this way, we promote climate and environmental protection and an improvement in our daily lives out of conviction.

Waldkraiburg, June 2025

Dr. Monika Hofmann
Director EMEA

Karl-Heinz Ortmeier
Head of Sustainability Management

Contact us

KRAIBURG TPE – EMEA
KRAIBURG TPE GMBH & CO. KG
Friedrich-Schmidt-Str. 2
84478 Waldkraiburg
info@kraiburg-tpe.com
Phone: +49 8638 9810-0

KRAIBURG TPE – Americas
KRAIBURG TPE CORPORATION
4365 Hamilton Mill Rd.,
Buford, GA 30518
info-america@kraiburg-tpe.com
Phone: +1 678 584-5020

KRAIBURG TPE – Asia Pacific
KRAIBURG TPE TECHNOLOGY (M) SDN.BHD.
Lot 1839 Jalan KPB 6,
Kawasan Perindustrian Balakong,
43300 Seri Kembangan,
Selangor | Company No.: 199601032477 (404829-V)
info-asia@kraiburg-tpe.com
Phone: +60 3 9545 6393

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