TROX

SUSTAINABILITY REPORT

2024

TROX *GROUP*

THE TROX GROUP *AT A GLANCE*

Since it was founded in 1951, our company has always looked towards the future with confidence. In keeping with this, it has permanently invested in new modern manufacturing systems, innovative product developments, new markets and qualified employees.

Based on this confident strategic direction that has been characteristic of the group since its foundation, TROX GROUP has rounded off the financial year 2024 very successfully with new record figures for sales and operating results, defying the various geopolitical crises and uncertainties.

Once again, this demonstrates that we are on a solid, crisis-resistant footing which can be attributed to our long-standing international presence, our tremendous innovative strength, and our capable and committed employees.

€66M
INVESTMENT VOLUME

4,589
STAFF MEMBERS

€687M
ANNUAL SALES REVENUE

CONTENTS

SUSTAINABILITY
PERSPECTIVES AT TROX

UDO **JUNG**

Board of Directors Member of TROX SE

Sticking together rather than just coexisting. Trusting people rather than monitoring them. Growing together instead of doing one's own thing. And shaping our work together rather than waiting for instructions. This is how we put cohesion into practice at TROX GROUP every day and across different sites and countries. Our specialist departments at the headquarters cooperate as equal partners while our individually responsible national subsidiaries pursue an entrepreneurial approach. This team work makes us strong, as true sustainability is only possible if everyone is pulling in the same direction. Thank you to everyone involved in breathing life into this approach.

THOMAS **MOSBACHER**

Board of Directors Member of TROX SE

We believe that any investment in sustainable technology, processes and structures is an active contribution to making TROX GROUP ready for the future: financially, environmentally and socially. We once more invested a large amount of some 66 million euros in 2024. And we will continue in this vein by setting up new plants in China and Mexico, expanding our business in Europe and South Africa and installing photovoltaic systems around the world to pursue our goal of sustainable growth. In all our activities we benefit from the Heinz Trox Foundation's reliable support that enables long-term development of our business. We have no doubt that sustainable investments made today will create the basis for our joint success tomorrow.

CHRISTINE **ROSSKOTHEN**

Head of Corporate Social Responsibility (CSR) TROX SE, Director of the Heinz Trox Foundation

The consequences of climate change are far from abstract. They affect the spaces that we live in, our health and the lives of future generations. This is why protecting the environment is a key objective of TROX GROUP. Our technologies contribute to a reduction of emissions and better indoor air quality on a daily basis: around the world and across a wide range of buildings and applications. In addition to this, we specifically invest in a quantifiable reduction of our environmental footprint. Our goal remains clear: to achieve net-zero neutrality by 2040. Farsightedness and determination are key here, and so is the belief that business success and environmental responsibility can go hand in hand.

PROF. DR. HANS **FLEISCH**

Chairman of the Foundation Council of the Heinz Trox Foundation

Sustainability as a guiding principle is part of the essence of any foundation, and therefore far from a short-lived trend for the Heinz Trox Foundation. It is instead a general attitude and an ethical commitment that is characteristic of the organisation. The fact that sustainability efforts are currently facing strong headwind on a global scale does not affect our aspiration to accept responsibility for our legacy for future generations. As a foundation we think in decades rather than quarters or legislative periods. In our role as a foundation we are therefore dedicated to ensuring that our resources are used for the common good, and as a shareholder of TROX GROUP we are committed to ensuring sustainable development from an environmental, social and financial perspective.

AIR QUALITY *IS KEY*

>90%

of our lifetime is spent in enclosed spaces

Air is everywhere. It is the invisible basis of life that we take for granted. Air quality has a considerable impact on our ability to think, our health and our performance. This is particularly true for indoor spaces, as this is where we spend the greatest part of our lives.

We breathe around 20,000 times a day, taking in some 10,000 litres of air. Human beings live in air the way fish do in water. The air we breathe impacts our body in many different ways. Nevertheless, we tend to only pay attention to it when it is particularly bad: muggy, hot, spent. Air is, however, far more than a comfort factor. It is a resource that fuels our health as well as our mental and physical capacity.

The quality of the air that we breathe influences our immune system, our respiratory tracts and our cardiovascular system. This is especially relevant in indoor spaces, as human beings tend to spend by far the greatest part of their lives in enclosed spaces. The Federal Environment Agency reports that we spend more than 90% of our lifetime indoors on average, for example at home, at the office or in public buildings. This is reflected in the significance of indoor air quality.

Good indoor air is not only beneficial from a health point of view, but it is also an economic and environmental advantage that can be achieved by means of modern systems for ensuring good air quality in indoor spaces.

Our health depends on the air we breathe

Poor air quality can cause health problems. It has been demonstrated that an increased CO_2 concentration, pollutants such as volatile organic compounds or fine dust, and insufficient humidity can affect human health. Initial symptoms include headaches, irritated mucous membranes, drowsiness and concentration problems.

Oxygen is essential for cognitive activities

The performance capacity of the human brain is linked directly to its oxygen supply. A decrease in alertness and focus can be measured even when the CO_2 concentration is only slightly enhanced, starting at around 1,000 ppm. A significant drop in performance can be observed at a concentration of 1,400 ppm and above. These figures are exceeded on a regular basis in many classrooms, meeting rooms and open-plan offices, especially when there is no ventilation system, or only an insufficient one.

People who work in rooms with proper ventilation are more focussed and alert and make fewer mistakes. This means that a high indoor air quality does not only promote people's well-being, but it also has an impact on productivity, creativity and decision-making processes. If businesses and education institutions invest in smart ventilation systems this will therefore also pay off in concrete terms, as they help to reduce absences and improve peoples' performance and satisfaction levels.

Future-ready ventilation systems take the CO_2 concentration, the number of people in the room and individual requirements into account. Sensors, automation and digital control systems allow for continuous adjustments and therefore for an indoor climate that actively promotes thought, learning and work processes.

In the long run, permanent exposure can lead to respiratory diseases, cardiovascular problems and chronic inflammation. It was also found in studies that the quality of indoor air is frequently poorer than the air quality found outside. This is particularly true of poorly ventilated buildings and in densely built-up urban areas.

Good indoor air has a protective effect. Sophisticated ventilation using filtered outdoor air and featuring controlled humidity levels and temperatures can help to support the immune system and prevent illness. Another aspect that is relevant in times where pandemic-related risks apply is that aerosol transmission can be prevented. It has in fact been verified that modern ventilation and air conditioning technology can lower the risk of infection in indoor spaces.

Pure air promotes physical fitness

Physical resilience is also linked to air quality. Physical activity – whether it be on industrial production sites, in rehabilitation centres, or sports facilities – causes people to breathe more intensely, and to absorb more contaminants if the indoor air is not ideal.

Fine dust, VOCs, a high CO_2 concentration and excessive temperatures affect the cardiovascular system directly. This can, for example, lead to greater strain or

<1,000 PPM CO_2:
good indoor air quality

UP TO 30% LESS ENERGY

consumption through smart ventilation control

circulatory problems and can cause people to get tired more quickly. In training environments in particular, poor air quality can have a considerable impact on a person's performance. It has been demonstrated that spaces where plenty of physical activity takes places, such as gyms or physiotherapy practices, will benefit from optimised air quality. Those exercising in these spaces feel better, their performance improves and they regenerate more quickly.

Sustainability and indoor air: a frequently underrated connection

Sustainability in buildings is often associated with insulation, energy consumption and building materials. However, this list is not complete without air quality. After all, healthy room air reduces health-related costs, allows for rooms to be used for longer and it improves the quality of life, quantifiably and sustainably.

The relationship between energy efficiency requirements and indoor air quality is a complex one: a sealed building envelope will reduce energy losses, but it also inhibits natural ventilation. The solution here are smart systems that cater for both requirements at the same time by providing controlled ventilation with heat recovery, monitored air quality as well as integrated systems for fire protection, sound insulation and comfort.

The future belongs to adaptive systems that do not simply exchange the air but control it actively, depending on the type of use, time of day, outdoor conditions and individual needs. TROX develops these types of systems, for example, for schools, office buildings, hospitals and the pharmaceutical industry with its clean rooms and laboratories.

Technical solutions for invisible challenges

Air is invisible and that's why its role is frequently underrated in building planning. However, there are by now many technical solutions that allow for indoor air quality to be monitored an improved in a targeted manner:

> **CO_2 and VOC sensors** measure air quality in real time.

> **Ventilation systems with heat recovery** allow for fresh air while minimising energy dissipation.

> **Air filters** remove fine dust, pollen and microorganisms from the air.

> **Smart control systems** interconnect all components to create an adaptive overall system.

These technologies do not only promote good health, they also contribute to energy efficiency and climate change mitigation. After all, they help to use resources smartly and to control energy consumption in a demand-based manner.

A high quality of life thanks to good indoor air

Good indoor air is not a luxury but it is key to good health, a high performance and people's well-being. It is becoming the focal point of sustainable building technology in this time in which urban spaces are ever more built-up while energy efficiency requirements increase and people tend to be more aware of health aspects.

The necessary technologies exist. It is essential that these are considered consistently in building planning, operation and development. As a company that has been dedicated to optimising indoor air quality for decades, TROX is making an active contribution in this field with its products and solutions.

Air pollution – a global health threat

The World Health Organization (WHO) considers air pollution to be one of the greatest present-day risks to human health and the environment. The WHO reports that around seven million people die prematurely from the consequences of air pollution every year, for example from heart attacks, strokes, lung disease or even dementia. Pollution levels are serious in Europe, too: the European Environment Agency found in a study that over 90% of people living in cities are breathing in too much fine dust. An alliance of representatives of the areas of science and medicine therefore calls for the WHO threshold values to be applied everywhere.

Sources:
Deutsche Herzstiftung, Lungenliga, Federal Environment Agency, REHVA (Federation of European Heating, Ventilation and Air Conditioning Associations), Baupraxis, ITG (Institut für Technische Gebäudeausrüstung Dresden), Tagesschau, WHO

2024 HIGHLIGHTS

Future-ready plant in China

Construction of its new production facility in Suzhou is TROX's clear commitment to sustainable growth. The 34,000 square metre site is designed for CO_2-neutral operation as well as meeting the LEED Platinum standard. An on-site photovoltaic system generates up to 3 megawatts of electricity per year. In addition to state-of-the-art production facilities, the site will include six testing laboratories dedicated to various issues including acoustics, energy efficiency, and ventilation and air conditioning technology.

Energy-efficient curing ovens

Two outdated curing ovens were replaced with modern hybrid models at the Anholt site. The new equipment allows for flexible gas or electricity-powered operation and reduces energy consumption by around 35%, as well as ensuring long-term production capability. In addition, the new equipment is also compatible with future energy-related optimisation measures.

High-end architecture

More than 6,300 components of various types and sizes supplied by TROX UK were installed in the Life and Mind Building, the greatest construction project of the University of Oxford. There will be room for 800 students and 1,200 researchers in the 26,000 square metres big five-storey building. The structure combines BREEAM excellence standards with passive building principles and is to be operated CO_2-neutrally by 2030. CNN named the project as one of eleven architecture projects set to shape the world in 2025.

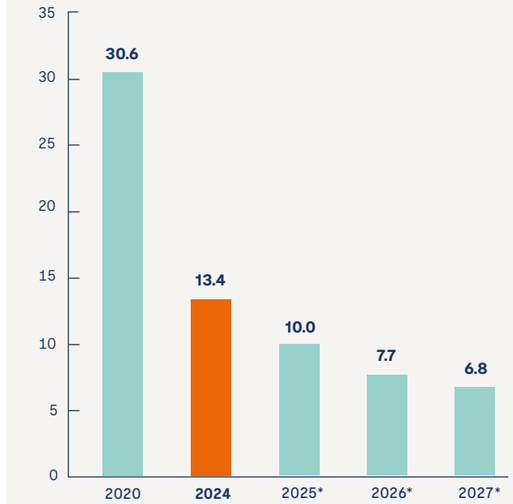
Good air for patients

TROX products provide for clean air in the Bundang Hospital in Seongnam-si in South Korea. The eight-storey building has room for 639 beds. The general hospital that offers a wide range of services improves the medical coverage in the region, as well as contributing to sustainable development of the local infrastructure.

Over the past four years, we were able to reduce our carbon footprint in Scope 1 and 2 from 30.6 $tCO_2(eq)$/million euro net sales to 13.4 $tCO_2(eq)$/million euro net sales. This corresponds to a reduction of the carbon footprint per million euro net sales of over 50%. We are going to invest further to reduce this footprint by a total of 78% compared to 2020 by 2027. Our goal for 2030 is a reduction by 80%.

Reduction 2020–2027 in Scope 1 and 2

tCO_2 eq/million EUR



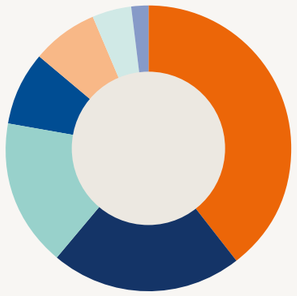
* Forecast

Photovoltaics and geothermics

TROX makes a point of investing in photovoltaics on a large scale, aiming to draw closer to the group's personal goal to operate climate neutrally by 2040. The sites in Anholt, Vluyn, Bad Hersfeld, Norway, Switzerland, Spain and Britain produced a combined total of over 1.8 million kilowatt hours (kWh) of electricity in 2024, which went directly into our production processes. Further projects are currently in the planning or construction phase. This is TROX's approach to reducing CO_2 emissions across sites, as well as becoming more energy self-sufficient. A large-scale expansion of its PV systems is part of the group's comprehensive sustainability strategy. This is supplemented by the use of geothermics. It is TROX's way to accept environmental responsibility and to actively contribute to the energy transition.

Energy generated from photovoltaics

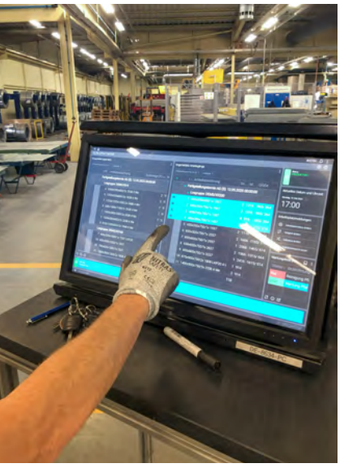
per site (in kWh)
As of: 27 May 2025



Anholt	1,530,393	Norway	283,892
Bad Hersfeld	833,551	TROX UK	170,434
Spain	648,218	Vluyn	72,113
Switzerland	321,766		

Sustainable swimming in the North

TROX Auranor delivered modern ventilation and air conditioning technology for the new Tøyenbadet in Oslo. These energy-efficient systems support the passive building's sustainable concept which includes solar panels, geothermics and a water treatment system. The 16,000 square metres big sports facility is setting new standards in terms of eco-friendliness and functionality.



Less paper, less CO_2

A new Manufacturing Execution System (MES) is gradually replacing paper-based production orders at the Anholt site. Two lines have already been digitised, avoiding the use of some 133,000 sheets of paper a year, which corresponds to a 13.33 metres tall stack of paper and a reduction in CO_2 emissions of 667 kg. The goal is to convert all 30 lines by 2025. If all 2 million A4 sheets are avoided, CO_2 emissions can be reduced by 10 tonnes per year.

Efficient, regional, attractive

Sustainable wooden construction meets state-of-the-art building technology in the new TROX HESCO building in Switzerland. The 7,000 sqm of production area and 2,700 sqm of office space were built fully CO_2 neutrally, using regionally sourced wood and a photovoltaic system covering more than 50% of the energy consumption. The innovative TROX O_X system precisely and efficiently controls ventilation, the indoor climate and energy consumption. The result is an attractive workplace that is eco and health-friendly as well as commercially viable.

Growing for the climate

A remarkable climate change mitigation project has been underway in Neukirchen-Vluyn since 2021: around 4,000 Paulownia trees were planted on a 5 hectare site. These rapidly growing trees can bind around 40 tonnes of CO_2 per hectare per year, which is many times the amount bound by traditional forest stands. The goal of the project is to produce sustainable raw materials for local use, as well as a transparent local creation of CO_2 certificates. The Paulownia trees do not need any chemical pesticides or artificial fertiliser and will regrow after being harvested, allowing for a sustainable use of wood.

Knowledge is sustainable

The TROX ACADEMY contributes actively to sustainability by passing on knowledge of long-term relevance, for example to this delegation of the Chinese Academy of Building Research. Application-oriented training and digital formats in the areas of ventilation and air conditioning technology, fire protection and energy efficiency are designed to enable qualified staff to implement sustainable solutions. This does not only lead to technical progress but also to sustainable, future-oriented competence development.

Innovative air conditioning technology

The new Hill Dickinson Stadium in Liverpool is home to the FC Everton and part of a comprehensive urban development project. To allow for precise and energy-efficient air conditioning, TROX UK supplied VAV controllers and circular TX silencers, among other items. These provide for demand-based air distribution and optimised acoustics, as well as contributing to better air quality. Automated adjustment of the airflow in line with the structure's use allows for lower energy consumption and operating costs.

Good arena air

The multi-functional CRAFT Arena was completed in Kosta in Southern Sweden in 2024. The 10,000 square metres big sports and culture centre will be home to Sweden's biggest table tennis venue, among other facilities. The company Hammarstedts Kyl & Inneklimat AB is in charge of ventilation, using products by TROX, such as silencers and VAV controllers.

Heat recovery for greater efficiency

At our site in Norway, waste heat from the powder-coating process is made usable by means of a custom heat pump and is then fed into the heating system. Less externally supplied energy is therefore needed, current spikes are reduced and production is considerably more energy-efficient as a result.

Clean energy from underground

Ten 290 metres deep drilled holes supply a heat pump with energy, providing all the heat needed at the TROX Auranor headquarters in Norway. In the summer, the drilled holes allow for free, energy-efficient cooling of the office areas. This leads to considerably lower electricity consumption, reduced energy costs and stable, sustainable supply throughout the year.

Top Company 2024 kununu

Award-winning

TROX received the Kununu "Top Company" award once more in 2024. The rating is based on positive feedback provided by staff members concerning the working atmosphere, benefits, health-care and social involvement.

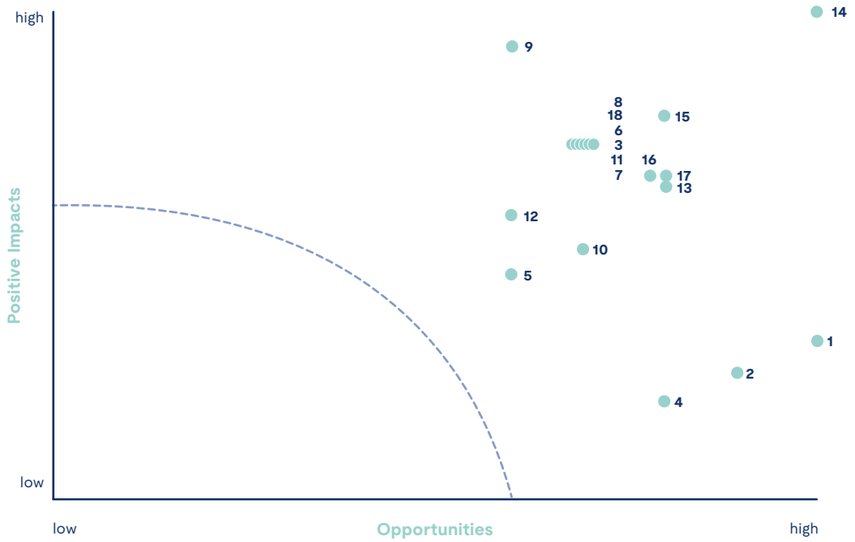
Data-based purchasing for greater sustainability

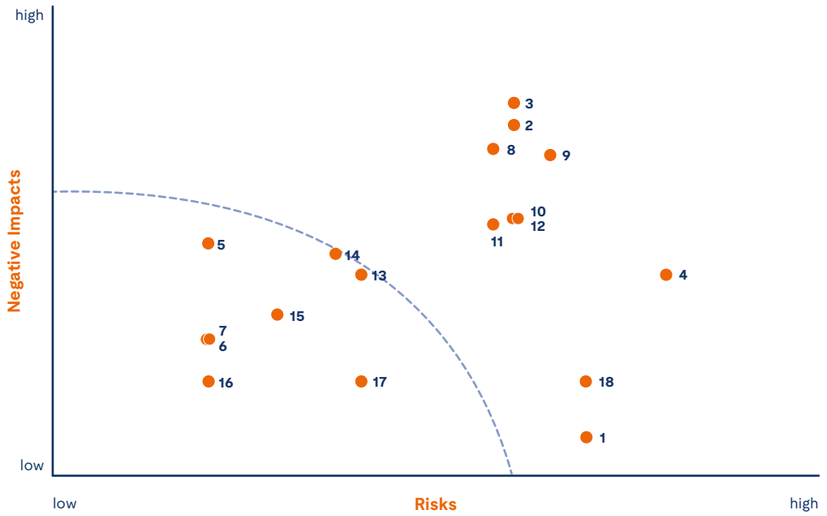
The TROX purchasing department relies on data-based analyses created with ivoflow, which allow for a systematic assessment of environmental and social criteria. ESG data is integrated into procurement processes to check suppliers with regard to environmental and social standards. This transparency allows for well-founded decisions and promotes sustainable supply chains. One example of the use of such data-based strategies can be found in the industrial sector, where companies analyse their core suppliers regarding sustainability criteria, aiming to optimise their own sustainability strategy.

Responsible employer

TROX is committed to promoting its staff members' health and well-being. Preventative health-related offerings include bike fitting, health checks, psychological advice, cooperations with gyms and flu vaccinations. Initiatives to encourage staff members to quit smoking, bike rides for charity and participation in the "Targobank Run" (photo) are further examples of activities that help to boost cohesion and motivation. Other measures include the opportunity to lease a bicycle, advice regarding care duties and state-of-the-art water dispensers.

MATERIALITY MATRICES BASED ON THE CSRD





Environment

1 Adaptation to climate change (E1)
2 Climate change mitigation (E1)
3 Energy (energy efficiency thanks to TROX products) (E1)
4 Resource inflows, including resource use (E5)
5 Waste (E5)

Social matters

6 Secure employment (S1)
7 Adequate wages (S1)
8 Work-life balance (S1)
9 Health and safety (S1)
10 Gender equality and equal pay for work of equal value (S1)
11 Training and skills development (S1)
12 Diversity (S1)
13 Access to (quality) information (S4)
14 Health and safety (healthy air thanks to TROX products) (S4)

Governance

15 Corporate culture (G1)
16 Political influence and lobbying activities (G1)
17 Management of relationships with suppliers, including payment practices (G1)
18 Governance – prevention and detection including training (corruption and bribery) (G1)

Based on ESRS 1, AR 16 TROX has identified a total of 18 topics that were categorised as material in at least one dimension. Their materiality is due either to their environmental or social impact, their financial significance for the company or due to both dimensions applying at the same time. The topics included in the diagram are addressed in this sustainability report. The dotted line in the diagram marks the threshold beyond which a topic is considered material. Further information about the method and assessment can be found in the chapter titled ESRS 2, IRO-1 of this report.

THE TROX *CLIMATE FORMULA*

OUR KEY OBJECTIVE IS CLEAR: TO ACHIEVE NET-ZERO NEUTRALITY BY 2040!

With the TROX Climate Formula, we can now calculate precisely how this goal can be achieved. And in doing so, we can rely on strong support from our employees around the world, who are all working towards achieving the TROX sustainability goal with tremendous commitment and dedication.

↓	↓	↑	✓		↑	↑
INDIRECT CO_2 EMISSIONS	+ DIRECT CO_2 EMISSIONS	+ INVEST-MENT	= 0 CO_2	+ HEALTHY AIR	+ CO_2 REDUCTION IN OPERATION	
> Purchased energy > Purchased goods and services > Business travel > Employee commuting > Logistics > Waste and disposal	> Fuel combustion > Vehicle fleet > Fugitive emissions > Electricity, heat, and steam consumption and generation	> Expansion of renewable energy sources > Production modernisation > Expansion of the circular economy > Digitisation > CO_2 certificates		> TROX provides healthy air for people, for a high quality of life in indoor spaces	> Reduction of carbon dioxide emissions in the operation of air conditioning and ventilation systems	

THE TROX CLIMATE FORMULA

CO_2 REDUCTION IN THE TROX GROUP +
HEALTHY AIR AND CO_2 REDUCTION IN PRODUCT OPERATION

THE TROX *FIELDS OF ACTION*

IN OUR SUSTAINABILITY MEASURES AT TROX WE FOCUS ON SIX SPECIFIC FIELDS OF ACTION.

Within our six fields of action that are relevant to the entire TROX GROUP, we adjust our sustainability measures every year to maximise their impact. To this end, each measure is carefully planned and structured based on reliable data.
This allows us to systematically draw closer to our goal to achieve net-zero climate neutrality by 2040, while maintaining a certain degree of flexibility that has enabled TROX to realise great achievements with regard to environmental, economic and social aspects.

MANAGING THE SUSTAINABILITY PERFORMANCE: PRECISELY AND FLEXIBLY

CONTENTS

SUSTAINABILITY REPORTING ACCORDING TO ESRS

GENERAL INFORMATION

Our general disclosures include an outline of the scope of reporting and information about issues such as responsibilities, sustainability controlling, incentive systems, risk management and the double materiality analysis we performed. We are also explaining our strategy, business model, value chain and the interests of our stakeholders.

ESRS 2 – GENERAL DISCLOSURES

BP-1 – General basis for preparation of sustainability statements

The sustainability report of TROX SE (formerly TROX GmbH) was prepared on a consolidated basis. The consolidation scope is identical with that of the status report in our annual report and includes 28 operating subsidiaries. This report covers the value chain of TROX SE, including any identified impacts, risks and opportunities from the upstream and downstream supply chain and our own operations.

Those subsidiaries that are located in the European Union and for which disclosure duties apply due to financial thresholds, are exempt from the duty to prepare individual sustainability reports pursuant to the respective national laws, as these companies are part of the consolidation scope of TROX SE. TROX SE as the parent company based in Germany prepares a comprehensive sustainability report that includes the activities and services of all of its subsidiaries.

No specific disclosures are omitted in this report for reasons related to intellectual property rights, know-how or innovation. TROX SE discloses all information related to developments.

BP-2 – Disclosures in relation to specific circumstances

Time lines

TROX SE defines the time periods for assessing opportunities and risks as follows: short-term (one to three years), medium-term (four to ten years) and long-term (more than ten years). This classification is linked to the group-wide risk management system and it ensures uniform assessment and management of relevant issues. In addition, there is a structured business plan that is in line with the sustainability goals. The time periods also reflect typical development cycles and market shifts in the building technology and air conditioning industry, as well as providing a sound basis for investment planning in particular with regard to CO_2 reduction and energy efficiency. They also comply with the requirements specified in relevant reporting standards and contribute to a transparent presentation of business development.

Data collection and estimates

When collecting data from its value chain and own operations, TROX SE uses estimated figures in some cases. This includes the calculation of CO_2 emissions and data related to staff members.

99% of CO_2 emissions at TROX relate to Scope 3 of the Greenhouse Gas (GHG) Protocol. We already record and report emissions from Scope 1 and 2, as well as from six relevant Scope 3 categories: Category 1 "Purchased goods and services", Category 4 "Upstream transportation and distribution", Category 6 "Business travel", Category 7 "Employee commuting", Category 9 "Downstream transportation and distribution" and Category 11 "Use of sold products".

We use the ivoflow software to calculate Scope 3 emissions from Category 1 "Purchased goods and services". This calculation is done based on the material composition of the purchased items. The software takes material indices, percentages and weight data for each purchased item into account. These figures are complemented by CO_2 indicators from an external database. These standardised average values for CO_2 emissions related to materials are made available by accredited institutions and they constitute reliable estimates of emission values along the supply chain. While they are not quite as precise as primary data, they do allow for a consistent and comparable calculation of the carbon footprint. This calculation produces a CO_2 value for each item that includes emissions from transportation (Product Carbon Footprint, PCF). We are therefore able to determine CO_2 emission values independent of our suppliers. Where available, the data determined is complemented by primary data from suppliers that are recorded in ivoflow.

For Category 4 "Upstream transportation and distribution" and Category 9 "Downstream transportation and distribution" transport-related emissions were determined in close cooperation with the logistics service providers. These account for around 80% of the purchasing and transport volume. The kilometres travelled and, where available, the related CO_2 emissions are recorded here. Where no emission figures are available, calculations are performed in coordination with the shipping companies, taking the means of transportation, utilisation and recognised emission factors into account. The upstream Category 4 includes transport of materials to TROX, while Category 9 refers to the distribution of products sold to customers. Primary data is used in both areas to ensure high-quality data and allow for logistics-related emissions to be reflected realistically.

For Category 6 "Business travel" CO_2 emissions are recorded based on available data about air and train travel and the use of rental cars. The data is based on information from the respective service providers, such as CO_2 figures from airline companies, environmental reports from railway companies or emission data from rental car providers. Where these do not provide any direct emission figures, the reported kilometres and standardised emission factors are used for the calculation. The data is recorded in a structured manner, using an in-house sustainability package for systematic documentation of the use of primary data.

The most important emission sources determined in 2023 were considered in our calculations for Category 11 "Use of sold products". Products considered here include ventilation and air conditioning systems, variable volume flow control equipment and decentralised devices. Reporting about further product segments, and in particular country-specific products, will be performed in the future in line with the expected increase in the amount and quality of data collected.

Emissions from commuting (Scope 3.7) were calculated based on the average commute per site. Distances below 1 km and cyclists (up to 5 km) were deducted. For all others it was assumed that they use their own car according to the German vehicle mix. Car sharing, public transport and the use of electric cars were not considered due to the low overall amount of emissions.

Emission factors were considered for each country as well as at the European level. 2024 sales figures for the products from the three listed segments and product-related specifications from planning tools were used as a data basis. Factors from ecoinvent 3.11 (2024; Intergovernmental Panel on Climate Change (IPCC) 2021 Global Warming Potential (GWP) 100) were also used. In addition, current factors based on the IPCC and the determined impact over a period of 100 years are also considered, and we also take the upstream value chain into account here. This results in a CO_2 figure for each product group.

The method for calculating the median wage using average wage data is based on a statistical estimate as the median tends to be lower than the average if the distribution of income is right-skewed. To this end we use the average wage from all companies and the data provided by the Organisation for Economic Co-operation and Development (OECD) to calculate the median as follows: median = mean value – (0.3 x standard deviation of 0.5 of the mean value). The value of 0.3 is based on the generally assumed right-skewed distribution of income and wealth. The standard deviation of 0.5 is based on the coefficient of variation of the gross annual income. The disclosure of sources of measurement uncertainty for the wage share is based on data from the OECD study "Growing Unequal?" from 2008, which provides key information about wage inequality in OECD countries and is used as a basis for calculating and interpreting the wage share. We are not aware of any dependencies on future events, specific measurement techniques or the quality and availability of data which might affect the accuracy or interpretation of this share.

Changes in key performance indicators

A different method was applied in the year under review for calculating Scope 3 emissions in Category 11 "Use of sold products". In the past, quantities were determined based on the status quo and emissions for previous years in operation were determined based on the useful life assumed for the product segments. From the year under review onwards, TROX will be using the method described in the GHG Protocol that provides for emission figures to be calculated for the future starting in the respective year under review. All products sold in the year under review are considered here. The following calculation is performed: useful life of the products x quantity sold in the year under review x consumption values for the product segments (kWh) x emission factors for electricity = Scope 3, Category 11 – Use of sold products.

It is pointed out in the GHG Protocol that this future-oriented calculation leads to higher emission figures being specified for products with a longer useful life, and this is also true of the products under review here. The specified useful life of TROX products of usually 20 years is based on a sound analysis and the consideration of various factors and is considered an adequate basis for calculating emissions in the operation phase.

As this report was prepared based on the Corporate Sustainability Reporting Directive (CSRD) for the first time, all calculation conditions were established based on the directive as far as possible.

Links to other regulations, frameworks and guidelines

In order to ensure comprehensive, comparable and high-quality reporting, TROX SE uses internationally recognised standards and frameworks, such as the European Sustainability Reporting Standards (ESRS) and the GHG Protocol, as the basis for its sustainability reporting. In addition, TROX SE uses Environmental Product Declarations (EPD) for documenting the environmental impact of its key product series. TROX SE prepares these according to the EPD Norge standards and the ECO Platform to ensure international recognition. The environmental impact of the most important series that reflect the broad product spectrum (around 130 product lines in total) is documented. To ensure international recognition, TROX SE prepares this documentation in line with the following central standards: EN 15804 + A2 and NPCR 030 Part B for ventilation components. This type of documentation allows for a fact-based comparison in which the context of a building is also taken into account, providing a reliable source of information and aid for decision making for customers, in particular with regard to sustainability requirements.

ISO certifications such as ISO 20400 (sustainable procurement), 9001 (quality management), 14001 (environmental management) and 50001 (energy management) are also relevant and are documented for the individual sites. Furthermore, TROX develops its own tools, such as the TROX Climate Formula, that allow for transparent measurement of sustainability goals and progress. TROX SE has undergone another EcoVadis assessment in 2024. This internationally recognised platform is dedicated to monitoring the sustainability performance of companies. It applies global standards to analyse businesses with regard to environmental and social issues, ethics and sustainable procurement and issues transparent score cards that help companies to improve their sustainability practices and to minimise risks along the supply chain. We were awarded a bronze medal, placing us in the top 35% of companies assessed by EcoVadis over the past twelve months. This combination of external standards and internal methods highlights our dedication to reliable sustainability reporting.

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

The Board of Directors

Udo Jung (Sales, Technology and Production) and Thomas Mosbacher (Finance, Personnel, IT) make up the all-male Board of Directors. The qualified engineer Udo Jung is experienced in the areas of research, development, sales and marketing in the technical building equipment (TBE) industry, and in particular in the fields of fire safety and smoke extraction systems. The business studies graduate and tax advisor Thomas Mosbacher is in charge of the areas of Finance, Personnel and IT and has a strong background in auditing, tax advice and industrial matters in the TBE industry. The Board of Directors is responsible for the company's operational management. It is in charge of implementing the corporate strategy, ensures compliance with company policies and is also responsible for implementing control and risk management systems. The Board of Directors cooperates closely with the Supervisory Board and reports about business trends, material risks and compliance issues on a regular basis.

The board members and the Technology Division Manager, the Procurement Division Manager, the Head of Group Accounting and the Head of Corporate Social Responsibility (CSR) form the Sustainability Board Committee (SBC). This committee meets regularly to discuss sustainability reporting, goals, budgets and investments. The sustainability strategy and the overarching corporate goals are defined via the X-FIT+ 2028/1/8 programme. These reflect the development and strategic growth path for the period up to 2028 in consideration of financial and non-financial control parameters and key figures. This means that issues linked to sustainability are directly included in further X-FIT projects by the Board of Directors. Members of the extended management group that includes the Division Managers of TROX SE are responsible for these X-FIT projects. Sustainability issues are reported and documented during the monthly management meetings of TROX SE. The functional area CSR is an administrative department that reports directly to the Director of Sales, Technology and Production.

The Foundation Council

The Heinz Trox Foundation, which was founded by Heinz Trox in 1991 and is based in Neukirchen-Vluyn, is the majority shareholder of TROX SE. The foundation holds 100% of the nominal capital, making it the main shareholder. It ensures a sustainable long-term orientation of the company and protects the TROX values and traditions. The Foundation Council of the Heinz Trox Foundation has six independent members, 67% of which are male and 33% female. The Chairman Professor Dr. Hans Fleisch is a lawyer with plenty of experience from numerous mandates in internationally active organisations. He is the former Secretary General of the Association of German Foundations and a dedicated advisor who contributes his comprehensive expertise in social, environmental and financial matters related to sustainability. His deputy Professor Dr. Stephan Schauhoff is a lawyer and an expert for non-profit and tax law at Flick Gocke Schaumburg. He was a partner at Flick Gocke Schaumburg between 1998 and 2023, as well as being actively involved in various foundations and supervisory boards. Marlehn Thieme is also a lawyer and has many years of experience as a member of sustainability committees, including the German Council for Sustainable Development, as well as financial institutions and foundations. Professor Dr. Gunnar Grün is the Deputy Director of the Fraunhofer Institute for Building Physics, specialising in the areas of energy efficiency, indoor climate and sustainability in building physics. His background is characterised by experience gained internationally and his involvement in committees and supervisory boards. Mathias Brauner is a lawyer and the Managing Director of CERTUSS GmbH & Co. KG. He brings his entrepreneurial perspective to the Foundation Council. Karenina Schröder joined the Foundation Council as its sixth member on 1 April 2025. She has more than 20 years of leadership experience from various areas of the civil society and is an executive at Wider Sense GmbH. She is an expert for strategy development, change processes and evaluation of social commitment.

The Supervisory Board

The Supervisory Board (SB) of TROX SE has six members, including two employee representatives. 67% of the board members are currently male and 67% are independent. The Chairman is Professor Rainer Kirchdörfer, a lawyer and council member of the Foundation for Family Businesses, as well as being a member of various supervisory and advisory boards across different industries. As part of his role he is, among other things, responsible for monitoring the company's impacts, risks and opportunities. The Deputy Chairman is the qualified industrial engineer Dominic Otte, who is also the Managing Director for the areas of Production and Technology at the internationally active Schmidt + Clements GmbH + Co KG. In addition to possessing comprehensive technical expertise, he also has plenty of experience in the TBE industry. Further board members include Dr. Ilka May, Chief Operating Officer at LocLab Consulting GmbH, expert for building

automation and BIM, and Professor Dr. Hans Fleisch, ex officio member of the Supervisory Board (Chairman of the Foundation Council). The Works Council members Jörg Slawinski and Kim Steininger are part of the Board as employee representatives.

The Supervisory Board of TROX SE monitors and supervises the Board of Directors and ensures that its actions are in line with the corporate goals, the foundation's values and sustainable development aspects. It is also involved in the implementation of compliance and control systems for ensuring compliance with legal and internal provisions.

TROX GROUP Extended Board

The TROX GROUP Extended Board comprises the TROX SE Board of Directors members Udo Jung and Thomas Mosbacher and the regional leaders of TROX GROUP. Karl Palmstorfer represents the EMEA region (Europe, Middle East, Africa), Wayne Richmond the Asia-Pacific and Oceania region (APO) and Luiz Moura the Americas region. The Technology Division Manager Ralf Joneleit is also a member of the Extended Board. The goal of the TROX GROUP Extended Board is to develop the X-FIT goals further and to monitor the implemented processes and strategies.

ESG governance

TROX SE has established a clear governance structure for sustainability issues to ensure that relevant issues are managed and monitored effectively. The Director of Sales, Technology and Production of TROX SE is responsible for the issue of sustainability. The company-wide SBC that comprises the Board of Directors, the Head of Group Accounting, the Technology Division Manager and the Procurement Division Manager is at the heart of these activities.

The SBC meets on a regular basis to discuss goals, reporting, budgets and investments. The Division Managers and the Managing Directors of the subsidiaries are responsible for specific issues related to sustainability. They are in charge of defining the corresponding goals for their own organisations and including them in their overall objectives. Clear reporting channels and monitoring mechanisms are in place to ensure that the jointly defined goals are implemented. The Head of CSR, Christine Roßkothen coordinates the company-wide sustainability initiatives in cooperation with the Board of Directors, while the Procurement Division Manager Oliver Casper is responsible for upstream supply chain processes. Further areas of responsibility include CO_2 monitoring, product declarations and waste management. The Extended GROUP Board is kept up to date by the Board of Directors and the Technology Division Manager. Checks are carried out by the Board of Directors, the SBC itself and in independent external audits. The governance structure is supplemented by score cards, performance checks and by linking the remuneration of managerial staff to the attainment of sustainability goals.

TROX SE has a comprehensive package of measures in place to ensure that all leadership committees have access to the required knowledge about sustainability. In addition to regular internal meetings, training opportunities related to ESG issues, external consultation when necessary, structured internal reporting and feedback, the sustainability strategy is subject to ongoing review and development carried out by the divisions in charge. The Director of Finance, Personnel and IT plays a central role here, as it is his job to analyse any weak points in the global synergies of goals, measures and results with support from the CSR department and the Head of Group Accounting. Such (technical, structural or process-related) weak points are gradually classified and remedied in cooperation with the responsible Division Managers who engage in an ongoing dialogue with the company management.

The sustainability issues that are defined by the SBC are managed via the company-wide X-FIT programme and through direct communication with the subsidiaries, for example as part of the TROX companies' monthly reporting and in budget discussions.

The X-FIT programme translates the corporate strategy into specific goals and measures in view of the respective year, sales revenue and return on sales. The programme and goals of the X-FIT project are adjusted annually and subject to ongoing monitoring, and they are managed through the X-FIT meetings held by the director and divisions in charge. At these meetings, the responsible individuals report on progress and challenges for individual sub-projects, as well as compiling status reports. The subsidiaries use these overall goals and programmes to derive their own X-FIT programme of sustainability goals. The local Managing Directors bear direct operative responsibility for implementing the sustainability goals and measures. Strategies, objectives and attained goals are communicated via various channels, such as the intranet, works meetings and communication within the divisions.

ESG ORGANISATION TROX SE / TROX GROUP

TROX SE
ESG Organisation

TROX GROUP EXTENDED BOARD

Managing Directors TROX GROUP Subsidiaries

FINANCES / PURCHASING / PERSONNEL / IT

Board of Directors

SALES / TECHNOLOGY / PRODUCTION

Board of Directors

SUSTAINABILITY BOARD COMMITTEE (BOARD OF DIRECTORS, TECHNOLOGY, PURCHASING, FINANCE, CSR)

- Reporting
- Targets
- Budgets
- Investments

PURCHASING

Division Manager

- Supplier management
- Risk management
- Sustainable procurement guideline
- Supply chain upstream
- Integrity Next
- Scope 3.1, 4, 9
- ISO 20400 (Vluyn)

HUMAN RESOURCES / LEGAL AFFAIRS

Division Manager

- Recruitment
- Equality and diversity
- Employee involvement
- Further training
- Health and well-being
- Labour market policy
- Scope 3.7

REVISION / COMPLIANCE

Head of Administrative Department

- Trust Channel
- Human Rights Officer
- Business Conduct Guideline
- Data protection
- Risk Manual

FINANCE

Division Manager

- Data collection (e.g. 3.6)
- Data verifying
- Budget process
- Controlling of ESG efforts
- CSRD support
- Taxonomy

TECHNOLOGY

Division Manager

- EPDs
- PCF
- Data collection Scope 3.11
- Material compliance
- Circular economy
- Product development
- Policies & guidelines

PRODUCTION / LOGISTICS

Division Manager

- Material supply and efficiency projects
- Process analysis
- Material consumption
- Plants & machines
- Logistics

CONSTRUCTION / SECURITY

Department Head

- Environmental management system ISO 14001
- Energy management system
- ISO 50001
- Plant construction

QUALITY MANAGEMENT

Department Head

- Quality management ISO 9001
- Waste management
- Guidelines
- Occupational health and safety ISO 45001

CORPORATE SOCIAL RESPONSIBILITY

Head of Administrative Department

- Reporting
- Coordination & support for sustainability issues
- CSRD
- LkSG / CS3D
- Green claims
- EcoVadis
- UN Global Compact

GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

Information about sustainability matters is passed on to the Supervisory Board and the Approval Committee systematically and in an organised form. In addition to quarterly written reporting, there were two in-person Supervisory Board meetings in the 2024 financial year, and another three meetings of the Approval Committee of the SB which were attended by four shareholder representatives. Detailed verbal reports based on comprehensive written documents are part of the regular semi-annual meetings of the Supervisory Board. Reports about sustainability activities and the progress made are fixed parts of the information provided to the Supervisory Board. These meetings allow for active exchange and strategic discussions about ESG-related issues. In the event of any acute risks, the Board of Directors will inform both committees proactively and without delay. In addition, the Boards of Management of the subsidiaries and the Division Managers prepare monthly reports to ensure a continuous flow of information. In these reports the group management is kept up to date on the status of key ESG issues and any progress made in group-wide initiatives such as X-FIT.

The findings from these systematic information flows and reports about sustainability-related matters are directly included in any strategic decisions made by the Board of Directors. The regular reports and discussions that take place in the meetings of the Board of Directors and the supervisory committees allow for a sound assessment of ESG-related issues. These findings are used to define strategic priorities, identify risks early on and implement suitable measures in risk management and as part of other processes. Such processes include the collection, reporting and discussion of data. New targets are defined and additional data collection is encouraged as needed. Such data will then need to be integrated into existing processes or embedded in newly created ones. In the annual reports from the subsidiaries, the Board of Directors also receives the latest data on an ongoing basis for use as the basis for further ESG initiatives. It is ensured in this way that sustainability aspects are not considered on their own but as integral components of the corporate strategy and operational processes.

The Supervisory Board carefully examined various aspects of sustainability in 2024. Issues considered included auditing duties and content design for the sustainability report, further development of the sustainability strategy, performance of the double materiality analysis, and the balancing and reduction of emissions in Scopes 1 and 2, in particular by investing in solar technology for on-site electricity generation. Scope 3 emissions were also determined, analysed and addressed. Further issues considered included the EU taxonomy and promotion of a circular economy.

GOV-3 – Integration of sustainability-related performance in incentive schemes

A number of remuneration structures and incentive schemes are in place at TROX SE, some of which are linked to sustainability issues. The members of the Supervisory Board receive a fixed remuneration without any target-based components. The Board of Directors is remunerated through a share in profits, and this is purely profit-based to date. This remuneration is capped. Targets tend to include ESG-related components.

Sustainability strategies and goals are agreed with all Division Managers and the Managing Directors of the subsidiaries based on the X-Fit programme. It is the managers' job to adapt these for their organisations and to implement corresponding measures. TROX SE assesses the performance of its managerial employees in relation to the following key ESG aspects:

1. Sustainability goals: these are determined in the context of the X-FIT programme, which translates the corporate strategy into specific annual, sales revenue and return on sales goals.

2. CO_2 reduction goals: the reduction of CO_2 emissions is a central goal and the related progress is monitored and assessed on an ongoing basis.

3. Sustainable procurement: sustainable procurement processes that are supported by tools (such as the Integrity Next software that is used to check supply chains for ESG risks) are used consistently to ensure the integrity of the supply chain.

4. Circular economy and product conformity: EPDs are prepared and it is reviewed on an ongoing basis, whether the products are in line with the set standards.

5. ISO standards and compliance: compliance with relevant ISO standards and other regulations is monitored and optimised to ensure a good compliance performance.

6. Digital transformation: digitisation and coordination of bulk data are developed continuously and promoted to increase digital efficiency and security.

7. Employee development: goals are defined in the area of staff management, aiming to encourage staff members and their continuous personal development. For the variable part (bonus) of our remuneration system, employee-specific goals that are in line with company requirements are agreed and rated in annual target agreements. The bonus amount depends on the degree to which the targets are attained.

The conditions of incentive systems are approved and updated across multiple company levels at TROX. The Board of Directors of TROX SE determines the principles and general conditions of any incentive systems. The extended management (Division Managers) and the Managing Directors of the subsidiaries review and update the incentive systems on a regular basis. This is done in the X-Fit meetings of the extended management team and in budget meetings. In this way it is ensured that such systems are in line with the company's latest strategic goals and performance standards. The SBC discusses any specific sustainability-related incentive mechanisms and arranges for these to be adapted as needed, to make sure that these are always in line with the company's sustainability goals.

GOV-4 – Statement on due diligence

Core due diligence elements	Sections in the sustainability report
a) Enshrining sustainability due diligence in governance, strategy and business model	GOV-1 – ESG governance GOV-3 – Integration of sustainability-related performance in incentive schemes GOV-5 – Risk management and internal controls over sustainability reporting SBM-1 – Value chain
b) Involvement of relevant stakeholders in all key steps of due diligence	SBM-2 – Interests and views of stakeholders IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities
c) Identification and assessment of detrimental impact	GOV-5 – Approach to risk assessment SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities
d) Implementation of measures to remedy such detrimental impact	E1-3 – Actions and resources in relation to climate change policies E5-2 – Actions and resources related to resource use and circular economy S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions S4-4 – Taking action on material impacts on customers and end-users, and approaches to managing material risks and pursuing material opportunities related to customers and end-users, and effectiveness of those actions G1-2 – Management of relationships with suppliers G1-3 – Training
e) Monitoring of the effectiveness of these efforts and communication	GOV-5 – Approach to risk assessment E1-1 – Transition plan for climate change mitigation G1-2 – Management of relationships with suppliers

GOV-5 – Risk management and internal controls over sustainability reporting

In the area of sustainability reporting, risk management at TROX SE includes all divisions and subsidiaries and the main focus is on an integration of ESG risks in the existing risk management process. The Human Resources department is in charge of compliance monitoring and ensures compliance with human and labour rights. The IT department supports risk management by providing consolidated data for risk determination. Risk assessments are performed based on detailed analyses performed by both our own business units and by suppliers. Strategies designed to steadily reinforce risk management are developed and implemented in purchasing and supplier management. Training measures and regular reviews are arranged to ensure all risk management activities are carried out to a high standard. The CSR department plays a key role in communication and it ensures a high degree of transparency as well as compliance with all disclosure duties. Comprehensive and transparent process documentation, feedback mechanisms and regular reviews are in place to allow for ongoing improvement of the system, as well as to ensure long-term effectiveness of our risk management activities.

The results of the risk assessment and the internal checks are communicated to the administrative, management and supervisory bodies on a regular basis. This is done in the form of quarterly reports that are presented to the management and supervisory committees, as well as in annual reports with comprehensive information about any risks identified, measures taken and plans for the future. New risks are discussed in regular management meetings and ad hoc meetings, and the effectiveness of internal checks is reviewed. In addition, the Supervisory Board is provided with detailed reports about financial, operational and compliance risks, while internal audits are performed to ensure a steady optimisation of the risk management system. Feedback loops are in place to support the continuous optimisation process, as findings from the reports and meetings are integrated into further risk management and control processes.

Approach to risk assessment

In our own area of operations we use risk assessments as a starting point for implementing the risk management system for the areas of human rights and environmental protection. In the area of personnel and law, risk assessments are carried out in cooperation with human resources managers and experts for specific topics. Human resource guidelines, tariff and works agreements, process descriptions and human resource audits are used as a basis for these risk assessments. Our Environment, Health and Safety (EHS) department determines labour-related and environmental risks in legally required risk assessments that are prepared for all work areas and activities. The resulting risk minimisation measures are reviewed regularly based on external certifications (such as ISO 9001, 14001, 20400 and 50001 for TROX SE). A range of software solutions are used for risk assessment in purchasing. The analysis is a multi-step process:

STEP 1: ABSTRACT RISK ANALYSIS
Country and industry-related risks are assessed with regard to human rights and environmental standards, both for our own operations and those of direct suppliers. Quantitative indicators from institutions such as the World Bank and the United Nations are used to support the country-related risk assessment. In addition, qualitative sources and databases are used for assessing industry-related risks linked to various different topics (88 industries according to the classification of sectors in the European Union / NACE codes). Country and industry-related risks are combined to determine a detailed risk result.

STEP 2: CONCRETE RISK ANALYSIS
A detailed analysis of potential risks is carried out for direct suppliers and in our own area of operations. Suppliers for which a moderate or high risk was determined in the abstract risk analysis have a higher priority in the concrete risk analysis. To avoid potential risks, the suppliers are sent self-disclosure questionnaires that are based on international standards. In addition, the suppliers are asked to define suitable action plans.

STEP 3: PRIORITISATION
We prioritise the entire supplier base and our own divisions using appropriateness criteria. We rate the likelihood of risks occurring and their potential impact, in order to identify material areas of risk. Furthermore, we review the possibilities of exerting influence on suppliers to minimise risks. We primarily respond to risks in our own area of operations to account for the increase in causal responsibility.

Risk assessments and internal controls are integrated into relevant functions and processes at TROX SE to ensure that sustainability aspects are systematically considered across the entire corporate strategy and in all operational processes. The Management & Strategy department uses the results of risk assessments as an immediate aid for corporate decision making. Sustainability goals such as reducing emissions to net-zero by 2040 are enshrined in our corporate strategy and used as guidance for all relevant processes. In product development, sustainability is a key criterion for any design and development processes. One example of this is the development of the energy-efficient control and monitoring system TROX O_X that makes better use of the energy-saving potential of ventilation and air conditioning components and devices, and therefore helps to reduce CO_2 emissions.

The purchasing department ensures that sustainability aspects are taken into account when cooperating with suppliers. The sustainability performance of suppliers is steadily improved through regular assessments and training sessions.

The human resources and development department focusses on diversity, equal opportunities and inclusion, as well as implementing health-promotion and occupational safety programmes. Regular training sessions and reviews are held in the areas of occupational safety and environmental protection to ensure familiarity and compliance with the relevant provisions. In the area of compliance and ethics, a comprehensive compliance management system is in place to ensure that all legal and ethical standards are met. Regular training sessions are organised on topics such as corruption prevention and ethical business conduct, aiming to raise awareness and promote compliance with the related standards. Monitoring and reporting takes place in the form of ongoing examination and adaptation of internal control systems, making sure that the growing requirements are met. Annual sustainability reports are drawn up to provide transparent information about the company's activities and progress.

SBM-1 – Strategy, business model and value chain

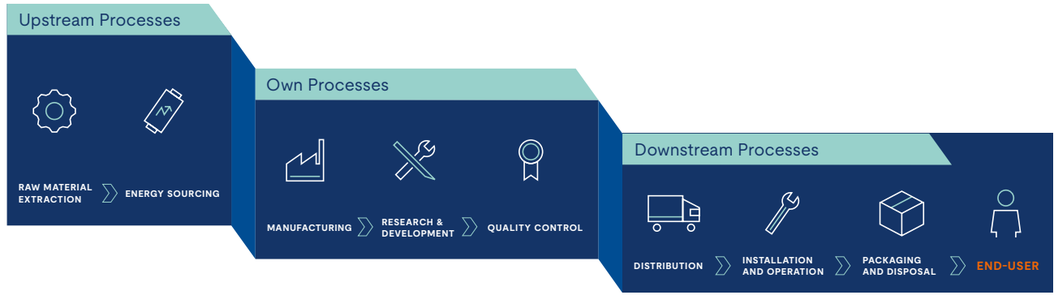
As a company that is connected with a foundation, TROX SE is a global leader in the development, manufacture and sale of components, units and systems for ventilation and air conditioning of indoor spaces. TROX SE has 28 operating subsidiary companies in 27 countries on five continents and operates a total of 18 production sites. With importers and local representatives in over 50 additional countries, the TROX GROUP is active in over 80 countries in total. In Germany, TROX SE operates as the Group's parent company, with its head office in Neukirchen-Vluyn and production sites in Neukirchen-Vluyn, Anholt and Goch. Around the world, the TROX GROUP currently has a total of 4,547 staff members and generates an annual turnover of around 687.4 million euros, making it a true global player in its industry. The consolidation scope considered in this report is identical with that of the status report in our annual report and includes 28 operating subsidiaries.

The most important markets for the group are Germany and Europe, Afrika and the Middle East, South and Central America and South-East Asia. TROX is not active in the fossil fuel sectors (coal, oil, gas), chemicals production, the area of controversial weapons or tobacco farming and production.

At the end of the period under review, the Group had 4,547 employees according to the S1 reporting standard (own workforce). The difference between this number and the number of employees specified in the annual report is due to the change in scope in the sustainability disclosure, including the way in which student workers and non-employee workers in the workforce are considered.

Number of employees by site – 2024

Region	Company	Male	Female	Non-binary	Total
Americas	TROX Argentina S.A.	74	19	0	93
Americas	TROX do Brasil Ltda.	354	73	0	427
Americas	TROX México S.A. de C.V.	54	16	0	70
Americas	TROX NORTH AMERICA, LLC	1	0	0	1
Total		**483**	**108**	**0**	**591**
APO	TROX Air Conditioning Components (Suzhou) Co., Ltd.	237	70	0	307
APO	TROX Australia Pty Ltd	1	0	0	1
APO	TROX Hong Kong Limited	3	0	0	3
APO	TROX INDIA PRIVATE LIMITED	10	6	0	16
APO	TROX Malaysia Sdn. Bhd.	210	50	0	260
Total		**461**	**126**	**0**	**587**
EMEA	TROX Auranor AS	134	50	0	184
EMEA	TROX Austria GmbH	58	34	0	92
EMEA	TROX Belgium	32	13	0	45
EMEA	TROX BSH Technik Polska Sp. z o.o.	20	15	0	35
EMEA	TROX Danmark A/S	7	4	0	11
EMEA	TROX España, S.A.	240	53	0	293
EMEA	TROX France Sarl	33	10	0	43
EMEA	TROX SE	1,449	285	0	1,734
EMEA	TROX HESCO Schweiz AG	92	31	0	123
EMEA	TROX Italia S.p.A.	12	7	0	19
EMEA	TROX KS Filter s.r.o.	92	116	0	208
EMEA	TROX Maroc SARL AU	110	14	0	124
EMEA	TROX Middle East (LLC)	12	2	0	14
EMEA	TROX Nederland B.V.	21	4	0	25
EMEA	TROX South Africa (Pty) Ltd.	85	22	0	107
EMEA	TROX TECH-TRADE, s.r.o.	79	41	0	120
EMEA	TROX TURKEY TEKNIK KLIMA SANAYI TIACARET LIMITED	11	5	0	16
EMEA	TROX UK Ltd.	110	45	0	155
EMEA	T-Technik	12	9	0	21
Total		**2,609**	**760**	**0**	**3,369**



Value chain

TROX SE offers a comprehensive portfolio of ventilation, air conditioning and fire safety technology products and services, with a particular focus on customised product configurations. To ensure the highest possible level of quality and precision, we produce virtually all components ourselves, from coils as raw materials (steel strip bundles) through to the finished products. Our continuous research and development activities are aimed at ensuring resource efficiency across all areas of the value chain, and we cooperate closely with our suppliers to this end. We have been increasingly offering full solutions to our customers, including building automation and control systems, and these are supplemented with services such as remote servicing, installation, commissioning, parts supply and retrofitting to allow for a longer service life of the products.

Our devices and components are perfectly coordinated to maximise energy efficiency and ensure healthy indoor air. TROX relies on a holistic approach to position itself as a responsible future-oriented player in the ventilation and air conditioning technology industry. Our know-how with regard to the depth and breadth of in-house production, in product development and engineering, enables us to develop efficient products and innovative solutions for our customers and users. We therefore promote sustainable holistic methods, as well as working towards a globally uniform approach to waste management. In doing so, we attach particular importance to transparent and responsible action along the entire supply chain, enabling us to consistently implement environmental and social standards.

In detail, the TROX portfolio includes the following products:

- Air diffusers: optimised supply and exhaust air routing and air distribution within the room
- Decentralised ventilation: compact and efficient ventilation solutions for individual rooms or smaller zones
- Air-water systems: combination of air and water-cooled systems for energy-efficient air supply and temperature control
- Multileaf dampers, external weather louvres: shut-off devices and protection against weather-related impact
- Components and systems for fire and smoke protection: security systems for fire and smoke spread control for protecting human life and buildings
- Air terminal units and systems: precise air distribution, pressure control and room air balancing control and energy-efficient demand-based ventilation
- Filter units and filter elements: high-quality filtration solutions for air pollution control
- Air handling units (AHU) including measurement, control and regulation technology (MCR): full supply-air conditioning solutions for air conditioning with integrated MSR technology
- Services: energy-efficient optimisation, commissioning, remote servicing

In the upstream value chain we focus on procurement of materials, most of which are made of immediate production materials, such as steel, aluminium, copper and precious metals, as well as on purchased parts made of such materials. Our supplier management plays a key role with regard to a sustainable value chain

design. We have defined core suppliers around the world, which cover 80% of our entire purchasing volume and could potentially cause supply chain issues. We agree sustainability and CO_2 goals with these suppliers. Planning provides for all core suppliers to meet TROX's environmental and social standards by 2030, and this is reviewed in regular supplier assessments and external audits. An essential component of these standards is full transparency regarding our core suppliers' CO_2 emissions. We support our suppliers in implementing and maintaining the TROX sustainability standards and we enrich the determined indicators with the help of recognised platforms. In addition, we oblige our suppliers to comply with our Supplier Code of Conduct and our General Terms and Conditions (GTC). Our international colleagues in purchasing receive support in the form of sustainability training and we assist our suppliers with regard to sustainability issues, too. We also rely on digital systems and service providers to efficiently increase the level of transparency along the entire supply chain. We pursue a "local for local" approach here. Most of our core suppliers and raw materials are from Germany. We obtained ISO 20400 certification in March 2024, and this confirms the effectiveness of our approach in the area of sustainable procurement.

In the downstream value chain we attach great importance to proximity to customers, to pooling transports, a careful selection of transport modes and the optimisation of packaging, aiming to improve transportability and reduce emissions. With regard to product use and promotion of a circular economy we focus on energy-efficient, durable and repairable products and the use of reusable materials.

Components, devices and systems by TROX are primarily used in non-residential buildings and infrastructural projects. A high level of comfort is expected for these buildings that include offices, shopping centres, airports and schools, as well as buildings with high clean room requirements, such as hospitals or buildings for the pharmaceutical industry. Air conditioning and ventilation system providers, and sanitary, heating and air conditioning wholesalers are the company's key customers. Further disseminators and therefore important target groups include technical building equipment planning firms, architects and building contractors / owners, as well as facility managers that are responsible for building maintenance and efficiency.

The primary goal of our products is to provide good and healthy indoor air and therefore a high degree of comfort for end customers and users of indoor spaces (IEQ, Indoor Environmental Quality). High-quality indoor air, also known as comfort air, is a resource that fuels our health as well as our mental and physical capacity. The quality of the air that we breathe influences the human immune system, our respiratory tracts and our cardiovascular system. This is especially relevant in indoor spaces, as human beings tend to spend by far the greatest part of their lives in enclosed spaces. The Federal Environment Agency reports that we spend more than 90% of our lifetime indoors on average, for example at home, at the office or in public buildings.[1] This is reflected in the significance of indoor air quality and was also highlighted at the first WHO / Europe Conference on indoor air quality that took place in 2023.[2]

Compared to comfort-oriented ventilation, different requirements apply for buildings and parts thereof where clean-room conditions are needed to protect people, for example in hospitals or at laboratory workplaces, or in clean room manufacturing of products such as semi-conductors and medicines.

Our own TROX O_X system platform that can be seamlessly integrated in management and control equipment plays a key role here. It was developed to allow for centralised control, management and monitoring of all components of air distribution technology in a building. The system pools ventilation, fire safety and room control by means of a uniform hard and software basis and thus improves energy efficiency and building safety with regard to fire and smoke protection, as well as allowing for more convenient facility management. In addition to safety-related advantages, this also helps to reduce the required amount of material, energy and labour in installation and operation.

Our comprehensive sustainability strategy is based on a 360° approach that covers six strategic fields of action: purchasing, products, production, mobility and logistics, infrastructure, and public relations and social matters. We have integrated the UN sustainability goals into our corporate strategy to ensure accountability on a global scale. We focus in particular on developing durable, energy and material-efficient products, on optimising our entire value chain with regard to climate change mitigation, as well as on low-resource production.

1 https://www.umweltbundesamt.de/themen/gesundheit/kommissionen-arbeitsgruppen/ausschuss-fuer-innenraumrichtwerte#richtwerte-fur-die-innenraumluft
2 https://www.rehva.eu/news/article/first-who-europe-indoor-air-conference

SBM-2 – Interests and views of stakeholders

Our stakeholders' trust and support are essential to our business success. We communicate openly and as equals and systematically consider their views in our decisions. Based on our integrated management system (IMS) we regularly identify and assess our relevant stakeholder groups. This structured process has an immediate impact on our sustainability strategy.

We are convinced that continuous exchange with stakeholders helps us to make well-founded decisions, to identify societal and environmental trends early on and to create sustainable value for everyone involved. Transparency and active stakeholder involvement are key components of our sustainability management, as well as contributing considerably to our company's long-term success. In our communication we regularly address issues that are of interest to our stakeholders. The relevant communication channels in this context include trade fairs, discussions, Academy events, social media channels and our sustainability report.

The most important stakeholder groups of TROX SE are its owners and funding providers, staff members, customers, suppliers and partners, and regulatory authorities and bodies.

- **Our owners and funding providers** are shareholders in our company and have a financial interest in our success and long-term growth. They are transparently informed about the company's financial situation and strategic decisions on a regular basis.
- **Our staff members** are key stakeholders that are offered secure jobs in an innovative environment. TROX SE creates jobs in future-oriented fields of technology, and our staff members contribute to the company's success with their work. We arrange training measures to offer our staff members a wide range of professional development options. Our staff members are involved in decision-making through internal communication and feedback processes. All staff members around the world are encouraged to submit ideas, for example for improving sustainability, via our IDEAS portal. An award for the best ideas is presented annually.
- The interests and expectations of **our customers** are considered directly in our corporate strategy and product development. We regularly record and systematically analyse customer feedback. This includes direct communication with our top customers on a daily basis and in jour fix meetings, as well as service and academy feedback. We conduct targeted customer surveys, and rely on service feedback and market research findings to perform this collection and analysis of customer feedback. The findings are used to advance products, services and business processes and to adapt these to market demands. In doing so we take both technical requirements and expectations related to energy efficiency, cost effectiveness and user friendliness into account.
- We are interested in forming long-term relationships and **our suppliers and partners** can rely on us as a player that concludes fair contracts and settles its invoices on time. We engage with suppliers and partners in contract negotiations, regular meetings and through partnership programmes. We also think of them as valuable cooperation partners when it comes to further development and improvement.
- **Regulatory authorities** pass laws and provisions that our company must comply with. We provide information to regulatory authorities in the form of compliance reports and communicate with them in the context of regulatory consultations.

TROX SE also cooperates with local universities and higher education institutions:

- Guest lecturer contributions
- Active participation in research projects
- TROX' internal student network
- Support for bachelor / master theses prepared in the company
- Creation of student jobs

Our operations have an impact on the local community and environment, too. We accept social responsibility towards the community and seek to act sustainably. We are also involved in environmental initiatives and local projects.

Relevant stakeholders of TROX

	Sustainability issues	Methods used	Goals and results of stakeholder involvement
UPSTREAM			
Suppliers (and sub-suppliers) Large, medium-sized and smaller companies	> Sustainability characteristics of purchased items / sustainable substitution options + cooperation with development > Supplier assessments and condition agreements > Sustainability requirements of customers > Data availability: material composition / CO_2 emissions > Consideration of the supply chain and identification of possible alternatives	> Supplier self-disclosure > Internal audits, risk assessments and ESG screening software > Supplier development: supplier assessments, site visits, target agreements > Action and development plans > Financial results and annual report	> Resilient long-term supplier relationships > Solid sustainability performance with suppliers; sustainability disclosure / awards > Commitment regarding sustainability issues and joint implementation of the TROX requirements
Regulatory authorities EU, national and local administrative authorities that are influential and determine or enforce provisions	> Material sustainability issues > Governance and compliance > General compliance with provisions and approval requirements	> Sustainability report > Involvement in industry associations > Regular contact and correspondence	> Full compliance with binding obligations > Long-term relationships with relevant authorities
OWN BUSINESS			
Board of Directors	> 360° approach to sustainability with six strategic fields of action > Focus on achieving climate neutrality by 2040	> TROX Climate Formula for CO_2 emission calculation and compensation	> Transparency of the strategic sustainability approach and stronger impact thanks to cooperation > Improving internal bottom-up and top-down communication with staff members > Improved understanding of sustainability issues
Staff members incl. executives One of the most important assets of TROX, human and intellectual capital	> Corporate goals in X-FIT, focus projects, raising awareness of sustainability issues > Working conditions of employees, including health and safety > Training and skills development > Corporate culture > Organisational, operational and administrative issues	> Intranet and works meetings, TROX4U staff app, notice board, X-tra Blatt, etc. > Involvement in creating safe and flexible working conditions (e.g. mobile work) > Individual employee and development talks > Activities as part of the TROX value campaign (joint events / parties, production of the TROX song) > TROXcellence WS: structural and process organisation for individual issues is examined as needed > Whistleblowing platform	> Improving occupational safety, especially in the production facilities > Higher employee satisfaction levels > Improving employee retention
Heinz Trox Foundation Main shareholder	> Ensuring a sustainable long-term future for TROX SE > Protecting jobs and the TROX brand name > Continued operation of the foundation-affiliated group of companies	> Establishment of the Heinz Trox Foundation in 1991 to rearrange the ownership structure > Conversion into a European Company (SE) to strengthen international orientation	> Ensuring existence of the company and jobs in the long run > Stable ownership structure with the Heinz Trox Foundation as the majority shareholder > Optimised solutions to meet complex customer requirements
Role as manufacturer Global market leader in the development, production and sale of ventilation and air conditioning components and systems	> Energy-efficient products for lower CO_2 emissions > Efficient production and material use	> Own research and development department for continuous product innovation > Expansion of renewable energy systems (PV system, geothermics) > Creation of transparency across all issues related to sustainability	> Optimised solutions to meet complex customer requirements
Customers System manufacturers / direct sales Wholesalers / indirect sales	> Commercial conditions > Technical performance of TROX products > Product sustainability, including TROX sustainability strategy	> Everyday contact with customers, annual talks > Participation in trade fairs > Seminars (in person, digitally) > Training and workshops about our products (installation, servicing and maintenance)	> Improved technology and sustainability > Performance of TROX products > Fulfilling expectations of customers and positive image > Product innovation > Improving products through innovation
DOWNSTREAM			
Additional shareholders	> Continued operation of the foundation-affiliated group of companies, aiming to safeguard sustainable values	> Regular contact with shareholders, annual talks > Participation in trade fairs	> Stable ownership structure to safeguard the company in the long run
Customers B2B (sales), architects, building owners, planning / engineering firms, general contractors	> Commercial conditions > Technical performance of TROX products > Product sustainability, including TROX sustainability strategy	> Everyday contact with customers, annual talks > Participation in trade fairs > Seminars (in person, digitally) > Training and workshops about our products (installation, servicing and maintenance)	> Improved technology and sustainability > Performance of TROX products > Fulfilling expectations of customers and positive image > Product innovation > Improving products through innovation
Society / communities Community members, groups and organisations, including current and potential business partners and education facilities	> Endorsing local events, initiatives and organisations > Local involvement	> Social media and company website > Tours of the company premises > Whistleblowing platform	> Creating local jobs and business activity > Creating a positive (local) image of the company
Financial institutions Provide companies with financial means, financial security and services	> Commercial conditions > Technical performance of TROX products > Regular contact and ability to compete > Product sustainability, including TROX sustainability strategy	> Regular contact with financial institutions > Participation in trade fairs	> Improved technology and sustainability
Users Companies that purchase our products	> Interest in purchasing a sustainable product	> Technical performance data communicated via the website, EPDs and product data sheets	> Promoting health and well-being > Improved understanding of the products

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

The material IROs (impacts, risks and opportunities) we have identified are presented in the context of the double materiality analysis process (see next chapter) and are described in greater detail in the sections of this sustainability report that are dedicated to the individual topics. Our material IROs generally relate to the core activities of our business model, focussing on our operational activities. IROs affect our stakeholders or are affected by them and they occur in connection with climate change, resource use and the circular economy, our own workforce, customers and end-users and corporate policy. A list of the impacts, risks and opportunities in specific areas can be found in the respective chapters about these topics.

IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities

The double materiality analysis of TROX GROUP is a key step in the further development of the corporate strategy and the company's sustainable orientation. It ensures that all relevant issues are identified and considered in sustainability reporting. It is ensured through stakeholder involvement and consideration of double materiality that the TROX GROUP accepts its social responsibility as well as promoting its own financial stability in the long run.

TROX SE prepared a comprehensive double materiality analysis in the 2023–2024 period, aiming to identify relevant topics for its future sustainability reporting according to the CSRD and the ESRS. This process helps to make sure that all relevant issues are covered in sustainability reporting, which covers both the company's environmental and social impact and the financial impact that sustainability aspects have on the company.

1. Goal and method of the double materiality analysis
The primary goal of the double materiality analysis was to identify the topics that are of crucial importance to TROX SE, both from a strategic point of view and with regard to its social responsibility. The analysis was performed based on the "double materiality" approach in which both internal impacts within the company and external impacts are considered.

2. Stakeholder involvement: building on dialogue
Involvement of relevant stakeholders was an essential aspect of the analysis. Relevant stakeholders were identified and rated based on the search "parties interested in context analysis". The stakeholders' interests were determined in the context of this search, opportunities and risks were identified, and corresponding measures were suggested. This stakeholder analysis is reviewed on a regular basis in the context of ISO certifications and audits to ensure that all relevant aspects are taken into account.

Regular interaction in the context of IMS and targeted stakeholder mapping processes helped to ensure that the views of all relevant players were considered in the assessment process. Involvement of stakeholders in the double materiality analysis was realised with internal representatives at TROX. Four main criteria were considered here: immediate access of the representative to the relevant stakeholder, regular exchange between the stakeholder and the representative, as well as the representative's functional responsibility for a particular area in the company and their international responsibility for the function in question.

3. Preparation and bases
The double materiality analysis is based on the results of preliminary assessments according to the GRI standards. These were compared to the new ESRS requirements to identify any gaps. Particular attention was paid to the headings, sub-headings and sub-sub-headings according to ESRS 1, AR 16.

4. Technical expertise and assessment
In the next step, expertise from different specialist departments was sought to complement the analysis. Potential and actual (positive and negative) impacts, risks and opportunities were identified in workshops and one-on-one talks with experts from the areas of CSR, finance and production, and these were then rated. The ESRS criteria were considered for rating the IROs: the severity of potential negative and positive impacts was considered based on their extent, scope and variability. The likelihood of their occurrence was also assessed. Both the extent and likelihood of occurrence were rated when assessing the risks and opportunities.

5. Validation and refining of results
The identified topics were validated by the Board of Directors in a separate step. In a workshop with external partners, such as the staff members of a consultancy firm, the topics were reviewed from a strategic and financial perspective. The potential IROs were mapped in relation to the ESRS topics in this context. A final short list of 26 topics was produced in a subsequent analysis. These topics were identified as being particularly relevant to the sustainability strategy and with regard to their internal and external impacts for the TROX GROUP.

6. Final specification of material topics
The final validation process with the Board of Directors resulted in the conclusive list of 18 material topics to be considered in the TROX GROUP's sustainability reporting based on the European Sustainability Reporting Standards (ESRS). These topics include environmental and social dimensions and provide a solid basis for further development of the corporate strategy, initially based loosely on the CSRD, and in accordance with it from 2027 onwards.

ENVIRONMENTAL ISSUES

As a foundation-affiliated group of companies, TROX considers environmental responsibility an integral component of a sustainable corporate strategy. In view of climate change and growing obligations to preserve resources, our actions are consequently aimed at ensuring environmental sustainability. In the next few chapters we are going to explain the ways in which we address the issues of climate change (ESRS E1) as well as resource use and circular economy (ESRS E5). Our goals are to achieve a measurable reduction of emissions along the value chain, to use resources efficiently and to design our products in a circular fashion. By doing so we are making an active contribution to environmental preservation, as well as promoting long-term resilience of our business model.

ESRS E1 – CLIMATE CHANGE

Climate change is a key challenge. In this chapter we are going to present the ways in which we record and effectively reduce greenhouse gas (GHG) emissions and how we make use of resilience and scenario analyses to ensure future viability of our business model.

GOV-3 – Integration of sustainability-related performance in incentive schemes

The members of the Supervisory Board and the Foundation Council receive a fixed remuneration. This remuneration is not affected by attainment of GHG emission goals. The Board of Directors is remunerated through a share in profits, and this is currently purely profit based. However, the Board of Directors informs the Supervisory Board about GHG emissions and the related goals and measures in each meeting. Senior employees, on the other hand, have ESG-related goals that are also considered in their remuneration. These goals are individually adjusted depending on their role and division.

E1-1 – Transition plan for climate change mitigation

TROX has set itself the goal to reduce emissions to net-zero by 2040. This goal includes Scopes 1, 2 and 3[3] according to the GHG Protocol. Our first interim goal is to reduce CO_2 emissions in Scopes 1 and 2 by 80% by 2030, compared to 2020. Our second interim goal is to reduce Scope 3 emissions by 15% by 2030 and by 50% by 2035, each compared to 2025. We are currently drawing up further goals that will be gradually integrated in our climate strategy. This CO_2 reduction strategy is part of our business plan which includes investments in expanding renewable energy sources. Our focus is on areas in which significant CO_2 reductions are possible, for Scope 3 this applies to monitoring of our core suppliers (Category 1).

A conclusive transition plan for reducing CO_2 emissions to net-zero by 2040 has not yet been drawn up. For the time being we are working towards improving the transparency of our data for all scopes, and we will present a qualified transition plan in the reporting year of 2025.

Goal and measures in line with the Paris Agreement

TROX has set itself some ambitious goals that are in line with the Paris Agreement's objective to limit global warming to 1.5°Celsius:

1. Net-zero emissions by 2040: TROX aims to reach the EU's goal of net-zero emissions ten years early. This reflects the company's strong commitment.

2. CO_2 reduction along the value chain: TROX records all relevant direct and indirect CO_2 emissions along the product value chain and implements corresponding reduction measures.

3. Focussing on six strategic fields of action: the TROX GROUP relies on specific measures in six areas, purchasing, products, production, mobility and logistics, infrastructure, and public relations and social matters. One example is that electricity for the company's own use is increasingly generated using on-site solar panels.

4. Sustainable purchasing: sustainability assessment of core suppliers is to be completed (100%) in 2025, ensuring full CO_2 transparency for all purchased materials.

5. Energy efficiency of products: TROX already develops energy-efficient products and systems that steadily reduce operation-related CO_2 emissions. Optimisation of energy efficiency and resource use are taken into account in all new product development activities.

Recording and reducing CO_2 emissions

The first and most important step is to achieve full transparency of all CO_2 emissions. This approach includes emissions that are produced

> in the company,
> when producing e.g. purchased materials and energy and
> through operation of the products sold.

TROX has rated the 15 Scope 3 emissions categories in cooperation with an auditor and determined, which of these are to be considered material for the company (based on the amount of emissions produced and regarding the significance for business). The Scope 3 categories that are relevant for us and were considered in greater detail are listed below. When it comes to developing measures, our focus for the time being is also on high-volume CO_2 emissions that can be sustainably reduced. These include in particular emissions from Scopes 1 and 2 and the Scope 3 categories 1 "Purchased goods and services" and 11 "Use of sold products". Please refer to the section titled "E1-3 – Actions and resources in relation to climate change policies" for further details of the measures.

Reduction measures for Scope 1 emissions:

> Reduction of gas consumption of heat treatment and paint plants in production, any equipment operated solely with natural gas is converted for hybrid use (electrical and natural gas)
> Use of geothermal power and heat recovery
> Gradual introduction of electric company cars
> Refurbishment and modernisation of heating, cooling and insulation equipment

Reduction measures for Scope 2 emissions:

> Purchasing of "green electricity"
> Investment in photovoltaics systems for generating our own electricity
> Introduction of new, more efficient machinery, plants and operating equipment

3 Categories 1, 4, 6, 7, 9 and 11 are considered in Scope 3.

Recording and reduction measures for Scope 3 emissions:

- Category 1 "Purchased goods and services": CO_2 emissions of purchased materials are made transparent. Measures to reduce CO_2 emissions in future are discussed with the core suppliers.
- Category 4 "Upstream transportation and distribution": CO_2 emissions that occur in connection with upstream transport and distribution of purchased goods, raw materials and other materials needed for operating, including emissions from third-party transport and storage that takes place before such goods arrive at TROX.
- Category 6 "Business travel": CO_2 emissions produced during business-related travel when using transportation such as planes, trains and rental cars. TROX relies on a combination of technical and organisational measures for reducing emissions linked to business travel: virtual meetings are the preferred choice to avoid business travel, travel guidelines have been adapted, aiming to critically question the necessity and type of travel, and low-emission means of transportation, such as trains, are used for any unavoidable business travel, if possible.
- Category 7 "Employee commuting": CO_2 emissions from employee commuting are determined. Plans for reducing these emissions are developed based on the findings.
- Category 9 "Downstream transportation and distribution": CO_2 emissions from downstream transport and distribution of sold products where TROX bears the transport costs.[4]
- Category 11 "Use of sold products": development of energy-efficient products and systems for reducing operating-related CO_2 emissions, for example by means of heat recovery. Preparation of lifecycle assessments for TROX products, upgrading measures for improving energy efficiency.

Collection of further data is being reviewed

Detailed data of material operating and investment spending for implementing the transition plan is only available for a few areas. No comprehensive analysis of potential lock-in emissions of the relevant equipment and products and their impact on the emission reduction goals has been performed to date. No comprehensive assessment of business activities concerning their compliance with the EU taxonomy criteria is available either. In future it will be checked to what extent this information can be collected and used in reporting.

TROX SE is not exempt from the EU Paris-aligned Benchmarks (PAB) and meets the necessary criteria concerning sustainability and decarbonisation in line with the provisions of Regulation (EU) 2019 / 2089.

Implementation of the transition plan

The Board of Directors had two objectives, when it initiated the X-FIT programme in 2015: to determine quantitative goals at the group level and to define and manage projects for meeting these goals. A holistic approach is pursued in implementing tasks related to the programme, and this includes focussing on the reduction of GHG emissions and a direct consideration of ESG aspects. We have drawn up a transition plan for reducing Scope 1 and 2 emissions by 2028, for example, aiming to achieve a reduction of GHG emissions by up to 77% compared to 2020. We are gradually realising the investments in photovoltaics systems and conversion of powder coating furnaces for electricity-powered use, which are quantified in this plan, to be able to make full use of the calculated CO_2 reduction potential of each measure.

The extended management team re-defines the X-FIT programme and its target figures in annual workshops.

The X-FIT projects are monitored by the management, focussing on various areas and approaches, which can be largely summarised as follows:

- Increasing efficiency in cost structures, such as investment in equipment for reducing Scope 1 and 2 emissions (photovoltaics, geothermics, electrification of coating furnaces)
- Improving connectivity of all subsidiaries to a uniform Enterprise Resource Planning (ERP) system that allows for greater transparency
- Product and production optimisations in which ESG factors (especially resource efficiency and reduction of emissions) were considered inherently
- Preparation of EPDs
- Developing more energy-efficient products, such as filters or the TROX O_X control and monitoring system
- Development of new markets and business models
- 360° management of sustainability goals (the Sustainability Board Committee ensures that defined sustainability issues and content are integrated in all relevant X-FIT projects via the X-FIT programme)
- Personnel and management development

The X-FIT projects evolve steadily

The aspirations that develop from the X-FIT programme are broken down for the individual divisions and departments when corresponding sub-projects are defined. The project-specific goals, such as preparing EPDs, are part of the personal goals of the Extended Board and senior employees, and are communicated to the respective next level of management. In this way, sustainability goals are included in the corporate strategy, as well as in financial and investment planning. Reporting about the X-FIT projects takes place on a monthly basis. Financial and content-related objectives are qualified in extended management meetings. Subsidiaries, divisions and projects with below-average results are included in the X-FIT projects. The X-FIT projects, their purposes and results are presented on the intranet once a year.

In its meetings, the Supervisory Board approves the X-FIT issues and internal goals defined by the Extended Board, including those linked to GHG emissions. These issues and goals are explained in the Foundation Council's meetings.

Progress made in implementing the transition plan

In 2020 and 2021 TROX had focussed primarily on determining the amount of CO_2 emissions produced in Scopes 1 and 2 across all production sites. These have been recorded continuously ever since. The previously mentioned goals and measures for reducing CO_2 emissions were developed based on these figures.

A total of 15,784 tCO_2eq were produced in Scopes 1 and 2 at the TROX production sites in 2020. Compared to 2020, CO_2 emissions in Scopes 1 and 2 have since been reduced by 41% (2020: 15,784 tCO_2eq down to 2024: 9,244 tCO_2eq). By using green electricity, Scope 2 emissions could be reduced from 9,840 tCO_2eq to 1,478 tCO_2eq in just four years (2020–2024). This corresponds to a reduction by some 85%. TROX SE is gradually converting all machines, plants and operating equipment that is relevant to Scope 2 to allow for operation with energy-efficient technologies. In addition, a gradual transition towards using renewable energy is planned for the entire company through direct investment, and energy efficiency measures are to be implemented across all sites.

Reducing Scope 1 emissions is more difficult and expensive, as it is a technical challenge to convert fossil fuel-powered heat treatment and heat generation equipment for operation with renewable energy. Nevertheless, geothermal systems were installed back in 2009 and 2012 when production and administration buildings were constructed in two locations, and we steadily focus on electrifying furnaces and heat treatment equipment. Our electrification strategy is rounded off by a targeted expansion of photovoltaics systems for generating electricity for our immediate use. Another component of this holistic approach to reducing direct emissions is a gradual transition to an electric vehicle fleet.

Since 2023, we have been determining CO_2 emissions from the Scope 3 categories 1 "Purchased goods and services", 4 "Upstream transportation and distribution", 6 "Business travel", 7 "Employee commuting", 9 "Downstream transportation and distribution" and 11 "Use of sold products".

4 The calculation of Scope 3, Category 9 is an initial internal calculation that is not yet in accordance with the GHG Protocol. We are currently undergoing an evaluation process in which we are critically reviewing our calculation conditions and improving them steadily.

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

TROX is aware of the relevance of climate change and its possible impact on its business model. A comprehensive scenario and resilience analysis of the identified climate-related risks was carried out pursuant to the European Sustainability Reporting Standard (ESRS) E1 in March 2025. This was done based on scenario analyses with two shared socioeconomic pathways (SSP): SSP1-1.9 ("Sustainability – Taking the Green Road") and SSP2-4.5 ("Middle of the Road").

Our transition plan is based on the resilience analysis, from which we derive measurable, results-oriented goals for a specific timeline. We undertake to report about our progress on a regular basis and attach great importance to transparency and accountability on our way towards sustainability.

Identification of climate risks

The resilience analysis builds upon the 2024 double materiality analysis according to the ESRS and it confirms that transitory and physical climate risks apply for TROX SE. These risks include possible cost increases due to carbon pricing, especially in steel production, costs linked to compliance with regulatory requirements that apply for products and processes, reputation risks linked to insufficient climate change mitigation efforts, rising prices for raw materials, and a general increase in energy prices along the value chain.

While this analysis focussed on transitory risks, we plan to look more deeply into physical risks, site analyses and possible supply chain weaknesses in the future. Planning also provides for additional opportunities to be taken into account.

We are looking at the years 2030, 2040 and 2050 as these are considered mile stones in global climate policy and business transformation. The results of the resilience analysis show that we can actively manage many of the identified risks by means of a proactive strategy. We undertake to steadily develop our strategy and business model further to promote climate change mitigation.

Topic	Sub-topic	IRO classification	IRO	Classification (potential/ actual)	Assignment to value chain	Time lines
E1 – Climate change	Adaptation to climate change	Opportunities	> Market potential of innovative products for decarbonising the construction industry through R&D (e.g. TROX O_X system solution)	actual	own business	medium-term
			> Potential renewable raw materials and local project for generating CO_2 certificates	potential	own business	
		Risks	> Potential increase in costs due to CO_2 pricing (for steel production in particular)	potential	entire value chain	medium-term
			> Costs for ensuring products and processes that are in line with regulations	actual	own business	
	Climate change mitigation	Negative impacts	> Emissions from production and transport processes in the upstream and downstream value chain	actual	upstream and downstream value chain	
		Risks	> Reputation risks due to insufficient climate change mitigation efforts	potential	entire value chain	medium-term
		Opportunities	> Access to new financial means thanks to climate change mitigation efforts	potential	entire value chain	medium-term
	Energy	Positive impacts	> Indirect impact on energy efficiency of buildings from TROX products installed	actual	downstream value chain	
		Negative impacts	> Energy consumption in own production and transport processes in the upstream and downstream value chain	actual	upstream and downstream value chain	
		Opportunities	> Possible increase in demand for energy-efficient products and new markets	potential	entire value chain	medium-term
		Risks	> Possible increase in costs for energy demand in the upstream and downstream value chain	potential	upstream and downstream value chain	medium-term

E1-2 – Policies related to climate change mitigation and adaptation

The climate protection guidelines of TROX SE focus on managing our GHG emissions, GHG reduction and transitory risks. In addition to our own climate protection guidelines, we observe further provisions to indirectly promote climate change mitigation in our company, such as guidelines concerning supply chains, investment and product development. The scope of these guidelines includes activities and segments from our business activities and our upstream and downstream value chain. If a guideline does not cover the entire value chain, we transparently document which parts of the value chain are taken into account.

Compliance with the ISO standards 9001 (quality management), 14001 (environmental management), 50001 (energy management), 20400 (sustainable procurement) and 45001[5] (occupational safety management) has been gaining importance for our national and international business activities. We are certified according to these or similar standards and they guide our actions.

E1-3 – Actions and resources in relation to climate change policies

TROX has set itself the goal to reduce Scope 1 and 2 emissions by 80% by 2030, compared to 2020 as the reference year. Reducing Scope 1 emissions is primarily about electrifying combustion processes that have been powered with natural gas to date. Considerable investments are required in these areas. Planning also provides for the electrification of production plants. One example of this is our subsidiary TROX AURANOR in Norway that has realised production with virtually net-zero emissions in Scopes 1 and 2. TROX SE is already generating green electricity at most production sites, or is planning to generate such electricity with photovoltaics systems. We plan to invest in producing renewable energy at more than ten sites. The corresponding investment volume is far above 10 million euros. Planning also provides for bicycle and car charging points to be supplied with such solar power generated on site, allowing staff members to benefit, too. TROX aims to use only green electricity across all sites. Most production sites are already supplied with certified green electricity. Sites where this is not the case to date, are going to switch to green electricity gradually.

TROX SE steadily monitors regulatory requirements, to be able to proactively consider any new environmental specifications in product development. Investment in research and development, for example, for realising energy-efficient innovations such as the TROX O_X system, are key components of the climate strategy. TROX SE seeks to introduce sustainable solutions to products early on through close cooperation with the construction industry. Details of the realised and planned GHG emission reductions can be found in section E1-6 of this chapter.

Achieving transparency along the supply chain

For the time being, TROX SE focusses on achieving transparency along the supply chain to create a suitable basis on which reduction measures can be determined. TROX monitors the sustainability score, risks and CO_2 emissions together with its core suppliers. Capacities in purchasing and investment in the necessary digital systems are essential for realising this type of monitoring.

One of the greatest challenges in Scope 3 is to reduce emissions from material purchasing (Category 1), especially seeing that 65% of CO_2 emissions from purchasing can be attributed to steel and other metals. Metals are therefore the group of materials with the biggest CO_2 emitters. Steel production gives rise to high CO_2 emissions, as large amounts of fossil fuels, especially coal, are used in the traditional production process. In the so-called blast furnace processes, coal (in the form of coke) is not only used as an energy source but primarily as a reducing agent: it removes oxygen from iron ore to create iron. However, it is inevitable that CO_2 is emitted in this process. Around 85% of CO_2 emissions from the entire steel production process occur in this step.

We also focussed on Category 11 "Use of sold products", as these are the areas with the greatest CO_2 emissions. By using and retro-fitting systems such as TROX O_X, existing ventilation and air conditioning systems can be operated in a demand-based and therefore more energy-efficient way, and can also be monitored. The amount of CO_2 emissions produced by our products in operation also depends on the type of energy used. A large share of our products is produced and installed in Europe. We assume that CO_2 emissions from operation will go down gradually in the future, as the Paris Agreement applies to all EU countries. In addition, we are also developing increasingly energy-efficient products, where heat recovery, for example, allows for a considerable reduction of primary energy consumed.

Sustainability is factored in for new projects

When building new plants and in refurbishment, TROX SE ensures a high degree of energy efficiency, as well as relying on low-emission and no-emission energy sources. Scopes 1 and 2 are therefore considered in planning with regard to factors such as thermal insulation and on-site electricity generation. When building the new plant in Switzerland in 2024, we focused primarily on reducing the amount of natural gas used. To reduce its dependency on natural gas, TROX SE is gradually electrifying all furnaces and heat treatment plants. In the future, we will be able to operate these plants with either natural gas or electricity. When it is necessary to purchase new aggregates, TROX makes a point of choosing more efficient models. When planning new administration buildings and production facilities, we increasingly invest in geothermal systems to cater for the heat and cooling demands of our buildings, if this is suitable at the location in question. To save energy, TROX also invests in energy efficiency, for example by using energy-saving LED lamps.

We also have our own research project for exploring opportunities for participating in CO_2 reduction projects, such as the Paulownia plantation for generating CO_2 certificates. The 5 hectares (ha) big plantation in Neukirchen-Vluyn is dedicated to the use of the Paulownia plant that is also known as the princess tree. These trees feature extraordinarily fast growth and are able to absorb large amounts of CO_2. The goal of this research project is to develop a scientifically founded certification model in which the actual amount of CO_2 stored is reviewed annually and confirmed through so-called ex-post certificates. It has been verified that the Paulownia trees have bound an average of 13.02 t CO_2 equivalent (tCO_2eq) per hectare per year over the past three years. This is around 70% more than the originally assumed storage amount of 7.63 tCO_2eq per year. 24.06 tCO_2eq/ha additional CO_2 storage remain, after deducing the 5 tCO_2eq buffer per hectare farmland assumed by the Federal Republic of Germany for national CO_2 balancing. In contrast to the originally planned 39.5 tCO_2eq/ha, a total of 120.3 tCO_2eq/ha were stored over a period of three years. This is about three times as much as initially planned.

Hybrid seedlings that are unable to replicate independently are used in the plantation. TROX is also looking into options for using the durable, light-weight Paulownia wood as a raw material, in particular for ventilation components. Furthermore, we are exploring its suitability as a building material for various other areas of use across the construction industry.

CALCULATION
for 1 ha of cultivated area with 752 Paulownia trees

Year	Trunk height (m)	Trunk diameter (m)	Dry weight (kg/tree)	CO_2 mass (kg/tree)	Planned carbon EA* (tCO_2eq)	Planned EA* after deduction of buffer (tCO_2eq)
1	4.5	0.05	2.4	4.4	3.31	0
2	5.5	0.08	7.52	9.37	7.05	0.36
3	5.5	0.11	14.22	16.67	12.54	7.54
Total				**30.45**	**22.9**	**7.9**
Ø/a				**10.15**	**7.63**	**2.63**

MEASURED VALUES
for 1 ha of cultivated area with 752 Paulownia trees

Year	Trunk height (m)	Trunk diameter (m)	Dry weight (kg/tree)	CO_2 mass (kg/tree)	Actual carbon EA* (tCO_2eq)	Actual EA* after deduction of buffer (tCO_2eq)
1	4.2	0.06	3.23	5.92	4.45	0
2	5.5	0.12	16.92	25.08	18.86	13.31
3	6	0.14	25.12	20.95	15.75	10.75
Total				**51.94**	**39.06**	**24.06**
Ø/a				**17.31**	**13.02**	**8.02**

* Extraction amount

5 ISO 45001 certification was not complete at the time the report was prepared. Realisation planning is currently underway.

E1-4 – Targets related to climate change mitigation and adaptation

TROX SE has set itself the goal to achieve net-zero emissions in Scopes 1, 2 and 3[6] by 2040. In 2024 the TROX GROUP was split into two organisations with retroactive effect as of 1 January. The current TROX SE comprises 14 production and 14 distribution companies, while the TROX Vermögensverwaltungs-GmbH comprises one production and three distribution (engineering) companies. The comparison of CO_2 reduction in Scopes 1 and 2 using 2020 as a reference year therefore refers to the entire former TROX GROUP. Since 2022, CO_2 emissions of all vehicles of the GROUP have also been recorded. Despite a few shifts, for example in the number of production and distribution companies, a considerable positive trend can be observed for the reduction of CO_2 emissions in Scopes 1 and 2 (from around 15,800t in 2020 down to around 9,200t in 2024).

Interim goals have been defined for the next few years, to stay on track for reaching the net-zero goal by 2040. The first medium-term target has been set for 2030: Scope 1 and 2 emissions are to be reduced by 80% compared to 2020 by then.

TROX SE plans to generate 37% of the electricity used at its production sites itself in the form of green electricity by 2026. The remaining CO_2 emissions will be compensated for by means of certificates. The use of green electricity is an additional contribution to a reduction in emissions.

In order to fulfil its energetic, environmental and economic responsibilities, the company seeks to sustainably reduce energy consumption and the related negative environmental impact, in particular by investing in energy efficiency.

Analysing and reducing Scope 3 emissions

Another interim goal concerns Scope 3 and provides for CO_2 emissions to be reduced by 15% compared to 2025 by 2030. Planning provides for emissions in 2035 to be only half of those recorded in 2025.

Category 1 (emissions from the production of purchased goods and services) is considered to offer good opportunities for reducing Scope 3 emissions. In this context, TROX is initially creating transparency across all materials and companies. The goal here, too, is to reduce CO_2 emissions by 15% by 2030 compared to 2025 as the reference year.

Purchasing of steel and iron is playing the greatest role in realising these goals. Here we are able to increasingly opt for so-called green steel as a more climate-friendly choice. Metals currently account for around 65% of all emissions from purchased materials.

Generally speaking, we assume that all CO_2 emission goals that are realistically achievable for TROX are in line with the 1.5°Celsius goal of the Paris Agreement.

CO_2 reductions in Scopes 1 and 2 in 2025 and 2027

For 2025, TROX SE expects to reduce CO_2 emissions in Scopes 1 and 2 by 22.6 tCO_2eq per million euros net sales compared in 2020. For 2027, planning provides for a reduction of CO_2 emissions in Scopes 1 and 2 by 3.3 tCO_2eq per million euros net sales compared in 2025.

The planned percentage difference in 2025 compared to 2020 (30.6 tCO_2eq per million euros net sales) as the reference year is minus 67%. For 2027 we seek to achieve a change in emission intensity in CO_2eq per million euros net sales of minus 78% compared to the reference year. Our targets are based on the calculation of GHG emissions using the market-based method.

6 Categories 1, 4, 6, 7, 9 and 11 are considered in Scope 3.

E1-5 – Energy consumption and mix

Energy consumption and mix	2020	2023	2024
(1) Fuel consumption from coal and coal products (MWh)			
(2) Fuel consumption from crude oil and crude oil products (MWh)	606	1,100	254
(3) Fuel consumption from natural gas (MWh)	31,490	29,123	30,791
(4) Fuel consumption from other fossil sources (MWh)			
(5) Consumption of purchased or acquired electricity, heat, steam and refrigeration from renewable sources (MWh)	7,115	2,815	1,839
(6) Total fossil energy consumption (MWh) (Total of lines 1 to 5)	**39,211**	**33,038**	**32,884**
Share of fossil sources in total energy consumption (in %)	**62**	**54**	**53**
(7) Consumption from nuclear power sources (MWh)	**1879**	**548**	**81**
Share of consumption from nuclear power sources in total energy consumption (in %)	**5.7**	**0.9**	**0.1**
(8) Fuel consumption from renewable sources, including biomass (also including organic industrial and domestic waste, biogas, hydrogen from renewable sources, etc.) (MWh)			
(9) Consumption of purchased or acquired electricity, heat, steam and refrigeration from renewable sources (MWh)	21,691	26,135	26,781
(10) Consumption of renewable non-fuel energy generated on site (MWh)	0	1,031	2,268
(11) Total renewable energy consumption (MWh) (Total of lines 8 to 10)	**21,691**	**27,166**	**29,049**
Share of renewable energy sources in total energy consumption (in %)	**35**	**45**	**47**
Total energy consumption (MWh) (Total of lines 6, 7 and 11)	**60,902**	**60,204**	**61,933**

E1-5_17 – Renewable energy production

In the year under review, 2024, a total of 2,268 MWh (2023: 1,031 MWh) of renewable energy was produced within the TROX GROUP.

E1-6 – Gross Scopes 1, 2, 3 and total GHG emissions

				Retrospectively		Interim goals and target years			
	2020	2023	2024	% 2024 / 2020	% 2024 / 2023 N-1	2025	2026	2027	Annual % of the target / reference year
Scope 1 – GHG emissions									
Scope 1 – Gross GHG emissions (tCO_2eq)	5,944	7,612	7,766	23	2	6,396	5,253	4,938	
Percentage of Scope 1 GHG emissions from regulated emissions trading systems (in %)	0	0	0		0				
Scope 2 – GHG emissions									
Site-related gross Scope 2 GHG emissions (tCO_2eq)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Market-related gross Scope 2 GHG emissions (tCO_2eq)	9,840	2,009	1,478	–85	–26	841	809	820	
Significant Scope 3 GHG emissions									
Total indirect gross (Scope 3) GHG emissions (tCO_2eq)	n/a	1,577,973	1,646,774	n/a	4				
1 Purchased goods and services	n/a	168,859	167,998	n/a	–1				
(optional sub-category: Cloud-computing and data centre services)									
2 Investment goods	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3 Activities related to fuels and energy (not included in Scope 1 or 2)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4 Upstream transport and distribution	n/a	1,230	1,129	n/a	–8	n/a	n/a	n/a	n/a
5 Waste generation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6 Business travel	n/a	943	1,198	n/a	27	n/a	n/a	n/a	n/a
7 Employee commuting	n/a	4,945	3,815	n/a	–23	n/a	n/a	n/a	n/a
8 Leased upstream assets	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
9 Downstream transport	n/a	3,078	3,223	n/a	5	n/a	n/a	n/a	n/a
10 Processing of sold products	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
11 Use of sold products	n/a	1,398,918	1,469,411	n/a	5	n/a	n/a	n/a	n/a
12 Treatment of products at the end of their service life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
13 Leased downstream assets	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
14 Franchising	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
15 Investments	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total GHG emissions									
Total GHG emissions (site-related) (tCO_2eq)									
Total GHG emissions (market-related) (tCO_2eq)	15,784	1,587,594	1,656,018						

The Scope 1 emissions are based on figures from the 14 production and 14 distribution companies of TROX SE.

We use the market-based method to calculate our Scope 2 emissions. This method provides for emissions to be quantified based on the GHG emissions of the electricity generators from whom we receive electricity. In the reporting year 2024 certificates and proofs of origin were available for 84% (+1% compared to the year before) of purchased energy. There is no further internal classification of our contracts for selling or buying energy with generation attributes or with separate energy attributes.

Estimation of our GHG emissions from Scope 3 is based on clear reporting parameters and calculation methods. These reporting parameters are based on the relevant Scope 3 categories according to the GHG Protocol. We currently disclose data for Categories 1, 4, 6, 7, 9 and 11. Our goal is to record relevant impacts along our entire value chain. We use data from our internal reporting and from databases to calculate emissions, as outlined in ESRS 2 BP-2. The method is largely based on the provisions from the GHG Protocol; however, we relied on a different definition for Category 9. Furthermore, we switched methods in Category 11. Instead of the previously used approach in which the past was considered, emission values for sold products are now calculated for a future service life of 20 years recognised in the year of sale, and this has caused the figures to go up compared to the year before. We are not using any specific key figures for rating the performance or effectiveness of our emission management in Scope 3 to date.

ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY

A reduction of resource consumption has been gaining importance in our industry in recent years. A responsible use of resources and the circular economy are therefore key issues, also for TROX SE. Our goal is to ensure the highest possible degree of eco-friendliness when purchasing materials, to then use these as efficiently as possible, and to avoid or repurpose any waste that is produced along the value chain. We seek to establish clear guidelines and measures for promoting circular processes and are steadily working towards closing resource cycles. It is outlined in this chapter, how TROX SE systematically analyses its resource use, develops goals for reducing resource outflow and defines measures for realising a working circular economy.

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

Systematic recycling and an efficient use of materials along the value chain entail environmental as well as financial benefits. Recycling and a reduced use of resources can help to mitigate cost-related risks, to actively preserve resources and support the circular economy. TROX SE can see significant market potential in developing products with a circular design. Growing demand for sustainable, resource-friendly solutions gives rise to opportunities for tapping new markets and boosting our own long-term competitiveness. Using green steel is a step towards more eco-friendly procurement. In addition, secondary steel can reduce dependency on resource and CO_2-intensive primary steel. It is also helpful in keeping prices stable, while rising energy costs in the upstream value chain, in particular, are causing prices for primary raw materials to rise, which has a direct impact on production costs, too.

Topic	Sub-topic	IRO classification	IRO	Classification (potential / actual)	Assignment to value chain	Time lines
E5 – Circular economy	Resource inflows, including resource use	Opportunities	> Development of products with a circular design (especially green steel) as new market potential	potential	entire value chain	long-term
		Risks	> Rising costs for the raw materials used (esp. steel), also due to rising energy costs along the supply chain	potential	entire value chain	medium-term
	Waste	Opportunities	> Potential price decreases thanks to an increase in reutilisation of waste materials along the value chain	potential	entire value chain	short-term

E5-1 – Policies related to resource use and circular economy

TROX produces a large number of product variants. With more than 700 product series across all product segments around the world and the option to customise every single product in various ways to cater for specific ventilation and installation requirements, there are billions of possible combinations of product variants and versions.

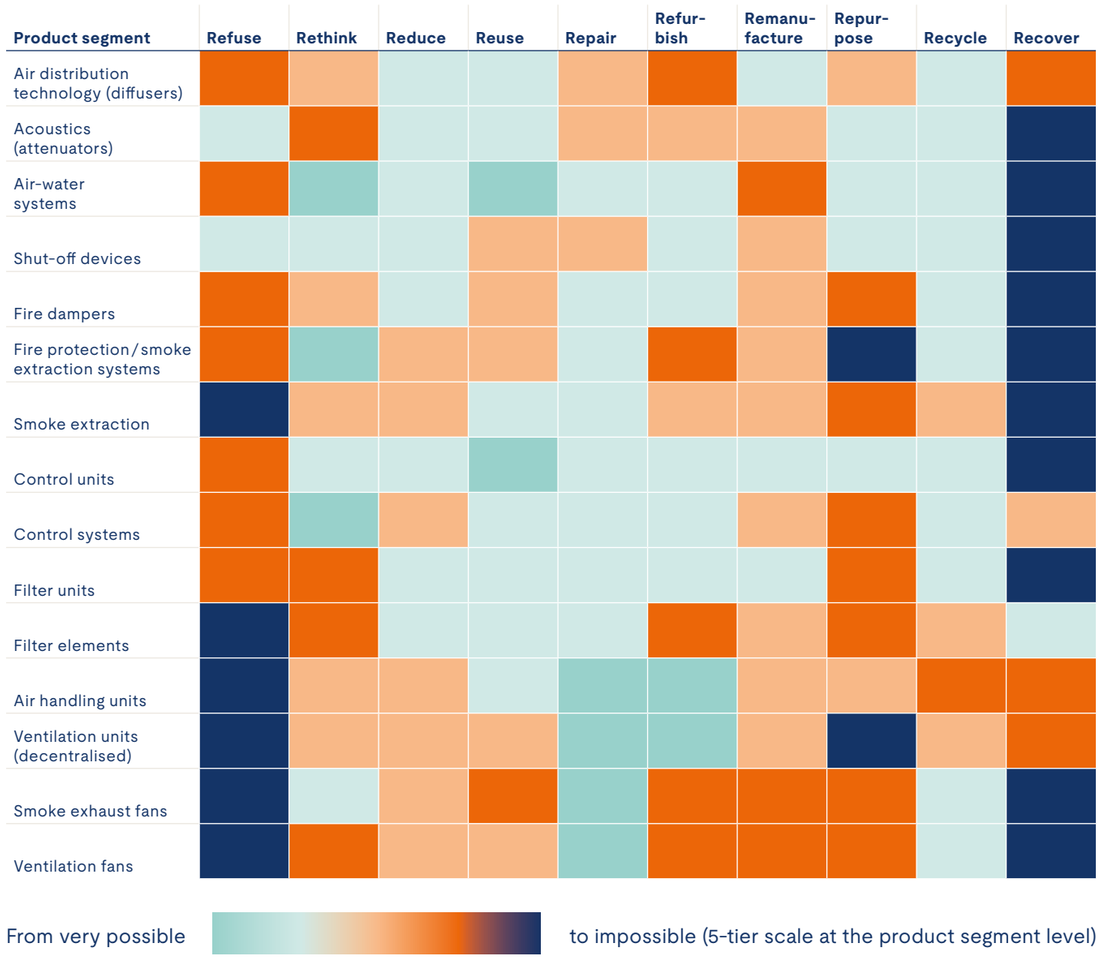
Regarding the upstream value chain, we have established a group-wide guideline for sustainable procurement in which specific internal measures, strategies and targets are defined, and this guideline is subject to ongoing optimisation in coordination with the purchasing managers of our subsidiaries in the context of review talks. This allows all sites to benefit from positive synergies. The headquarters in Neukirchen-Vluyn, for example, were first to obtain ISO 20400 (sustainable procurement) certification.

Among other things, the TROX logistics specifications document our goals to reduce our CO_2 consumption in goods traffic and optimise the use of resources for packaging materials. We aim to avoid waste and recycle materials. Trusting cooperation and stable business relationships are key when it comes to sustainable development and optimisation of the entire value chain. Quality, costs and the timeline are among the criteria that always need to be considered in this context. The logistics specifications apply to packaging, labelling, cargo securing and transport of shipments to TROX and all affiliated companies.

TROX SE is currently in the process of analysing the potential of all products in relation to the circular economy. We are using the established 9R approach here and are categorising our 13 product segments (air diffusers, sound attenuators, air-water systems, shut-off devices, fire dampers, fire safety and smoke control systems, smoke control dampers, control devices, control systems, filter units, filter elements, air handling units and decentralised ventilation units) based on this model.

The entire TROX SE product portfolio was assessed in a five-step process, using the description of the individual steps of the 9R logic as a starting point. An initial assessment of the segments was carried out based on the experience and expertise of the product developers and department managers in charge of the respective product segments. These are in regular contact with the purchasing, design, production and distribution divisions. This interdisciplinary knowledge allowed us to assign all product segments to the different steps of the 9R model and rate them on a scale from "very possible" through to "impossible". It is currently fair to assume that the biggest share of all TROX SE product segments also reflects the adaptation and optimisation options of the TROX GROUP, as the product segments are very similar across all subsidiaries. Both products produced to date and new product developments were considered in the assessment. Product segments that are only developed and produced for the local market of individual countries were not taken into account at this point.

Circular design rating of the existing TROX product portfolio



The procedure mentioned above produced an initial assessment of the circular nature of the existing product portfolio, and this is illustrated using colour codes. Based on this classification, specific potential and measures related to a circular design are identified for a few exemplary product series. We will gradually review all product segments and series.

Initial findings from this review are integrated into the product lifecycle management (PLM) process for developing new products and adapting existing ones. This process has three central goals:

> Smarter production and use of products
> Extending the durability and service life of products
> An expedient use of materials

Based on the analysis of our products, we are going to develop a resource and cycle policy, in which resource management, CO_2 reduction during the service life and the circular nature of the products and materials put into circulation are considered from a cross-border perspective.

Planning also provides for all material and waste flows to be made transparent across all sites and companies, aiming to develop a shared understanding of waste recovery and disposal, to explore options for avoiding waste, and to increase material efficiency in the production process, as well as in product development and design. This can then be used as a starting point for developing goals and strategies, drawing up corresponding guidelines and taking and evaluating measures for reducing consumption of primary raw materials.

The Technology Division Manager is responsible for classifying the product portfolio using the 9R model. The strategy mentioned above is developed in cooperation with the purchasing, production and quality management divisions, also in consideration of new business models.

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

Sustainability of our products starts with sustainable procurement and the upstream value chain and is always taken into account in research and product development. Sustainability of products is, for example, a component of the PLM processes. Possible actions are reviewed for each product group, focussing on sustainable product development. Here are a few examples:

> Suggestions within the PLM processes for replacing welded joints with bolted connections
> Allowing for a modular design or subsequent adaptation by the customer to avoid having to replace the entire product
> Reduction of packaging materials and using recycled packaging
> Use of reusable packaging between suppliers and TROX

We implement this improvement process via our workflow-controlled PLM process. Activities for taking circular design into account based on the 9R model when developing new products or developing existing products further are defined in the PLM. We assess the use of secondary raw materials in individual products in the context of the taxonomy. It was found in a basic assessment conducted in 2023 that it is not possible for all components to come from secondary sources on the long run. Nevertheless, we are determined to significantly increase the share of recycled materials used. Our hazardous substance management was updated in 2024. The update, which was issued in early 2025, provides for simpler and more efficient management and greater transparency in handling hazardous substances. In this context, the existing hazardous substances register was transferred to a database and all safety data sheets and operating instructions were reviewed. Information about the individual hazardous goods was also added, such as the quantity of hazardous substances used, the Chemical Abstract Service (CAS) number and the waste code. By providing access to up to date information at all times in this way, we are ensuring safety and compliance.

In product development TROX relies on modern technology including computer simulations and testing laboratories where some of the tests are automated. In our testing laboratories we are conducting intensive research to optimise energy efficiency, acoustics and airflow and develop products that combine sustainability with a great performance. To do so, we complement research results with real-life measurement data to offer precise, tailor-made solutions. We collect technical data for our product descriptions and documentation, and this data provides a sound basis for our product development activities. The TROX product development therefore takes aspects into account these days that are relevant to a working circular economy, such as material and joining technology. We rely on the 9R model and evidence of feasibility to use an increasing proportion of recycled materials and adapt our purchasing processes accordingly. The integration of the 9R model generally helps to promote awareness of circular design in the company, and additional reuse and repurposing options of all product series are discussed internally.

In order to promote the circular economy, we also facilitate the return of certain materials, such as steel, to our suppliers for reprocessing. We have developed dedicated waste treatment processes for non-recyclable components, to ensure an eco-friendly solution for these, too. Based on the new reporting standards, TROX is currently in the process of drawing up a new waste hierarchy. Another way to preserve resources is to extend the service life of products. This is why TROX SE offers replacement parts for various product groups. These parts can be used for repairing the products. The spare part catalogue also includes typical consumables such as replacement filters and retrofitting supplies for volume flow controllers.

E5-3 – Targets related to resource use and circular economy

TROX has not developed any goals in the topic area "resource use and circular economy" to date. Our broad product range and the current level of information require us to acquire essential knowledge. We are currently in the process of doing so.

As outlined above, we have begun to conduct an initial assessment of product groups with regard to circular design. All product categories are to undergo an initial assessment of their suitability for recycling and repurposing by mid-2025. We will then develop circular design goals. In addition, we are looking into suitable cycle options. We are closing gaps in our know-how by seeking advice from external experts and by attending seminars, and the acquired knowledge is then integrated in the company.

Goals for increasing the proportion of secondary raw materials in products are to be determined in the medium term. This will be done in close cooperation between the development experts from the Technology Division and the project purchasing team. This topic is not really relevant to the majority of our customers yet, so we cannot justify any price increases for sustainable materials at this point.

E5-4 – Resource inflows

We are committed to only using top-quality raw materials, especially when it comes to steel as one of the key materials in our manufacturing. The materials procured by TROX include both immediate production materials, mostly metal, mineral wool and electronic components, and indirect materials such as machinery and office supplies.

It is currently not possible to determine the exact weight of these materials. We are introducing a digital system for conducting lifecycle assessments that will allow for data to be recorded more effectively and be reported next year.

We rely on recyclable materials to maximise recyclability and increase resource efficiency. In addition, TROX SE is optimising its materials procurement by integrating recycled materials. However, sufficient amounts of high-quality recycled metal are currently not yet available, as many industries are not separating pure metals at this point.

We manufacture many of the components used ourselves, to ensure consistently high quality and adherence to schedules. Regular audits and checks are carried out by internal and external experts to make sure that all relevant standards and quality-related requirements are met. We cooperate closely with our suppliers to ensure sustainability and high quality standards along the value chain. CO_2 emissions from our core suppliers' activities are 100% transparent.

TROX has also been a member of the Responsible Minerals Initiative (RMI) since 2023 and undertakes to handle conflict minerals appropriately.

E5-5 – Resource outflows

TROX SE promotes transparent and sustainable production processes. Its goal is to minimise environmental impact and maximise resource efficiency. Our core products and materials are developed based on the circular approach of the 9R model, as outlined above. The underlying principles include durability, reusability and recyclability. We strive to further increase the service life of our products and to reduce waste across all phases of their lifecycle.

The EPDs of our highest-revenue products provide a sound foundation for establishing the resource outflow for the products described based on a breakdown of the products' components. These TROX SE products are made mostly of steel, and efforts are made to ensure that this steel is fed back into circulation.

Waste

We have determined the volume of waste produced by all subsidiaries included in the consolidation scope for the first time for the year under review. The waste hierarchy presented in last year's report will be adjusted in line with the CSRD and the new version will then be disclosed.

The goal is to increase the proportion of the total volume that is reutilised and to reach a recycling rate of 90% for TROX SE in 2025. This is our goal for the TROX GROUP, too.

	TROX GROUP	TROX SE
Total waste	13,023.24	6,644.49
Waste avoidance	not recorded	not recorded
Material recycling	10,635.90	5,718.72
Reuse	42.81	0
Other reutilisation methods	893.87	391.34
Total reutilised amount (%)	88.90	92
Incineration with / without energy recovery	157	38.10
Landfill	1,223	496.33
Other disposal	70	0
Total amount disposed (%)	11.10	8

In 2024, TROX GROUP produced 13,023.24 t of waste in total. At 51% or 6,644.49 t, TROX SE accounts for the greatest share thereof. The by far greatest amount of 8,904 t is accounted for by steel, stainless steel and aluminium, making up a combined total of 68% of all waste produced by the TROX GROUP.

With 92% recorded for 2024, TROX SE has already met the goal to achieve a reutilisation rate (formerly referred to as recycling rate) of 90% by 2025. The entire TROX GROUP also came close to the target with a reutilisation rate of 88.9% determined for 2024.

We aim to establish a uniform waste system by 2025 to counteract a waste of raw materials. A first draft is presented in the table below. We are gradually adjusting and refining our calculation conditions in this context. Furthermore, we are committed to reducing CO_2 emissions in this area, too. At the Anholt site, we use a roll packer, for example, which compresses wood waste so that the filling capacity of a container is increased by a factor of 2.3. Fewer containers and trips are needed as a result, and this leads to a reduction in CO_2 emissions.

An external service provider was hired in 2024 to analyse waste management at the Anholt and Neukirchen-Vluyn sites and to make suggestions for improving intralogistics, procedures and processes in order to reduce waste and improve reutilisation. We are gradually implementing the findings from this analysis and plan to apply these at other sites in the future.

We continue to focus on direct waste avoidance, and TROX promotes this goal through sustainable product design and by reducing clipping waste in production. Possibilities for recycling and repurposing the products are also considered as part of the design process. Where it is not possible to return a product to the economic cycle, TROX cooperates with qualified waste-management companies to separate any waste produced and make it reusable, or to dispose of it appropriately.

Breakdown of waste for disposal according to treatment type and total amount of all three types categorised as non-hazardous and hazardous waste

Waste not provided for disposal, volume in tonnes	Total amount not provided for disposal	Hazardous waste 37 (c)				Non-hazardous waste 37 (c)			
			Preparation for reuse (37b) i	Recycling 37 (b) ii	Other reutilisation methods 37 (b) iii		Preparation for reuse 37 (b) i	Recycling 37 (b) ii	Other reutilisation methods 37 (b) iii
Steel	7,083.43	0	0	0	0	7,083.43	32.77	7,008.66	42
Stainless steel	875.8	0	0	0	0	875.8	0.2	873.99	1.61
Aluminium	236.28	0	0	0	0	236.28	0	227.47	8.8
Mixed scrap metal	463.2	0	0	0	0	463.2	0	191.21	271.99
Plastic	144.17	3.76	0.06	0	3.7	140.41	8.9	115.07	16.44
Insulation materials	11.25	0	0	0	0	11.25	0	2.36	8.89
Electronics / electrical devices	54.16	1.6	0.06	0.9	0.64	52.56	0	50.86	1.7
Wood	1,475.88	0	0	0	0	1,475.88	0	1,426.18	49.7
Paper	516.44	0.47	0.47	0	0	515.97	0	515.97	0
Packaging	39.19	2.39	0	0	2.39	36.8	0	36.8	0
Organic waste	131.93	24.53	0	2.13	22.4	107.4	0	105.5	1.91
Non-organic waste	137.23	18.6	0	0	18.6	118.63	0	8.03	110.6
Mixed waste	378.12	0	0	0	0	378.12	0	54.57	323.55
Other waste	25.5	6.14	0	0	6.14	19.36	0.35	16.21	2.81
Total	**11,572.57**	**57.49**	**0.59**	**3.03**	**53.87**	**11,515.09**	**42.22**	**10,632.87**	**840**

Breakdown of waste for disposal according to treatment type and total amount of all three types categorised as non-hazardous and hazardous waste

Waste intended for disposal, volume in tonnes	Total amount of waste intended for disposal	Hazardous waste 37 (c)				Non-hazardous waste 37 (c)			
			Incineration 37 (c) i	Landfill 37 (c) ii	Other disposal 37 (c) iii		Incineration 37 (c) i	Landfill 37 (c) ii	Other disposal 37 (c) iii
Steel	0	0	0	0	0	0	0	0	0
Stainless steel	0	0	0	0	0	0	0	0	0
Aluminium	0	0	0	0	0	0	0	0	0
Mixed scrap metal	246.09	0	0	0	0	246.09	0.37	245.72	0
Plastic	0.13	0	0	0	0	0.13	0.06	0.03	0.04
Insulation materials	507.54	0	0	0	0	507.54	0	507.54	0
Electronics / electrical devices	0.61	0.05	0	0	0.05	0.56	0.06	0.5	0
Wood	41.09	0	0	0	0	41.09	0	41.03	0.06
Paper	0.54	0	0	0	0	0.54	0.47	0.03	0.04
Packaging	8.91	8.82	1.88	0	6.94	0.09	0	0.04	0.05
Organic waste	0.07	0	0	0	0	0.07	0	0.03	0.04
Non-organic waste	374.31	46.45	1.96	24.99	19.5	327.86	23.98	301.13	2.75
Mixed waste	127.06	46.78	0	43.05	3.73	80.28	16.41	54.27	9.6
Other waste	144.32	138.75	112.13	1.25	25.37	5.57	0.02	3.42	2.14
Total	**1,450.67**	**240.85**	**115.97**	**69.29**	**55.59**	**1,209.82**	**41.37**	**1153.74**	**14.72**

In the year under review, 2024, we focussed primarily on reutilisation in waste management, in particular in the form of recycling. The biggest share of the collected waste was not hazardous and could therefore be fed back into the materials cycle, this was particularly true of materials such as steel, scrap metal and paper. There was only a small amount of hazardous waste and this waste was also reutilised where possible. Any waste that could not be reutilised was disposed of in line with environmental standards, however, mixed waste and plastic in particular had to be sent to landfill. The results show that reutilisation already plays an important role, but that there is still room for improvement by further reducing the amount of waste requiring disposal.

The service life was calculated for the products mentioned below. The information provided for these products is currently based on the verifiable period for the EU taxonomy. We generally assume that the products are used for longer and are only dismantled in the context of refurbishment or demolition.

Durability of products	Service life in years	
Air diffusers		
Service life of TROX products in years	20	
Industry average according to VDI (Association of German Engineers)	20	
Decentralised ventilation		
Service life of TROX products	20	
Industry average according to VDI	no information available	
Air-water systems		
Service life of TROX products	20	
Industry average according to VDI	20	
Multileaf dampers, external weather louvres, sound attenuators		
Service life of TROX products	20	
Industry average according to VDI	20 (sound attenuators)	
Components and systems for fire and smoke protection		
Service life of TROX products	30	
Industry average according to a competitor	25–30	
Smoke extract components and systems		
Service life of TROX products	20	
Industry average according to a competitor	approx. 20	
Control units		
Service life of TROX products	20	
Industry average according to VDI	no information available	
Control systems e.g. for lab air management and demand-based indoor air control		
Service life of TROX products	20	
Industry average	no information available	
Filter units, filter elements		
Service life of TROX products	1–5 (filters)	
Industry average according to VDI	3.1.5.1 Coarse filters, one-stage	0.5
	3.1.5.2 Fine filters, multi-stage	1
	3.1.5.2.1 Electric filters	20
	3.1.5.2.2 Activated carbon filters	0.5
	3.1.5.2.3 Filters requiring cleaning	8
Air handling units including measurement and control		
Service life of TROX products	20–25	
Industry average according to CCI article	25	
Building fans		
Service life of TROX products	20	
Industry average according to VDI	3.1.6.1 Axial fans	
	3.1.6.1.1 Wall fans	8
	3.1.6.1.2 Fans installed in ducts	12
	3.1.6.1.3 Fans with belt drive	18
	3.1.6.1.4 Direct drive fans	12
	3.1.6.2 Radial fans	12
	3.1.6.3 Cross-flow fans	12

SOCIAL ISSUES

The social impact of our business activities is the most important part of our responsibility for sustainability. TROX SE is aware of the fact that its responsibility is not limited to business matters but includes social accountability, too. This applies to our own workforce and the end-users of our products.

The following chapters that are dedicated to our own workforce (ESRS S1) and to customers and end-users (ESRS S4) provide an insight into the ways in which we handle matters related to social responsibility. We are going to describe our approach to the safeguarding of human rights, promoting fair working conditions and protection of the interests of end-users. We use recognised standards and principles as guidance here, such as the UN Guiding Principles on Business and Human Rights.

We systematically identify and assess actual and potential social impacts as part of our company-wide double materiality analysis and supplementary processes. Based on this, material impacts are prioritised and translated into strategies and measures. In our reporting we disclose the ways in which we handle these impacts, the progress made and any challenges.

ESRS S1 – OWN WORKFORCE

Our staff members are the basis for our business success. Their well-being, safety, and personal and professional development are at the heart of our sustainability strategy. On the next few pages we are going to explain, how TROX SE handles impacts, risks and opportunities related to its own workforce, which guidelines and procedures we have established and how we ensure that the voices and perspectives of our staff members are taken into account in decision-making processes.

As supporters of the UN Global Compact (UNGC) with its Ten Principles for social and environmental minimum standards, we observe internationally recognised labour and human rights standards and rely on a holistic, employee-centric approach that includes prevention as well as continuous improvement measures. Our goal is to create a safe, inclusive and appreciative working environment that promotes long-term loyalty, satisfaction and productivity across all sites and types of employment.

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

TROX SE ensures that all staff members that might be significantly affected by the business activities are taken into account when impacts, risks and opportunities are identified. This includes permanent employees, as well as temporary workers, apprentices, working students, interns, and also external contractors, self-employed individuals, freelancers and advisors. We conduct regular internal assessments and risk analyses to identify groups that could be at risk, and we systematically analyse impacts, risks and opportunities in relation to our workforce. We are paying particular attention

to workers in production facilities and those handling heavy machinery here, as these are at greater risk of injury. New staff members such as apprentices are also potentially at risk, owing to a lack of experience. We also consider particular support needed by older staff members and people with disabilities or chronic illnesses.

Potential negative impact includes physical and psychological strain, for example due to shiftwork or work-related stress factors. In order to counteract these, we rely on targeted health and safety measures, regular training, fair remuneration structures and transparent communication. In doing so, we aim to ensure equal opportunities and promote compatibility of working and private life, for example by offering flexible working hours and support options for childcare and other care duties.

Our health promotion and further training initiatives and projects to improve job quality are having a particularly positive impact on our own workforce. Ongoing development of these measures also enables us to boost the level of satisfaction among our staff members, to strengthen our brand as an employer and to secure skilled workers in the long term.

Topic	Sub-topic	IRO classification	IRO	Classification (potential/ actual)	Assignment to value chain	Time lines
S1 – Own workforce	Secure employment	Positive impacts	> Job security through enterprise resource planning (compensating for weakness in one market with demand in another)	potential	own business	short-term
		Opportunities	> Boosting reputation as a secure employer (employer branding)	actual	own business/ downstream value chain	medium-term
			> Increasing number of applicants	potential	own business	
	Adequate wages	Positive impacts	> Positive impact from social benefits with employer contributions	actual	own business	medium-term
		Opportunities	> Increasing number of applicants (employer branding) and reducing recruiting costs	potential	own business	
	Work-life balance (S1)	Positive impacts	> Compatibility of work and care/family duties through shift swapping platform	actual	own business	
		Negative impacts	> Negative impact of shift work on private life	actual	own business	
		Opportunities	> Positive employer branding leads to an increase in applicants and reduced staff turnover	actual	own business	

Topic	Sub-topic	IRO classification	IRO	Classification (potential/ actual)	Assignment to value chain	Time lines
S1 – Own workforce	Health and safety (S1)	Positive impacts	> Positive impact of flu vaccinations, an on-site doctor and initiatives with health insurance providers	actual	own business	
			> Positive impact of availability of job bikes	actual	own business	
			> Well-being thanks to good leadership (managers are actively trained)	actual	own business	
		Negative impacts	> Potential negative impact of injuries suffered in production	potential	own business	short-term
			> Negative impact of stress symptoms	actual	own business	
		Opportunities	> Loyalty of staff members thanks to faith in job security	actual	own business	
		Risks	> Financial risks due to injuries and related production downtime	potential	own business	short-term
			> Potential increase in staff turnover due to lack of staff satisfaction	potential	own business	medium-term
	Gender equality and equal pay for work of equal value (S1)	Opportunities	> Increase in staff loyalty thanks to active promotion of equal opportunities	actual	own business	
			> Attractiveness of the employer to new talents	actual	own business	medium-term
			> Higher level of productivity thanks to a diverse workforce	potential	own business	
		Risks	> Fewer applications from women due to the dominant role of men in the industry	actual	own business	
	Training and skills development (S1)	Positive impacts	> Strengthening the position of staff members in the labour market	actual	own business	
			> Further development opportunities demonstrate appreciation and increase staff satisfaction	actual	downstream value chain	
		Opportunities	> Innovation potential in operation of technology thanks to training and education	potential	own business	medium-term
			> Increase in staff loyalty	actual	own business	
	Diversity	Opportunities	> A diverse management culture gives rise to better decision-making	potential	own business	short-term
			> Experienced administration teams can help with settling down and stress reduction, resulting in greater productivity	potential	own business	Short-term
			> Bigger pool of potential applicants	potential	own business	medium-term
			> Potential increase in innovativeness	potential	own business	medium-term
		Risks	> Potentially greater susceptibility to illness and therefore production downtime in case of an older workforce	potential	own business	short-term
			> Potentially less balanced or one-dimensional decision-making processes	potential	own business	short-term
			> Lower productivity due to a loss in motivation among staff members that do not feel represented	potential	own business	short-term

S1-1 – Policies related to own workforce

TROX SE observes clear guidelines for safeguarding the rights and interests of its own workforce. Our corporate guidelines address central issues such as diversity, equal opportunities, health protection and humane working conditions.

In 2024, a comprehensive Social Labour Policy was drawn up for the first time, and this policy has since been subject to continuous further development through dialogue with our staff. Once this guideline has been finalised, it will be made publicly available. The guideline is regularly reviewed and adjusted after each evaluation cycle. No comparisons to previous years exist to date, as 2024 was the first year for which this type of reporting took place. The guideline comprises different sections in which identified impacts, risks and opportunities are addressed:

- **Health and safety:** corporate health management is defined in the policy, requiring TROX to implement measures for promoting physical and mental health.
- **Diversity and gender equality:** the commitment to diversity, equal opportunities and inclusion is further reflected in social and labour policy. TROX also ensures accessibility of workstations for people with disabilities. In recognition of our efforts, TROX has been named a partner in the North Rhine-Westphalia state programme, in which measures promoting the compatibility of employment and caregiving are acknowledged. Any discrimination or harassment, for example, due to one's background, gender, age, disability or sexual orientation is strictly prohibited. This is enshrined in the TROX Antidiscrimination Statement as well as in our social and labour policy. TROX uses the international standards as guidance and has signed the Diversity Charter, aiming to promote an inclusive working environment.
- **Training and skills development:** TROX SE also attaches great importance to fair recruitment and training processes. It is set out bindingly in the social and labour policy that any recruitment and training measures shall be based solely on qualifications, skills and experience. It is also stipulated that job adverts must be worded in a non-discriminatory manner and be published to grant all groups of workers the same development opportunities.

In addition, version 3 of our Human Rights Commitment Statement has been in force since June 2024. In this statement we undertake to observe internationally recognised standards, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines and the Fundamental Principles of the International Labour Organization (ILO). The statement applies in connection with the zero-tolerance approach to child and forced labour from the social and labour policy in both our own workforce and with business partners, suppliers and contract partners along the entire value chain. The Human Rights Officer, the Chief Compliance Officer and the TROX TRUST CHANNEL are available for confidential reporting of any violations. > Please refer to chapter G1 for further information.

The goal of the guidelines is to provide a fair and safe working environment, competitive salaries and benefits and attractive career prospects, aiming to boost the staff members' motivation and loyalty to the company. These guidelines and principles are enshrined in the corporate values of TROX and are communicated on a regular basis via various internal channels, such as a staff app, the intranet, works meetings and other media.

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

Ongoing exchange with our workforce and its representatives is a key element of the way in which we handle actual and potential impacts on the rights and interests of our staff members. Their perspectives are systematically considered in decision-making and in measures for minimising financial risks, as well as for mitigating negative impacts.

Staff members of TROX SE can choose from a range of options for submitting concerns and suggestions. This includes the option to directly address the Board of Directors in board meetings through the Works Council. Other available formats include works meetings, workshops and other dialogue formats that allow staff members to share their views with the Board of Directors. Anonymous complaints mechanisms via which concerns and suggestions can be communicated confidentially are also in place. The IDEAS portal on the intranet offers staff members the opportunity to submit their ideas for products, business models and other aspects. Furthermore, there are plans to conduct a first comprehensive workforce survey in 2025.

In areas in which staff members are represented by workers' representatives, exchange is taking place primarily via these committees. A total of 3,061 staff members or 67.3% of the workforce are represented by workers' representatives. 27 tariff agreements are currently in place, covering 3,202 staff members or 70.4% of the workforce. In addition, there are topic-related working groups with involvement of staff representatives, such as occupational safety committees and canteen committees. Worker participation on the Supervisory Board is another institutionalised channel for safeguarding the interests of the workforce.

At TROX SE in Germany there are local Works Councils for the Neukirchen-Vluyn, Anholt and Goch sites, as well as a General Works Council. Works meetings are held on a regular basis. Works agreements at the site and company level are developed in coordination with the Works Council. To this end, the Personnel / Law Division arranges regular coordination meetings with the respective committees. Some of the subsidiaries have their own local Works Councils. In certain countries, the interests of staff members are additionally represented by stewards from the local labour unions.

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

TROX SE has established specific procedures to remediate negative impacts on its own workforce. The tariff and works agreements include clear guidelines for working relationships. Safeguarding of workforce interests is ensured through Works Councils or similar committees. Such committees are established across various TROX companies, and they are in regular contact with the management. Further exchange formats such as forums and working groups promote social dialogue and provide a platform for constructive feedback.

Health checks, safety inspections and audits are performed across all sites to allow for continuous improvement of occupational safety. Comprehensive instruction obligations for production areas are in place, and staff members have unrestricted access to drinking water and sanitary facilities.

Extensive health and safety protocols have been introduced across all work areas, and mentoring programmes for new staff members and apprentices are in place to ensure safe and structured initial training. These training measures are dedicated to raising awareness of safeguards and strengthening the individuals' ability to take action. Working conditions for staff members who require a particular level of protection are adapted as needed to ensure their safety and well-being.

A number of channels are available to staff members for reporting any concerns or complaints. The globally available, digital, confidential reporting channel TROX TRUST CHANNEL plays a central role here. Staff members can also turn to their Works Councils, the employee representatives on the Supervisory Board and other trustworthy spokespersons, such as the representative for severely disabled persons. Staff members can also address any complaints to their immediate superior, or the Personnel/Law Division. If no solution can be found at this level, a formal procedure will take place, which includes a documented review, an impartial investigation and suitable remedies. External authorities, including law enforcement authorities, are involved in any cases of severe sexual harassment or theft. Confidentiality and fairness are the guiding principles throughout the entire process.

After a remedy has been implemented, its effectiveness is reviewed based on feedback from affected staff members. This feedback ensures that the measures taken have actually contributed to solving the problem in question, and allows for further adjustments to be implemented as needed.

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

TROX has introduced various measures for preventing significant negative impact on its workforce, as well as for reinforcing positive impacts, mitigating existing risks and making deliberate use of opportunities. Established staff protection measures include an ergonomic workplace design, targeted training sessions about health and safety risks and the provision of protective equipment. These actions help to effectively reduce risks, increase the well-being of our staff and to strengthen our company's resilience. In addition, there are preventive programmes for promoting physical and mental health at almost all sites, including health checks, and access to fitness programmes and other resources that promote well-being. Flexible working-time models, the option to work remotely and family-friendly arrangements are in place to boost the compatibility of working and private life. A participatory management approach enables staff members to get actively involved in decision-making processes and transition planning. In order to steadily increase our staff members' expertise, we also offer regular training, development and mentoring programmes designed to support growth. We are also working on improving our recruitment to attract new talent.

In 2023 we started to implement some specific measures, such as the introduction of a platform for flexible shift planning, offering staff members the opportunity to lease a bicycle to promote sustainable mobility, and health promotion programmes that are handled in cooperation with health insurance companies. The Employee Assistance Programme (EAP) has since been made available at the Anholt site. It helps managers to detect psychological strain in their teams early on and there is a hotline which staff members can call in crisis situations. All of these measures aim to boost the physical and mental health and work-life balance of our staff members and to reduce stress in the daily work routine. They also give rise to further positive effects such as increasing satisfaction and loyalty of staff members and improving the work atmosphere.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

TROX SE strives to systematically reduce any material negative impact on its workforce, to systematically reinforce positive effects and to actively address risks and opportunities. In doing so, we do not follow a rigid process for finding solutions for individual problem areas. Instead we rely on consistent, practice-oriented communication with employee representatives, Works Councils and other relevant internal committees. Regular meetings are held to identify any existing challenges, prioritise measures and coordinate their implementation. This approach enables us to react to changing conditions flexibly and based on demand.

Our method is characterised by a gradual implementation and ongoing effectiveness checks. Feedback from our workforce and involvement of workers' representatives play a key role here, as this helps us to ensure that our measures are relevant and accepted and to steadily develop our response to material risks and opportunities. Our long-term goal is to create a working environment that is defined by health, fairness, participation and stability.

S1-6 – Characteristics of the undertaking's employees

Our qualified staff members are the most important resource that facilitates the TROX GROUP's success. We have 4,547 qualified and committed workers around the world who contribute greatly to the company's success with their expertise in areas including research, development and production.

TROX SE has different types of staff members, including salaried employees with fixed-term or permanent contracts. These are full-time and part-time employees, who work directly for the company. In addition, there are apprentices, working students and interns who are gaining practical experience at TROX SE as part of their training or studies, and who are involved in the company's operational processes.

Number of staff members[7] by gender	2024
Male	3,553
Female	994
Other	0
Not specified	0
Total number of staff members	4,547

Number of employees by site – 2024

Region	Company	Male	Female	Non-binary	Total
Americas	TROX Argentina S.A.	74	19	0	93
Americas	TROX do Brasil Ltda.	354	73	0	427
Americas	TROX México S.A. de C.V.	54	16	0	70
Americas	TROX NORTH AMERICA, LLC	1	0	0	1
Total		**483**	**108**	**0**	**591**
APO	TROX Air Conditioning Components (Suzhou) Co., Ltd.	237	70	0	307
APO	TROX Australia Pty Ltd	1	0	0	1
APO	TROX Hong Kong Limited	3	0	0	3
APO	TROX INDIA PRIVATE LIMITED	10	6	0	16
APO	TROX Malaysia Sdn. Bhd.	210	50	0	260
Total		**461**	**126**	**0**	**587**
EMEA	TROX Auranor AS	134	50	0	184
EMEA	TROX Austria GmbH	58	34	0	92
EMEA	TROX Belgium	32	13	0	45
EMEA	TROX BSH Technik Polska Sp. z.o.o.	20	15	0	35
EMEA	TROX Danmark A/S	7	4	0	11
EMEA	TROX España, S.A.	240	53	0	293
EMEA	TROX France Sarl	33	10	0	43
EMEA	TROX SE	1,449	285	0	1,734
EMEA	TROX HESCO Schweiz AG	92	31	0	123
EMEA	TROX Italie S.p.A.	12	7	0	19
EMEA	TROX KS Filter s.r.o.	92	116	0	208
EMEA	TROX Maroc SARL AU	110	14	0	124
EMEA	TROX Middle East (LLC)	12	2	0	14
EMEA	TROX Nederland B.V.	21	4	0	25
EMEA	TROX South Africa (Pty) Ltd.	85	22	0	107
EMEA	TROX TECH-TRADE, s.r.o.	79	41	0	120
EMEA	TROX TURKEY TEKNIK KLIMA SAN. Ve TIC. LTD. STI	11	5	0	16
EMEA	TROX UK Ltd.	110	45	0	155
EMEA	T-Technik	12	9	0	21
Total		**2,609**	**760**	**0**	**3,369**

Number of employees by employment status – 2024

	Female	Male	Other	No data available	Total
Number of employees with open-ended contracts	965	3,326	0	0	**4,291**
Number of employees with fixed-term contracts	29	227	0	0	**256**
Number of employees	**994**	**3,553**	**0**	**0**	**4,547**
Number of full-time employees	865	3,452	0	0	**4,317**
Number of part-time employees	125	70	0	0	**195**
Number of employees without a guaranteed number of working hours	4	31	0	0	**35**
Number of employees	**994**	**3,553**	**0**	**0**	**4,547**

Staff turnover rate	2024
Number of employees who have left the company	551
Staff turnover rate	12.1%

The characteristics of the staff members are indicated as the number of individuals. The indicated figures were polled as of the end of the reporting period.

7 The number of staff members indicated in this sustainability survey differs from the number indicated in our annual report, as it is based on a different scope. Please refer to the section titled ESRS 2 SBM-1 for further information.

S1-7 – Characteristics of non-employees in the undertaking's own workforce

TROX SE distinguishes between different types of non-employees (workers that are not in a direct employment relationship). These include workers who are provided by external companies (temporary workers) and are working for TROX SE for a limited time based on a fixed-term contract. There are also self-employed individuals and freelancers that are working independently for TROX SE based on service contracts. In addition, we cooperate with advisors who contribute their expertise and advice for specific projects and tasks. The number of these non-employees is recorded and transparently disclosed at the end of each reporting period.

Number of non-employees in 2024	**294**
Thereof self-employed individuals	19
Thereof workers provided by external companies (temp workers)	273
Others	2

Most common types of non-employees and their activities – 2024

Type of activities performed by non-employees	**Self-employed individuals**	**Workers provided by external companies (temp workers)**	**Others**
Management and leadership tasks	3	0	1
Manufacturing activities	9	256	0
Other office work/services	7	17	1

S1-9 – Diversity metrics

Diversity at the senior management level 2024	**Number**	**Share %**
Male	127	84.1
Female	24	15.9
Non-binary	0	0
Total	**151**	**100**

The "senior management level" of TROX SE includes the Board of Directors and the Extended Board or management team, whose exact name can vary from site to site. It includes individuals with considerable strategic or operational responsibility who make relevant decisions for the company and are crucially involved in realising the company's goals. Alongside the Board of Directors these are top executives from key divisions of the company, such as Finance, Personnel, Production, Distribution and Sustainability.

Diversity in other management positions – 2024	**Number**	**Share %**
Male	221	77.8
Female	63	22.2
Non-binary	0	0
Total	**284**	**100**

"Other management positions" at TROX SE include all managers with disciplinary responsibility except those who are part of the senior management level.

Age structure of staff members – 2024	**Number**	**Share %**
<30 years	754	16.6
30–50 years	2,493	54.8
>50 years	1,300	28.6
Total	**4,547**	**100**

S1-10 – Adequate wages

All staff members of TROX SE receive fair and adequate remuneration in line with the respective local rules[8] and industry-specific and regional standards. We attach particular importance to ensuring transparent performance-based remuneration in which the qualifications, experience and level of responsibility of staff members are taken into account. Six TROX subsidiaries in the European Economic Area (EEA) therefore observe the respective national minimum wage, and two companies use the minimum wage according to the EU Directive (EU) 2022/2041 as guidance. Four companies also use a wage level as a reference value that is determined in a tariff agreement and based on an adequate standard of living. Outside the EEA, seven subsidiaries rely on the national minimum wage as a reference value, while one company uses a recognised guiding value for a living wage as a reference point.

In addition, voluntary social benefits, supplements and other benefits are available that differ from site to site, and that aim to improve the staff members' financial and social security. Our goal is to create an attractive and appreciative working environment where good work and long-term loyalty are encouraged.

S1-11 – Social protection

Protection against a loss of income due to the following life events	**Number of subsidiaries in which all staff members are covered by social protection**	**Subsidiaries where not all staff members are covered by social protection, and type of staff members**
Illness	28	0
Unemployment after the point the staff member started working for the company	26	TROX India Private Limited – all staff members TROX Maroc S. A. R. L. – ANAPEC contract
Occupational accidents and disability	28	0
Parental leave	27	TROX Maroc S. A. R. L. – ANAPEC contract
Retirement	26	TROX Maroc S. A. R. L. – ANAPEC contract TROX Middle East (LLC) – expatriates

Each subsidiary was asked to provide information about social protection against a loss of income due to the life events indicated in the table. In this context it was polled for each event whether social protection applies to all staff members. Where staff members of a subsidiary are not covered by protection, we asked specifically which group of workers is not protected.

8 All subsidiaries were asked for information about their remuneration processes in the period under review. Planning provides for a more refined polling process for the next reporting year, to allow for a more specific breakdown of the information base.

S1-13 – Training and skills development metrics

A total of 5,095 performance and career assessments took place in the reporting period. The management confirmed 5,086 conversations in this context. This corresponds to 1.12 assessment meetings per staff member.

Staff members who took part in regular performance and career reviews	Number	Share %	Total hours of training by gender	Number of training hours per staff member
Male	2,736	77.0	22,853	6.43
Female	751	75.6	6,224	6.26
Other	0	0	0	0
Total	**3,487**	**76.7**	**29,076**	**6.39**

The total number of training hours was recorded separately for each subsidiary. They were asked to only consider hours of external training and courses. Where no exact data was available, the subsidiaries provided an estimate. In these cases it was also explained, how the estimate in question was determined. Six subsidiaries have reported figures that are based on estimates.

S1-14 – Health and safety metrics

Health and safety	2024
Share of staff members covered by an internal health and safety management system	99.3%
Number of deaths	0
Number of work-related accidents	520
Total number of working hours	7,193,585
Work-related accidents ratio (per million working hours)	72.29
Number of work-related cases of illness	23
Number of working days lost due to absence for work-related illness (for total number of staff members)	4,009

It was polled for each subsidiary how many staff members are covered by an internal health and safety management system and which standards and guidelines each system is based on. The number of work-related accidents and total number of working hours of the workforce were also polled to calculate the work-related accidents ratio.

Each subsidiary also specified the number of work-related cases of illness and working days lost due to such illnesses in the calendar year.

S1-15 – Work-life balance metrics

Compatibility of working and private life*	2024
Share of employees who are entitled to leave for family-related reasons	100%
Number of employees who are entitled to leave for family-related reasons	4,547
Number of male employees who took leave for family-related reasons	631
Share of male employees who took leave for family-related reasons	13.9%
Number of female employees who took leave for family-related reasons	170
Share of female employees who took leave for family-related reasons	3.7%
Number of other employees who took leave for family-related reasons	0
Share of other employees who took leave for family-related reasons	0%
Total number of employees who took leave for family-related reasons	**801**

* based on the total of all staff members

Each subsidiary was asked whether all staff members are entitled to leave for family-related reasons. Where not all staff members of a subsidiary were entitled to such leave, they were asked to specify the relevant groups. It was also polled how many of the entitled staff members took leave for family-related reasons in the year under review.

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

Remuneration metrics	2024
Gender pay gap – not adjusted for purchasing power	14.2%
Gender pay gap – adjusted for purchasing power	12.5%
Median remuneration – not adjusted for purchasing power	39,572.31 €
Median remuneration – adjusted for purchasing power	41,848.85 €

The median cannot be calculated for privacy reasons. A deviation-method median calculation pursuant to ESRS 2, BP-2 was performed instead. The salaries indicated here are based on the deviation method.

For calculating the gender pay gap, we asked each subsidiary for the average hourly wage of each gender. We converted these figures into euros (exchange rate on 15 April 2025) and projected them to the number of women and men employed in each company. After converting them into euros, we relied on the international reference programme of the German Federal Statistical Office (2021) to adjust the figures for purchasing power. To this end, we used the price level for consumer spending of private households excluding residential rent as a reference value. We then calculated the total of average wages per company per gender and divided the results through the total number of male or female staff members to determine the average wage for each gender. We then determined the gender pay gap as follows: the average wage of male staff members minus the average wage of female staff members divided through the average wage of male staff members. Four subsidiaries were not considered when calculating the gender pay gap, as they either do not have enough staff members to calculate an average wage or because all staff members are male.

S1-17 – Incidents, complaints and severe human rights impacts

No severe cases of human rights violation could be identified in relation to our own workforce. This means that no fines, penalties or compensation payments were imposed for severe human rights breaches and incidents connected with our own workforce. It was not necessary to take any measures here.

ESRS S4 – CUSTOMERS AND END-USERS

Reporting standard S4 from the ESRS is titled "Consumers and end-users". However, as the activities of TROX are limited to the B2B business, we are calling this chapter of the report "Customers and end-users" to include business customers and the actual users of our products. Customers and end-users are key stakeholders of TROX. Their perspectives, expectations and requirements have an impact on our strategic direction and our business model. Our products and services are used across various areas of application and can have an effect on the well-being, health and safety of end-users. This is why we rely on a systematic approach and active exchange with our customers and their representatives.

ESRS 2 SBM-2 – Interests and views of stakeholders

All activities of TROX are geared towards distribution and marketing addressed at processing companies, as we are only active in the B2B segment. Our customer groups include building operators, designers, engineers and industrial customers. Building operators are companies or institutions that use TROX products to ensure optimised air quality and temperatures. Experts such as designers and engineers use TROX products when planning ventilation and air conditioning systems. Industrial customers are companies from various areas who use TROX products in their production facilities. Our products are also used in areas in which a particular level of protection of human beings must be ensured, for example in laboratories or operating theatres, and this highlights the role of our products' high quality and safety standards. People who benefit from the use of our products are our most important stakeholder group among end-users.

We are committed to understanding the needs and preferences of our customers and end-users. We use different communication channels to learn about their perspectives, especially conversations with market representatives and customers. Our contact partners are customers and industry associations that share the views of end-users with us so that we can consider them in our decision-making processes. Further communication takes place in the context of seminars, workshops and training sessions related to the installation and operation of our products. We use our findings from our exchanges with these stakeholders to align our business model with their expectations and create value for them.

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

Our double materiality analysis demonstrated that using our products has positive impacts for end-users. Direct positive impacts are related to the health and well-being of users thanks to breathing clean air, as well as fire and smoke protection. TROX products supply fresh air in an energy-efficient and demand-based manner, and they promote the health, performance and well-being of human beings in indoor areas. This includes improved concentration abilities and a reduced risk of transmission of infection thanks to a suitable air change rate in indoor spaces. In addition, there is the option of heat recovery when using our products. Our fire and smoke protection products also contribute to the safety of end-users. Demand for solutions that are beneficial to the health of end-users is generally increasing. This gives rise to an opportunity for further growth for TROX SE. We provide comprehensive information about our products in our detailed EPDs. These allow customers, who attach more and more importance to sustainable products, to make sound purchasing decisions.

We arrange for regular independent reviews of the accuracy of the catalogue data of our products through organisations such as Eurovent (Eurovent Certification was established in 1993 and is considered the leading global provider of independent performance certification for heating, ventilation, air conditioning and refrigeration technology (HVAC-R)).

No potential extensive or systemic negative impacts related to the sale of our products and services were identified in our analysis. We are also not aware of any negative impacts linked to individual incidents or specific business relationships.

Topic	Sub-topic	IRO classification	IRO	Classification (potential/ actual)	Assignment to value chain	Time lines
S4 – Customers and end-users	Access to (quality) information	Positive impacts	> Longer product life thanks to more detailed product information	potential	downstream value chain	long-term
		Opportunities	> Competitive edge thanks to Environmental Production Declarations (EPDs) that are due to become mandatory in the EU	potential	own business	medium-term
	Health and safety	Positive impacts	> Better indoor air quality for end-users	actual	downstream value chain	
			> TROX fire protection products provide fire safety and can save human life	actual	downstream value chain	
			> Positive health impact for end-users	actual	downstream value chain	
			> Positive impact on cognitive achievements of users	actual	downstream value chain	
		Opportunities	> Competitive edge thanks to innovative products that exceed statutory minimum requirements	potential	entire value chain	medium-term
			> Increase in demand thanks to an increasing focus on health and sustainability in the market	potential	downstream value chain	medium-term

S4-1 – Policies related to customers and end-users

No negative impacts for end-users were determined in the double materiality analysis conducted in 2024. TROX SE is not in direct contact with end-users. Direct contact only takes place if contractually determined warranties between TROX SE and plant engineers have expired. In these cases we attach great importance to access to in and out of court complaints mechanisms. We respect the right of individuals to externally lodge appeals in legitimate ways, and we cooperate extensively with the authorities in charge to resolve any concerns linked to human rights, should they arise. We proactively refer people to national support centres if related complaints are submitted through our whistleblowing system.

S4-2 – Processes for engaging with customers and end-users about impacts

TROX SE strives to offer products and services that are beneficial to all users. We are convinced that our direct, sometimes daily, dialogue with stakeholders is crucial to understanding the actual and potential impact of our activities and sound decision making. We support continuous improvement and innovation and advocate for a fairer future for all.

The following further dialogue and feedback formats are in place to ensure that our products and services are accessible and beneficial for everyone:

- **Feedback channels:** we collect feedback through online forms, customer hotlines and social media platforms. All customers and end-users, including vulnerable and marginalised groups, can share their experiences, suggestions and concerns via these channels.
- **Training courses and seminars:** we are in regular, extensive contact with our customers (architects, building owners, planning firms, plant engineers) through regular training measures, courses and seminars.
- **TROX TRUST CHANNEL online portal:** all customers and end-users are able to report complaints and compliance issues.

The requirements of customers and end-users are considered in our research and product development activities at all times.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Our company is aware of the importance of open and trustworthy channels for communicating with our customers. To ensure that any concerns are handled effectively, we have established a general communication process between customers and consultants. We are currently in direct contact with customers and are holding regular coordination meetings with them to allow us to expediently process their feedback. We plan to start conducting general customer satisfaction surveys in 2025.

Complaints about products can be submitted through the complaints platform on our website. These complaints are handled by our specialist departments. Customers and end-users can also use the previously mentioned TROX TRUST CHANNEL to submit their concerns or talk to our switchboard, our sales representatives or our specialist personnel. The online communication channels and contact partners are available at all times. If a communication channel is temporarily unavailable, customers are welcome to inform us in person, by phone or by mail.

We will diligently investigate every concern and take responsibility for protecting our customers and end-users. All concerns and complaints are forwarded to our Spare & Claim team. This department's work is based on fixed complaints procedures and guidelines, to ensure that individuals are protected against any retaliatory measures when using our communication channels.

Incoming complaints are reviewed with regard to their eligibility and centrally recorded using the complaints tool of our customer relationship management system (CRM). A process number is assigned to every complaint recorded here. This process number is used in any further steps for handling the complaint. We also classify complaints according to product types in our internal CRM system, and analyse these on a regular basis. The quality assurance teams of the individual production sites in Germany can also access the details of complaints and take measures as needed. We are gradually expanding this process. No significant trends could be determined concerning complaints about any particular product group. The complaint rate in relation to revenue is lower than 1% at TROX SE.

If service technicians are involved in handling and resolving a complaint, successful processing of the case is comprehensively documented in their work and acceptance reports. Following up on complaints is a mandatory step. A complaint that has not been concluded will lead to an open item in the system that must be closed by the administrative staff. Cases must only be closed after they have been handled successfully. The customer or end-user will usually receive final documentation of the processed complaint. This is also done to ensure effectiveness of the action taken.

We are currently not aware of any damage suffered by end-users in connection with our products and services.

S4-4 – Taking action on material impacts on customers and end-users, and approaches to managing material risks and pursuing material opportunities related to customers and end-users, and effectiveness of those actions

TROX SE uses the social media channels LinkedIn, Instagram, YouTube and Facebook as well as the yearly customer magazine TROX life to inform customers and end-users. Each edition of TROX life is dedicated to a focus topic. In 2024 we wrote about the consequences of climate change and the impact that good indoor air has on human health.

The TROX ACADEMY organises events, seminars and webinars and has a comprehensive media library. The Academy informs people around the world about our products and their safety features, product functions and energy efficiency, as well as making product documentation available, such as EPDs.

Our podcast titled "Von Null auf Technik" ("From Zero to Technology") is dedicated to sharing information about product and system types, applications and benefits.

TROX SE has identified health and safety as a key issue. No specific measures have been developed for this area, as TROX SE is not responsible for or involved in causing any actual or potential negative impact on the health and safety of customers and end-users through its business activities. We therefore do not believe that it is necessary to develop any specific risk prevention and mitigation measures for this area.

Air is our most vital natural resource and therefore has great impact on health as the most important asset of human life. Humans spend 90% of their time[9] in indoor spaces, making the provision of healthy air an essential factor for improving people's ability to concentrate and perform well, as well as reducing absence and safeguarding their health, all of which has been proven to be the case. The TROX GROUP's dedication to this aspect is reflected in its corporate goal titled "good indoor air". We thus harness our ability to develop solutions that enable people to live healthily and enjoy good air, as well as contributing to climate change mitigation.

Using the data for calculating the requirements in connection with supplying human beings with healthy air as a starting point, we analysed all key product segments and quantified the products sold in 2024 according to the respective airflow (air volume) in m^3/h. We assume a volume flow rate of $25 m^3/h$ / person to be suitable for ensuring good air. This figure has been verified in corresponding studies. Based on the total volume flow rate, we have determined that products by TROX provide healthy air for a total of around 115 million people.

9 Source: combined or multiple strain due to health stressors in developed indoor spaces: evidence-based review prepared for the WHO training workshop titled "Multiple environmental impacts and risks" that took place in Bonn (Germany) from 16 to 18 October 2013.

85% of the total numbers are considered in all of our calculations, as 15% of the total volume flow rate are deducted for the room itself. This figure can be quantified accordingly as our products have a very long service life of up to 30 years in some cases.

TROX GROUP

CSR data	Airflow 2024 m³/h	Individuals supplied with air in 2024
Air processed with AHUs	65,216,801	2,217,371
Filtered air (filters)	1,602,954,016	54,500,437
Safe air thanks to fire dampers	507,560,324.04	17,257,051
Healthy air (air diffusers, air-water)	666,585,875	22,663,920
Air controlled based on demand with volume flow controllers	545,496,108	18,546,868
Total	**3,387,813,124**	**115,185,646**

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

We aspire to develop and produce products that steadily improve air quality with regard to the temperature, humidity and CO_2 concentration. We have not developed any specific goals in this context to date. TROX is currently looking into ways to reconcile the goals of customers and end-users with the CSRD.

GOVERNANCE

ESRS G1 – BUSINESS CONDUCT

At TROX SE we believe that a value-oriented corporate culture forms the basis for successful and ethically sound business activities. Our company is also involved in politics and associations and advocates for stricter pollution limits for indoor air and better fire safety standards.

ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies

The Board of Directors and the Supervisory Board look into the risks identified globally by the risk management team every quarter and discuss suitable actions. This is done, for example, as part of the Business Review Meetings with the subsidiaries, the Board of Directors, the Finance Division Manager, the EMEA distribution team and the President & CEO – APO. Information is also forwarded to the responsible individuals in Controlling as part of a monthly consolidated risk report.

The management bodies have established a corporate culture that is based on integrity and ethically sound conduct. One of the key principles derived from this is: "We will refrain from any business which can only be generated by breaching laws or our regulations."

The TROX governance structure is designed to allow for effective control and monitoring of the company's sustainable development. Please refer to the chapter titled ESRS 2 GOV-1 for further information about the role of the administration, management and supervisory bodies.

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

As part of its double materiality analysis, TROX SE has identified material impacts, risks and opportunities in the areas of corporate culture, political involvement, supplier relations and corruption prevention. On balance there are more positive impacts and opportunities in this topic area. A practised, value-based corporate culture does not only promote team spirit, it can also help to boost productivity and our reputation. Long-term, partnership-based cooperation gives rise to a number of advantages in the area of supplier relations, such as better social and environmental conditions along the value chain and access to markets where high air quality and fire protection standards are key. Our close collaboration with suppliers also creates a platform for joint innovation. We select business partners based on an assessment scheme in which the same degree of importance is attached to sustainability, resilience and innovativeness as to traditional criteria such as quality, costs and delivery times. Consistently high quality of purchased parts is essential for being able to steadily improve the quality of our products and safeguarding our position in the market. Risks exist, in particular, in the form of rising compliance requirements, such as mandatory training and actions related to corruption prevention. TROX SE approaches these requirements from a responsible management perspective that is all about fair competition and integrity.

Topic	Sub-topic	IRO classification	IRO	Classification (potential/actual)	Assignment to value chain	Time lines
G1 – Corporate policy	Corporate culture	Positive impacts	> A value-based corporate culture gives rise to a positive working atmosphere and team spirit among staff	actual	own business	
		Opportunities	> Practicing the values of a joint corporate culture can help to increase productivity and improve the workplace atmosphere	potential	own business	medium-term
			> Positive employer branding, reduced staff turnover and increase in applications	potential		
			> Reputational gains	potential		
	Political influence and lobbying activities	Positive impacts	> Protection of indoor air quality and safety in buildings and efforts towards establishing stricter pollutant limits for indoor air and enhancing fire protection standards	actual	downstream value chain	
		Opportunities	> Increase in demand thanks to stricter pollutant limits for indoor air and enhanced fire protection standards	potential	own business	medium-term
	Management of relationships with suppliers, including payment practices	Positive impacts	> Improvement of social and environmental conditions along the value chain through long-term partnerships with suppliers and support of their sustainability efforts	actual	upstream and downstream value chain	
			> Improvement of commercial conditions thanks to fair payment practices	actual	downstream value chain	
		Opportunities	> Cost efficiency and stable prices thanks to close cooperation with suppliers	actual	own business/downstream value chain	short-term
			> Market access in countries with strict indoor air quality criteria and fire protection standards through responsible supply chain management	potential		
			> Innovation potential through close cooperation with suppliers	actual		
	Prevention and detection including training (corruption and bribery)	Positive impacts	> Motivation of staff members thanks to a fair corporate culture and anti-corruption training	potential	own business	short-term
			> Awareness building through benefits guideline (reporting tool for all types of benefits)	actual	own business	
		Opportunities	> Improving product quality through fair competition by selecting suppliers based on top quality	potential	own business/downstream value chain	medium-term
		Risks	> Compliance costs for implementing and maintaining effective anti-corruption measures	actual	own business	

G1-1 – Business conduct policies and corporate culture

Guidelines	Contents
Business Conduct Guideline	This Business Conduct Guideline sets out the fundamental principles of our actions, which we actively ask our staff members around the world to observe. The regulations set forth provide the minimum standard for all employees of the TROX GROUP worldwide. They are intended to effectively prevent unfair business practices as well as to strengthen the belief that any attempt to influence competition through forms of unfair practice must be banned and prevented. The guideline is also our way to communicate and distribute our code of conduct to all stakeholders.
Human Rights Commitment Statement	The purpose of the Human Rights Commitment Statement is to ensure that minimum social standards are met across all relevant business areas of TROX GROUP and along our entire value chain. The Human Rights Commitment Statement is applicable globally and it therefore covers all TROX activities around the world. We also expect our business partners (e.g. suppliers, partners, customers) to observe human rights.
Antidiscrimination Statement	We consider it our obligation and priority to act responsibly, professionally, lawfully, inclusively, healthily and non-discriminatorily. We value the integrity, dignity, rights, health and well-being of every human being. This is the foundation of our harmonious, creative and motivating working environment in which everybody is able to do their best, promote innovation and contribute to our customers' success. The statement is our commitment to providing a discrimination-free workplace.
TROX GROUP Auditing Rules	The TROX GROUP Internal Auditing department provides independent and objective auditing and consulting services that are focused on creating added value for the TROX GROUP, as well as on improving business processes and the internal control system. The auditing department of TROX GROUP helps the organisation to achieve its goals by employing a systematic and goal-oriented approach to evaluate and improve the effectiveness of the internal control system, the risk management system, and management and monitoring processes. In addition, the TROX GROUP Internal Auditing department conducts risk-oriented audits in all areas and all locations throughout the Group.
Auditing Manual	Goals, requirements and methods of the Internal Auditing department are outlined in the manual, in particular concerning the auditing process at TROX SE and its national and international subsidiaries and shareholdings. The manual is addressed at the Internal Auditing department, as well as interested staff members from other departments.
Compliance Guideline – Preventing Antitrust and Competition Law Violations	The goal of this guideline is to communicate the relevant principles and rules of conduct related to antitrust and competition law and to ensure that these are complied with. Fair and free competition maximises overall prosperity and is the ideal state from a macroeconomic point of view. This is why the protection of free competition is an essential component of our corporate culture.
Whistleblowing Committee Rules	The whistleblowing system TROX TRUST CHANNEL was introduced at TROX SE to enable staff members, customers, suppliers and other business partners of TROX SE to report any compliance breaches and infringements either openly or anonymously. These rules set out the process for the internal and external whistleblowing system.
Anti-corruption Guideline	This guideline seeks to raise awareness of corruption risks among staff members and to help them navigate their everyday working life safely and compliantly. The guideline is based on directives and guidelines that apply for the entire group.
Benefits and Donations Guideline	The handling of gifts, hospitality, and invitations to events is regulated in the Benefits and Donations Guideline of TROX SE. Transparency and documentation are particularly important aspects in the context of accepting and offering benefits and donations.
Supplier Code of Conduct	Suppliers undertake to observe the applicable laws, guidelines and other provisions of the respective legal systems in the countries in which they are active in all their business-related activities and decisions. To allow for sustainable collaboration, TROX expects that the Supplier Code of Conduct is recognised by all suppliers around the world and that its contents are applied to the suppliers' own value chains.
Sustainable Procurement Guideline	The guideline is based on the RMI and IAO principles, the OECD guidelines and the UNGC principles. We ensure compliance by means of internal and systemic review mechanisms. The guideline is reviewed annually. When we place an order, we may add a surcharge to the pure purchasing price, based on risks, sustainability risks and CO_2 emissions. This is how we factor in sustainability aspects that can cause indirect or subsequent costs. We have already achieved transparency with regard to sustainability issues with 100% of the TROX GROUP's (including TROX Vermögensverwaltungs GmbH) core suppliers.

TROX SE attaches great importance to the development and promotion of a strong corporate culture that is based on five core values that were established internally and that are communicated to all staff members: quality, reliability, safety, trust and sustainability. These values were determined in team workshops in 2020/21 and they apply throughout TROX SE.

The corporate culture is established, promoted and assessed through the following measures:

- **Staff involvement:** TROX makes sure that its staff members are actively involved in shaping the corporate culture. This encourages dedication and identification with the corporate values.
- **Value-based management:** the five core values are guidelines for all decisions and action in the company.
- **Sustainable action:** TROX relies strongly on sustainability and this aspect is integrated in all corporate processes. This approach promotes a positive, future-oriented corporate culture.
- **Encouraging innovation:** TROX calls on its staff to submit innovative ideas, especially concerning sustainability and efficiency. They can do so, for example, through the IDEAS platform on the intranet.
- **Transparency and communication:** the company believes in open communication and transparency, both internally and externally.
- **Regular evaluation:** TROX relies on external assessments and certifications (e.g. the certificate on compatibility of professional and care duties), aiming to consistently review and improve its corporate culture and performance.
- **Affiliation with the foundation:** as a company that is affiliated with a foundation, TROX focusses on long-term success and the well-being of human beings and nature. These principles reinforce the corporate culture considerably.

TROX SE invests steadily in the implementation and further development of effective corruption prevention measures. One key aspect here is to raise awareness among the staff members. Training sessions about corruption and bribery prevention and detection are part of our compliance programme. We also make a range of channels available to our internal and external stakeholders, to allow them to report any potential breaches anonymously and confidentially. > These measures are detailed in chapter G1-3.

We also rely on clear guidelines for the acceptance and granting of benefits that aim to promote responsible conduct of all staff members. Certain functions are particularly likely to be affected by corruption and bribery. TROX SE has identified these functions through its risk management activities and risk analysis. This analysis was also considered in the double materiality analysis. However, the risk was classified as non-material. Purchasing is one of these critical areas, due to the direct interaction with suppliers. TROX has set up a multi-dimensional risk management approach for reducing the risk of corruption, in particular in purchasing. In addition, TROX demands and checks that personal and business interests are kept strictly separate.

G1-2 – Management of relationships with suppliers

TROX is committed to treating its suppliers fairly and responsibly, as well as to sustainable management of the entire supply chain. We are aware of the fact that some of our suppliers can be affected by economic, environmental or social risks. To be able to counteract any negative impact early on, sustainability aspects are systematically integrated in our supplier selection and assessment processes.

A comprehensive risk analysis is carried out even during the integration of new suppliers for production materials. Aspects including the suppliers' financial stability, sustainability activities, material compliance and CO_2 emissions are considered in this analysis. The entire process from the initial review through to the decision to award an order is automated via our purchasing platform. In addition to this we use a sustainability platform that allows us to consistently record and evaluate the suppliers' relevant ESG data.

It is particularly important to us that we cooperate with partners who share our values. We prefer suppliers who can demonstrate that they work in an eco and resource-friendly way, who actively contribute to climate change mitigation, who promote diversity and human rights and whose business activities are ethically sound. This strict selection process contributes to resilience and accountability in the supply chain, reinforces environmental and social standards and helps to create a sound basis for long-term partnerships.

G1-3 – Prevention and detection of corruption and bribery

TROX SE has integrated a number of procedures for preventing and detecting corruption and bribery and handling potential cases thereof. The electronic whistleblower system TROX TRUST CHANNEL allows staff members, customers, suppliers and other business partners to report any potential compliance breaches. The purpose of the system is to detect any integrity violations early on and to prevent related damage. The system contributes to the detection of economic crime and activities that could harm the company. It is available in seven languages and can be used anonymously, if desired.

To ensure compliance with statutory and internal rules, the Board of Directors and Supervisory Board have also introduced a Compliance Management System (CMS). The Corporate Audit und Compliance department is in charge of the worldwide implementation of the CMS. Among other things, this system includes the TROX TRUST CHANNEL, regular training sessions, audits and business partner reviews. The approach ensures that the administration, management and supervisory bodies are informed about any compliance breaches. As an independent, globally responsible administrative department, Corporate Audit and Compliance reports directly to the Board of Directors. Compliance with the Code of Conduct is reviewed on a regular basis by dedicated CMS committees. Committee members include the Chief Compliance Officer, Division Managers, Functional Managers at TROX SE that report directly to the Board of Directors, and the Managing Directors of the subsidiaries. The Chief Compliance Officer is informed if any violations are detected, and action is taken without delay. The CMS is subject to regular reviews and optimisation to ensure that it is in line with the latest requirements. This includes informing the management about any progress and challenges.

In addition to the systems mentioned above, employees and managers can inform their immediate superior or the Chief Compliance Office about any concerns or potential violations, or send an email to their local Compliance Manager using the following email address:
> compliance-helpdesk@troxgroup.com. Staff members are made aware of these contact options when they join the company. This information is also available to all staff members on the intranet.

Handling suspected and actual breaches

An objective investigation is performed if TROX learns about any suspected breaches. This is done using a standardised process handled by the Chief Compliance Officer in close coordination with the Board of Directors. Appropriate action is taken if a violation is confirmed in the investigation. Each case is reviewed individually and the effectiveness of measures is examined. Suitable measures, such as disciplinary proceedings or the initiation of steps under labour law, are determined based on the investigation.

TROX SE explicitly prohibits any form of retaliation against individuals who report breaches in good faith or are involved in an investigation, even when the concerns are ultimately not confirmed. We pursue such information comprehensively and confidentially, observing all parties' legitimate interests pursuant to data and whistleblower protection laws. TROX SE reviews and updates its compliance activities on a regular basis and communicates the results of the due diligence process and production control tests in its annual integrated report. This procedure is based on the Act for the Better Protection of Whistleblowers and standardised internal processes.

Training

We arrange training and communication measures to raise awareness of compliance among our staff members. The compliance training programme comprises web and classroom-based training. Flexible e-learning content is to be made available in the future, aiming to reach more staff members. The content of the training sessions ranges from the definition of corruption and its different forms via its consequences for the company and staff members through to due diligence aspects and the things that everyone can do to prevent corruption. Business partner assessments are also part of the training, and the participants learn about social responsibility and the role of human rights, too.

The training sessions are available worldwide and addressed at potential at-risk areas of the company in particular, which are identified by the risk management team as needed. Those potentially vulnerable areas include mostly those with close customer contact, such as distribution and purchasing. In the period under review, corruption-prevention training took place for 9.61% of the at-risk functions.

TROX is currently not running any specific corruption prevention training sessions for members of the administrative, supervisory or management bodies, and does not conduct any region or target group-related analyses of existing training activities.

G1-4 – Incidents of corruption or bribery

No cases of corruption or bribery were detected at TROX SE in the period under review. There were also no convictions related to violations of relevant anti-corruption or anti-bribery laws, and no fines were imposed. It was therefore not necessary to take any disciplinary action against any staff members or to terminate or refrain from renewing any contracts with business partners. No public court proceedings took place against the company or its staff members in connection with corruption or bribery in the period under review.

G1-5 – Political influence and lobbying activities

TROX thinks of sustainability and health as an inseparable unity. We actively bring this view to committees, associations, politics and the general public and are represented in the following committees, associations and political institutions:

- Transparent exchange with public authorities: e.g. the Federal Office for Economic Affairs and Export Control (BAFA), the Federal Office for Agriculture and Food (BLE), the Federal Ministry for Economic Affairs and Energy (BMWK)
- Chairing the fire protection and smoke extraction working group at the Association of German Mechanical and Plant Engineering Companies (VDMA)
- Chairing the building services advisory board at VDI
- External consultation concerning environmental and waste-related issues and ISO certification

Udo Jung and Thomas Mosbacher are the advisory, management and supervisory body members in charge of monitoring the lobbying activities. We are not aware of any members of our advisory, management and supervisory bodies who held a similar post in public administration during the two years before being appointed.

No monetary or material political donations were made in the period under review. No expenses for internal or external lobbying activities were incurred either. The company is a member of the VDMA and paid its membership fee of EUR 37,000. TROX SE is listed in the transparency register of the Federal Republic of Germany.

G1-6 – Payment practices

TROX SE is committed to ensuring transparent and reliable payment practices. Our suppliers, especially those who are small and medium-sized enterprises, benefit from efficient and fair payment processes. These are based on mutual trust and economic reliability. On average, invoices are paid within 18 days of the start of the contractually agreed or statutory payment period. This period includes our standardised internal review and approval processes.

Our regular payment run that includes all approved invoices that are due and an outlook for the next three to five days is a central element of the overall process. The accounts payable team makes sure that payments are approved in a timely manner and responds swiftly to any queries. We made a point of topping up our resources in this area to ensure quicker processing.

We are gradually introducing a digital system for automated invoice processing, aiming to increase the efficiency of our internal processes. This system facilitates adherence to due dates, automates notifications concerning any outstanding receivables and increases the share of invoices that are processed without human involvement.

We determine our payment options flexibly to be able to take our suppliers' individual requirements into account. We are dedicated to continuous improvement here. The agreed payment conditions are reviewed at least once a year, as part of our supplier assessments. We aim to establish the TROX payment target of less than 45 days as a fair standard. We do this to contribute to a stable and sustainable supply chain, in addition to doing justice to our commercial responsibility.

Terms of payment of suppliers

TROX SE maintains a differentiated and transparent payment management system with a total of 47 different payment targets agreed with individual suppliers. Terms such as "net amount payable immediately" or "net amount payable within ten to 30 days" are particularly common here. These conditions account for around 80% of all agreements and they reflect our efforts to ensure fair and timely payment.

The greatest share of incoming invoices is from material suppliers (62%), followed by service providers (20%), shipping companies (9%), energy suppliers (8%) and suppliers of fixed assets (1%). While the specific payment conditions vary within these categories, payments are usually handled efficiently and within short time frames. SEPA payments from TROX SE that account for some 75% of all invoices, are paid 18 days after receipt of the invoice on average.

No legal proceedings connected to delayed payments were pending as of 31 December 2024 as the reporting date. This reflects our aspiration to punctually meet our financial obligations and to promote stable business relationships.

ESRS INDEX

IRO-2 – Disclosure duties pursuant to the ESRS covered by the company's sustainability report

The data points for the sustainability report were determined based on the results of the double materiality analysis and with the help of the official EFRAG documents (Implementations Guidance 3 – List of Data points dated 31 May 2024 and Addendum to Implementation Guidance 3 dated 20 December 2024).

The following table contains the data points that were derived from other EU regulations and that are listed in Appendix B of ESRS 2. It is indicated for each data point, where it is addressed in this report. In addition, we have specified, which of these data points were classified as "not material" based on the definition of materiality and which were classified as "not relevant" in view of the business activities of TROX.

Section in annual report	ESRS standard	Disclosure requirement	SFDR reference	Pillar 3 reference	Regulation reference bench-mark	EU Climate Law reference	Page / reference
Environmental issues	ESRS E1 – Climate change	GOV-1 Gender diversity on boards and in management bodies (section 21, d)	X		X		27
		GOV-1 – Percentage of independent board members (section 21, e)			X		27
		GOV-4 – Statement on due diligence	X				31
		SBM-1 – Involvement in activities in connection with fossil fuels (section 40, d. i)	X	X	X		Not applicable
		SBM-1 – Involvement in activities in connection with chemicals production (section 40, d. ii)			X		Not applicable
		SBM-1 – Involvement in activities in connection with controversial weapons (section 40, d. iii)	X		X		Not applicable
		SBM-1 – Involvement in activities in connection with the cultivation and production of tobacco (section 40, d. iv)			X		Not applicable
		E1-1 – Transition plan for achieving climate neutrality by 2050 (section 14)				X	42–45
		E1-1 – Companies that are excluded from the EU Paris-aligned Benchmarks (section 16, g)		X	X		44
		E1-4 – GHG emission reduction targets (section 34)	X	X	X		50
		E1-5 – Energy consumption and mix (section 37)	X				51
		E1-5 – Energy consumption from fossil sources broken down by source types (high climate impact sectors only) (section 38)	X				Not material
		E1-5 – Energy intensity in connection with activities in high climate impact sectors (section 40–43)	X				Not material
		E1-6 – Gross scopes 1, 2, 3 and total GHG emissions (section 44)	X	X	X		52
		E1-6 – GHG emissions intensity (sections 53–55)	X	X	X		53
	ESRS E5 – Resource use and circular economy	E5-5 – Non-recycled waste (section 37, d)	X				59
		E5-5 – Hazardous waste and radioactive waste (section 39)	X				60, 61
Social issues	ESRS S1 – Own workforce	ESRS 2 SBM3 – S1 Risk of incidents of forced labour (section 14, f)	X				66
		ESRS 2 SBM3 – S1 Risk of incidents of child labour (14, g)	X				66
		S1-1 – Human rights policy commitments (section 20)	X				66
		S1-1 – Due diligence requirements in relation to issues addressed in the International Labour Organization's fundamental conventions 1 to 8 (section 21)			X		66
		S1-1 – Procedures and actions for combating trafficking in human beings (section 22)	X				Not material
		S1-1 – Workplace accident prevention policy or management system (section 23)	X				66
		S1-3 – Complaints handling (section 32, c)	X				68
		S1-14 – Number of fatalities and number and rate of work-related accidents (sections 88, b, c)	X		X		74
		S1-14 – Number of days lost to injuries, fatalities and ill health (section 88, e)	X				74
		S1-16 – Unadjusted gender pay gap (section 97, a)	X		X		75
		S1-16 – Overpayment of members of the management bodies (section 97, b)	X				75
		S1-17 – Incidents of discrimination (section 103, a)	X				75
		S1-17 – Cases of non-respect of the UN Guiding Principles on Business and Human Rights or the OECD Guidelines (section 104, a)	X		X		75
	ESRS S4 – Customers and end-users	S4-1 – Policies related to customers and end-users	X				78
		S4-1 – Cases of non-respect of the UN Guiding Principles on Business and Human Rights or the OECD Guidelines (section 17)	X		X		78
		S4-4 – Human rights issues and incidents (section 35)	X				78
		G1-1 – United Nations Convention against Corruption (section 10, b)	X				83
		G1-1 – Protection of whistleblowers	X				86
		G1-4 – Fines for violation of anti-corruption and anti-bribery laws (section 24, a)	X		X		86
		G1-4 – Standards of anti-corruption and anti-bribery (section 24, b)	X				86

LIST OF ABBREVIATIONS

Abbreviation	Description
GTC	General Terms and Conditions
APO	Asia-Pacific and Oceania (APO)
SB	Supervisory Board
BAFA	Federal Office for Economic Affairs and Export Control
BLE	Federal Office for Agriculture and Food
BMWK	Federal Ministry for Economic Affairs and Energy
BSK	Fire damper
CAS	Chemical Abstract Service
CMS	Compliance Management System
COO	Chief Operating Officer
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
EAP	Employee Assistance Program
EHS	Environment, Health, Safety
EMEA	Europe, Middle East, Africa
EPD	Environmental Product Declarations
ESRS	European Sustainability Reporting Standards
EEA	European Economic Area
GHG Protocol	Greenhouse Gas Protocol
GWP	Global Warming Potential

Abbreviation	Description
HVAC-R	Heating, ventilation, air conditioning and refrigeration
ILO	International Labour Organization
IEQ	Indoor Environmental Quality
IMS	Integrated Management System
IPCC	Intergovernmental Panel on Climate Change
IROs	Impacts, Risks, Opportunities
MCR technology	Measurement, control and regulation technology
OECD	Organisation for Economic Co-operation and Development
PAB	EU Paris-aligned benchmarks
PCF	Product Carbon Footprint
PLM	Product Lifecycle Management
AHU	Air Handling Unit
RMI	Responsible Minerals Initiative
SBC	Sustainability Board Committee
HVAC	Heating, Ventilation and Air Conditioning
TBE	Technical Building Equipment (industry)
GHG	Greenhouse gas(es)
UNGC	UN Global Compact
VDI	Association of German Engineers
VDMA	Association of German Mechanical and Plant Engineering Companies
VFC	Volume Flow Controller

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