



COMBINED SEPARATE NON-FINANCIAL REPORT 2025

Contents Combined separate non-financial report

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Combined separate non-financial report 2025

For GRAMMER, sustainability begins with the people who work in and are associated with the company. It ranges from research and development (R&D), procurement and production to the finished products and the end-of-life recycling of product components. With the expansion of its global presence and the broad structure of the organization, the GRAMMER Group is also supporting this message internationally.

In the 2025 reporting year, GRAMMER further developed its sustainability activities in the context of increasing regulatory requirements, global economic uncertainties and structural changes within the Group. The ongoing implementation of the European sustainability reporting (CSRD) and new requirements along the supply chain have further strengthened the systematic anchoring of sustainability in processes, structures, and decision-making mechanisms.

A particular focus in the reporting year was on the further development of internal governance (control and regulation) structures. The organizational realignment of the sustainability function and its closer integration with compliance and risk management processes are helping to integrate environmental and social issues even more closely into business decisions. At the same time, existing objectives were reviewed, prioritized, and, where necessary, adapted to changed organizational and regulatory conditions.

GRAMMER has also consistently pursued its long-term strategy in the area of climate and resource protection. In addition to the ongoing reduction of emissions in its own business activities, the focus is increasingly shifting to upstream and downstream stages of the value chain. The systematic recording

and evaluation of Scope 3 emissions forms a central basis for defining realistic, measurable, and effective reduction paths. In addition, GRAMMER is intensifying its activities to promote the circular economy, sustainable product design and the use of resource-saving materials.

Another focus in the reporting year was strengthening human rights and environmental due diligence along the supply chain. Through risk-based supplier monitoring, clear requirements for business partners, and transparent processes for risk identification and management, GRAMMER helps to identify and minimize potential negative impacts at an early stage. At the same time, the company increasingly sees sustainability as a joint task that can only be successfully implemented in dialogue with employees, suppliers, customers, and other stakeholders.

The positive results of our initiatives to promote sustainability are reflected in improved external ratings. In the 2025 reporting year, our EcoVadis score increased from 71 to 75 out of 100 points.

1. Sustainability at GRAMMER

GRAMMER Group, based in Ursensollen (Germany), is a global company that operates in two business segments: GRAMMER develops and produces high-quality interior components and systems and innovative thermoplastic components for the global automotive industry. GRAMMER is a full-service provider of driver and passenger seats for trucks, trains, buses and off-road vehicles. We are committed to sustainability and have embedded its economic, social and ecological principles in our corporate guidelines.

We aspire to make thinking and acting sustainably an integral part of the company's DNA. For us, taking responsibility for people, society and the environment means not burdening people and nature as much as possible and promoting their ability to regenerate. We take the interests of all our stakeholders into account, support our employees and have implemented a standardized ISO-certified environmental management system for all our locations worldwide. By the end of 2025, more than two-thirds of our global sites have introduced an ISO-certified energy management system and almost 90% of our global sites have introduced an ISO-certified occupational health and safety management system. We are aiming to implement the occupational health and safety management system globally by the end of 2026, and the energy management system is to be integrated across all GRAMMER locations by the end of 2027.

1.1 Organizational structure of sustainability

In 2025, GRAMMER underwent a change in its organizational structure. The internal CSR team was reorganized and assigned to the Group Compliance department. In view of the dynamic changes in EU regulations as part of the Omnibus procedure, the Circular Economy Action Plan, the impact on the product portfolio, and the increasing focus of regulations on product compliance, GRAMMER expects this reorganization to add value to its sustainability function.

The CSR team is in regular contact with all cross-group functions in order to support them in implementing the topic-specific goals for which they are responsible. In addition, regular communication serves to take the dynamic requirements of the market into account when developing a continuous improvement process and to develop proposals for the corresponding process adjustments.

The CSR team supports the contact persons in the respective GRAMMER plants in each region (EMEA, AMERICAS, and APAC) from various departments, such as Human Resources, Production, Quality, and others, in the implementation and execution of CSR requirements.

An important tool for exchange between the CSR team and other key functions is the CSR Council, whose members include the Executive Board as well as regional representatives and senior managers below the Executive Board level:

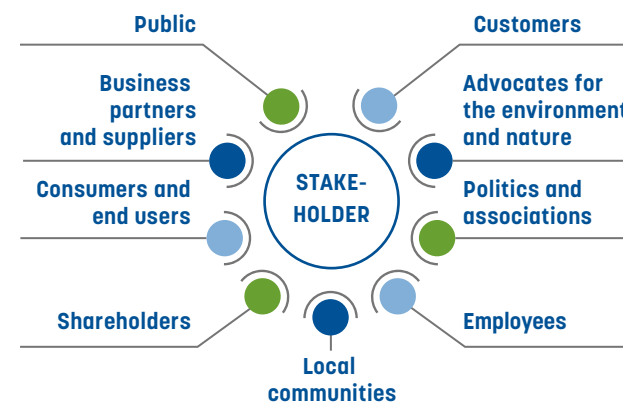
- Research and Development
- Legal
- Compliance
- Controlling
- Finance
- Accounting
- Investor Relations
- HR
- Production
- Supply Chain Management
- Quality
- Health, Security and Environmental Management
- IT
- Marketing and Communication
- Sales
- Data Protection

The CSR Council ensures that sustainability is firmly embedded in the corporate strategy and is continuously developed in accordance with legal requirements. The units represented on the CSR Council are responsible for implementing the strategic CSR objectives.

These objectives are part of the company-wide "Sustainable Company" initiative. Targets have been set for five action areas that are to be achieved in the medium and long term: energy and resource efficiency, efficient use of materials, waste avoidance and recycling, reduction of emissions and the development of sustainable products.

1.2 Inclusion of all stakeholders

It is particularly important for GRAMMER to engage in dialogue with its various stakeholders, such as employees, customers, and suppliers, and to take their perspectives into account. Communication with our stakeholders takes place directly through the respective departments and divisions. The results of these dialogues are recorded and can be accessed in order to respond to external inquiries or communicate messages from the company to the public. Since GRAMMER maintains very close communication with its stakeholders, the expectations of the various groups can also be taken into account in the materiality analysis and the resulting sustainability concepts (see section 1.3, p. 4-5).



1.3 Materiality analysis

In preparation for the CSRD, we updated the materiality analysis conducted for the first time in 2024 in accordance with the European Sustainability Reporting Standards (ESRS) in 2025. Based on the concept of double materiality, significant positive and negative impacts on people and the environment as well as risks and opportunities for GRAMMER were analyzed along the entire value chain. A total of 18 material topics were identified.

The basis for identifying material aspects was the topics covered by the ESRS standards in the areas of environment, social affairs, and corporate governance (ESG), as well as GRAMMER's business model, value chain, and stakeholders. When assessing the materiality of the individual aspects, the previously assigned

potentially relevant impacts, risks, and opportunities (IROs) were taken into account. The assessment was carried out in accordance with the requirements of the ESRS. GRAMMER applied a two-stage assessment approach:

1. Evaluation by subject matter experts, taking into account the perspective of stakeholder groups affected by IROs
2. Validation by functional experts, taking into account the perspective of users of sustainability information

All steps and results were documented and validated. After a final plausibility check, the Executive Board was informed of the results and approved them. The material topics identified serve as a guide for current and future efforts to promote sustainable practices. They also form the basis for our non-financial reporting.

The materiality analysis is to be updated annually from now on. The results have been linked to risk management and will be incorporated into the risk management system.

As part of the update of the materiality analysis at the beginning of 2026, the aspects of "water," "biological diversity and ecosystems," and "information-related impacts for consumers and/or end users" were no longer classified as material compared to the previous year. New key issues identified were "Communities: Economic, social, and cultural rights" and "Animal welfare". GRAMMER will formulate a strategic approach to these topics in fiscal year 2026 and will report on the corresponding developments in its next sustainability report.

Environmental (E)	Social (S)	Governance (G)
Energy	Working conditions of the company's own workforce	Corporate culture
Climate change mitigation (emissions)	Equal treatment and equal opportunities for the company's own workforce	Animal welfare
Climate change adaption	Other work-related rights in the company	Management of relationships with suppliers
Air, water and soil pollution	Working conditions in the value chain	Corruption and bribery
Circular economy: Resource flows and use	Equal treatment and opportunities for all in the value chain	
Circular economy: Waste	Other work-related rights in the value chain	
	Communities: Economic, social, and cultural rights	
	Personal safety of consumers and/or end users	

✔ The topic was already material for GRAMMER.

1.4 Risk assessment of non-financial matters

Entrepreneurial activity involves risks and opportunities. We have defined various risk policy principles in our strategy. In terms of risk management, we understand risks and opportunities to be possible positive or negative deviations from a business plan defined under uncertainty. Risk management thus contributes to value-oriented corporate management. To avoid risks, we have established a uniform, group-wide risk management system. This process enables risks to be identified, analyzed, and evaluated at an early stage, and measures to be taken to control and reduce them.

We address fundamental risks that could affect individual non-financial issues, particularly in the area of environmental risks, with the help of our management systems in accordance with ISO 14001 (environmental management) and ISO 50001 (energy management), among other measures. Since 2024, our risk management system has also been adapted to the requirements of the German Supply Chain Due Diligence Act (LkSG).

In the context of the double materiality analysis, GRAMMER also addressed the financial risks associated with the material ESG topics. This was done as part of the analysis of impacts, risks, and opportunities (IROs) specified by the ESRS.

The resulting material risks and possible negative impacts on non-financial matters, which in turn may give rise to risks, are presented in the following table.

Risks

Non-financial aspect	Material topic	Actual/potential negative impacts	IRO type	Risks and negative impacts
Cross-cutting issues	Animal welfare	Potential	Negative impact	Harm to animal welfare (including killing or injuring animals) for the production or extraction of materials (e.g. leather goods for seats and center consoles)
Cross-cutting issues	Supplier management, including payment practices	Potential	Negative impact	Negative effects on the economic stability of (especially small) suppliers and their employees due to late payment of supplier invoices beyond the contractually agreed deadline
Cross-cutting issues	Supplier management, including payment practices	–	Risk	Risk of losing suppliers due to a loss of reputation and penalties caused by late payment of invoices to suppliers and other stakeholders
Environmental issues	Climate change adaptation	–	Risk	Decrease of company value and confidence of investors and lenders due to lack of climate adaptation planning and ensuring economic stability and flexible value chains even in climate crises
Environmental issues	Climate change adaptation	–	Risk	Increased costs for investments or repairs due to changes in climatic conditions (e.g. thermal insulation, green roofs, flood protection) or for portfolio adjustments
Environmental issues	Climate change adaptation	–	Risk	Business interruptions due to environmental disasters (e.g. floods, droughts, forest fires, hurricanes)
Environmental issues	Climate change adaptation	–	Risk	Reduced production due to employees being affected by extreme weather events (heat waves, storms, flooding)
Environmental issues	Climate change adaptation	–	Risk	High investment costs/renovation of buildings, facilities, etc. due to emission-related transition risks (taxation/scarcity of fossil fuels, e.g. CO ₂ tax, coal phase-out, electrification of the fleet)
Environmental issues	Climate protection	Actual	Negative impact	Contribution to global warming/climate crisis through the emission of greenhouse gases in connection with the use of energy (e.g. for product manufacture or use, foam welding for seats, metal frame welding for seats, or plastic molding for armrests and center consoles)

Non-financial aspect	Material topic	Actual/potential negative impacts	IRO type	Risks and negative impacts
Environmental issues	Climate protection	Actual	Negative impact	Contribution to global warming/climate crisis through greenhouse gas emissions from the operation of vehicles and means of transportation (ships, trains, planes, car; employee travels etc.)
Environmental issues	Climate protection	Actual	Negative impact	Contribution to global warming/climate crisis through the extraction of raw materials (e.g. steel and aluminum for seat frames, leather, plastics, polyurethane, etc.)
Environmental issues	Climate protection	Actual	Negative impact	Contribution to global warming/climate crisis through emissions of greenhouse gases from combustion processes and chemical reactions (excluding transportation) (e.g. for the production of polyurethane foam for seating, surface treatment and coating of metal frames, curing for interior components or in the context of waste incineration)
Environmental issues	Climate protection	Actual	Negative impact	Contribution to global warming/climate crisis through greenhouse gas emissions as a consequence of energy-intensive waste disposal practices.
Environmental issues	Energy	Actual	Negative impact	High use of energy (electricity, heat (gas) and thus strain on the environment and natural resources in the production of products/ materials (e.g. metal frame welding for seats)
Environmental issues	Energy	Actual	Negative impact	Environmental impact and reduction of natural resources through high use of fuels for vehicle fleets and transportation which come from conventional energy sources
Environmental issues	Energy	Actual	Negative impact	Use of non-renewable energies and thus burdening the environment and natural resources as well as promoting resource scarcity in our own operations
Environmental issues	Energy	–	Risk	Increase in energy costs or fuel costs due to price increases and associated financial disadvantages (directly in own operations, indirectly in the purchase price of products)
Environmental issues	Energy	–	Risk	Higher product prices due to rising energy costs in the upstream value chain and own production, leading to a competitive disadvantage.
Environmental issues	Environmental pollution	Actual	Negative impact	Environmental pollution caused by raw material extraction, production processes and transportation as part of combustion processes (e.g. NOx in diesel engines)
Environmental issues	Environmental Pollution	Actual	Negative impact	Environmental pollution in the event of environmental contamination due to improper handling of wastewater and chemicals/ or accidents (e.g. oil (used in seat frame welding machines), polyurethane chemicals, refrigerants) in the production

Non-financial aspect	Material topic	Actual/potential negative impacts	IRO type	Risks and negative impacts
Environmental issues	Ressource utilization	Actual	Negative impact	Increased resource consumption through "linear" or conventional product design (e.g. limited reparability of armrests and center consoles, limited reusability, insufficient recycling options for the materials like foam, textiles, and plastics used) and through the use of non-renewable raw materials
Environmental issues	Ressource utilization	–	Risk	Limited availability and cost increase for raw materials due to scarcity of non-renewable resources or due to scarcity of renewable resources
Environmental issues	Waste	Actual	Negative impact	Environmental pollution caused by the generation of waste due to the usage of non-recyclable packaging material
Environmental issues	Waste	Actual	Negative impact	(Excessive) Waste generation increased due to (inadequate) disposal (methods) by supplier or own operations (e.g. production scrap from foam for seats is sent to landfill or incinerated instead of being recycled)
Environmental issues	Waste	–	Risk	Costs due to fines for potential improper waste disposal
Employee issues, social issues, and respect for human rights	Working conditions	Actual	Negative impact	Negative effects on health (fitness, stress, burnout) due to long working hours and a lack of work-life balance
Employee issues, social issues, and respect for human rights	Working conditions	Actual	Negative impact	Health hazards (including accidents, illness and death) due to lack or failure of health protection / non-implementation of safe working conditions
Employee issues, social issues, and respect for human rights	Working conditions	Actual	Negative impact	Additional workload and additional stress for employees in the event of high employee turnover (e.g. due to stress caused by job insecurity or increased workload)
Employee issues, social issues, and respect for human rights	Working conditions	–	Risk	Costs increase due to rising wage and benefit levels due to competition for talent
Employee issues, social issues, and respect for human rights	Equal treatment and equal opportunities	Actual	Negative impact	Financial insecurity, reduced career opportunities, declining job satisfaction and insufficient retirement savings due to a gender pay gap among employees

Non-financial aspect	Material topic	Actual/potential negative impacts	IRO type	Risks and negative impacts
Employee issues, social issues, and respect for human rights	Equal treatment and equal opportunities	Actual	Negative impact	Impairment of career opportunities with an impact on lifestyle, economic situation and health due to discrimination and inequality in promotion and development (also with regard to training and further education opportunities)
Employee issues, social issues, and respect for human rights	Equal treatment and equal opportunities	Actual	Negative impact	Violation of employee rights and (psychological) stress or physical harm due to discrimination, inequality or physical harassment based on certain characteristics (e.g. discrimination against people with disabilities)
Employee issues, social issues, and respect for human rights	Equal treatment and equal opportunities	Potential	Negative impact	Physical and emotional harm of employees due to violence and harassment in the workplace
Employee issues, social issues, and respect for human rights	Other work-related rights	Potential	Negative impact	Damage to health and safety of employees and worsening working conditions through human rights violations such as modern slavery (child labor/violation of the protection of minors, forced labor)
Employee issues, social issues, and respect for human rights	Other work-related rights	Potential	Negative impact	Health hazards due to inhumane accommodation (lack of hygiene, insufficient space, lack of access to sanitary facilities)
Employee issues, social issues, and respect for human rights	Working conditions in the value chain	Actual	Negative impact	Negative impact on workers' health (fitness, stress, burnout) due to long working hours and lack of work-life balance
Employee issues, social issues, and respect for human rights	Working conditions in the value chain	Actual	Negative impact	Health hazards (including accidents, illness and death) due to a lack of health protection and safety for workers (e.g. with metal welding machinery) or from the sale of defective products that could endanger workers
Employee issues, social issues, and respect for human rights	Equal treatment and equal opportunities in the value chain	Actual	Negative impact	Discrimination and declining workers satisfaction due to a gender pay gap among the workforce
Employee issues, social issues, and respect for human rights	Equal treatment and equal opportunities in the value chain	Actual	Negative impact	(Psychological) stress and violation of workers' rights due to discrimination and inequality (e.g. discrimination against people with disabilities or on the basis of certain characteristics) for workers
Employee issues, social issues, and respect for human rights	Other work-related rights in the value chain	Potential	Negative impact	Violation of human rights through modern slavery (child labor, forced labor)

Non-financial aspect	Material topic	Actual/potential negative impacts	IRO type	Risks and negative impacts
Employee issues, social issues, and respect for human rights	Other work-related rights in the value chain	Potential	Negative impact	Endangerment of physical and mental health through unworthy accommodation (lack of hygiene, insufficient space, lack of access to sanitary facilities) for workers
Employee issues, social issues, and respect for human rights	Other work-related rights in the value chain	–	Risk	Costs due to fines or compensation payments due to modern slavery (child labor, forced labor) among supply chain workers
Employee issues, social issues, and respect for human rights	Other work-related rights in the value chain	–	Risk	Reputational risks, costs due to fines or compensation payments for inhumane accommodation (lack of hygiene, insufficient space, lack of access to sanitary facilities) for workers
Employee issues, social issues, and respect for human rights	Economic, social, and cultural rights	Potential	Negative impact	Adverse impacts on the landscapes of local communities (including wear and tear or visual impacts), e.g. due to material extraction activities
Employee issues, social issues, and respect for human rights	Economic, social, and cultural rights	Potential	Negative impact	Deterioration of health and environmental conditions of local communities (access to clean water, air pollution, etc.) e.g. due to extraction of natural resources such as steel or aluminum on or near their land
Employee issues, social issues, and respect for human rights	Corporate culture	–	Risk	Reputational damage and increased costs caused by penalties due to unethical behavior towards workers and/or inadequate grievance structures
Combating corruption and bribery	Corruption and bribery	–	Risk	Reputational risks and reduction in company value if part of the value chain is located in countries with an increased risk of corruption, as the risk of corruption increases for the entire company.

Note: Significant risks and negative impacts were assigned to the issues in accordance with Sections 289c and 315c of the German Commercial Code (HGB).

The risk analysis of our own business areas and supply chains as part of the materiality analysis is based on the existing risk management system, which maps the identified sustainability risks. A presentation of the risks associated with non-financial issues can also be found in the opportunities and risks report in the management report (see section 3. in the 2025 Annual Report, p. 32). Differences between the opportunities and risks report and the results of the double materiality analysis may arise in part from differing evaluation methods, for example with regard to gross/net valuation and different time horizons.

1.5 Support for the UN Sustainable Development Goals

As a globally active company, GRAMMER actively contributes to the achievement of the Global Sustainability Goals. Adopted in 2015, the United Nations' Sustainable Development Goals (SDGs) comprise 17 objectives aimed at making the world more

sustainable and fairer by 2030. To highlight the relevance of the SDGs and to make our contribution visible, we are focusing on five subject areas and their goals to which we can contribute as a company:

SDGs	Aspects of relevance for the GRAMMER Group	Material aspects	Non-financial aspects	Goals
	 Responsible corporate governance	Corporate culture Corruption and bribery Animal welfare	Cross-cutting issue, particularly anti-corruption	Integration of compliance and ethics training participation rates into the bonus system in 2026
 	 Products	Information-related impacts for consumers and/or end users Personal safety of consumers and/or end users Circular economy: resource flows and use	Environmental concerns, social concerns	- Increased efficiency and process optimization through expanded know-how - Intensification and continuation of product development and sustainable materials
 	 Environment	Energy, climate change mitigation Climate change adaptation Air, water and soil pollution Circular economy: waste	Environmental concerns	- Minus 100% CO₂ emissions by 2040 (base year 2019) for Scope 1 and 2 - Ongoing transition to 100% green electricity at all locations - Global implementation of ISO 50001 by the end of 2027 - Maximizing the recycling rate for waste by 2040 (> 95%)
	 Supply chain	Working conditions in the value chain Equal treatment and equal opportunities for all in the value chain Other labor-related rights in the value chain Management of relationships with suppliers	Cross-cutting issue, relates to all non-financial aspects	20% reduction in CO₂ emissions in the supply chain (upstream) by 2030 (base year 2021) - Sustainable suppliers: 60% of our suppliers confirm our Supplier Code of Conduct by 2026 - Transparency and controlling of our suppliers' compliance with human rights and environmental due diligence obligations - Whistleblower system for internal and external use
 	 Employees and community	Working conditions Equal treatment/non-discrimination Other work-related rights in the company Corporate citizenship ¹ Communities: Economic, social, and cultural rights	Employee matters, social concerns	- Increasing the share of women in top management (20%) - Global implementation of ISO 45001 by the end of 2026 - Continually reduce the lost time injury frequency rate (LTIFR) – target: 1.9% LTIFR for 2026 - Strengthening and promoting voluntary commitment of employees worldwide - Training: Ø 12 hours per employee (administration) per year until 2030

¹ No material aspect; reporting is voluntary.

In the fiscal year 2025, GRAMMER reorganized its sustainability activities at the Group level (CSR team). As part of this reorganization and the sale of the TMD Group, existing targets were reviewed and reassessed in terms of their prioritization and organizational and procedural requirements. In this context, individual targets originally planned for 2025 were postponed to 2026 or 2027. The postponement serves to ensure a robust definition of targets, a clear allocation of responsibilities, and consistent achievement of objectives.

Following the sale and deconsolidation of the TMD Group in September 2024, the GRAMMER Group's financial and non-financial key figures were retroactively adjusted to exclude the discontinued operations of the TMD Group. This ensures comparability between the figures for 2024 and 2025.

1.6 Ratings

ESG (Environment, Social, Governance) rating agencies are key players in the capital market and form an important basis for sustainable investment decisions. Most providers make their rating and ranking results publicly available. For investors, these serve as a transparent and complementary decision-making aid. At the same time, customer expectations of companies with regard to certain rating results are continuously rising.



At EcoVadis, one of the leading providers of ESG ratings, the result improved to 75 (previously 71) out of 100 points. This puts us among the top 15% of the companies assessed. At NQC (an assessment tool for suppliers in the automotive supply chain), we consistently achieve a high

rating of over 80%, meaning that GRAMMER meets the requirements of many customers for awarding contracts.

2. Responsible corporate governance

As a global Group, we have an obligation to the rules and ethical requirements of markets, countries and regions. In addition, our corporate culture is characterized by values that guide our business activities and accompany our employees on a daily basis. These values include the protection of human rights, outlawing child and forced labor, anti-corruption, professional data protection and information security.

We use clear and open communication to create transparency - for our employees, our customers, our suppliers and shareholders. It is important to us to balance the interests of our stakeholders and to maintain a respectful approach. In this way we are creating the deep-seated trust that is required for our business success and our corporate culture.

2.1 Corporate culture

GRAMMER stands for a corporate culture that promotes employee responsibility and cultivates integrity as a prerequisite for trusting relationships. Our shared values provide orientation and form the foundation for responsible corporate governance as well as a pleasant and successful working relationship. A lack of shared values, an inadequate corporate culture or a missing or unprotected whistleblower system could contribute to a reduced level of employee identification with GRAMMER and the risk of legal violations, which would exacerbate problems and result in higher damages due to loss of reputation and legal proceedings. Instead, our corporate culture provides our employees with a greater sense of well-being, identification and orientation in a safe working environment.

Our corporate culture is designed to contribute to employee satisfaction and long-term business success. After all, employees who enjoy coming to work and feel comfortable and safe in the workplace are the basis for creativity, innovation and corporate success. That is why we want to maintain and further increase the satisfaction and commitment of our employees.

Our strategic approach

All managers and department heads, together with the "Group Human Resources" (Group HR), are responsible for employee matters and for maintaining the corporate culture. Along with management, Group HR is also responsible for the development of employees into specialists or managers and helps them to develop their respective strengths in their job. Various offers and benefits promote the satisfaction of GRAMMER employees. The "MyLife@GRAMMER" program also supports employees in all life situations.

GRAMMER's corporate culture (Way of Working = WoW) is based on the principles of trust, respect, collaboration and leadership. The WoW CODE stands for Collaboration, Openness, Drive and Empowerment. Together with the Group Human Resources Strategy, our corporate culture accompanies and supports our corporate strategy and is consistently linked to our sustainability concepts. This connection stems from the fact that sustainability at GRAMMER is based primarily on the responsible actions of our employees - from climate protection and resource use to due diligence in the supply chain and respect for human rights. It is precisely these behaviors that are specifically reinforced by the GRAMMER CODE and by leadership and WoW training.



Collaboration

We support each other to achieve our common goals as one team.



Openness

We communicate in a timely, transparent and respectful manner.



Drive

We are always working with energy, speed and the dedication to deliver.



Empowerment

We enable employees to take ownership.

TRUST & RESPECT

The four CODE principles create the framework for respectful and trusting interactions. Various, sometimes mandatory, training courses, coaching sessions and workshops for management and employees help to ensure that the principles are put into practice throughout the company and that the culture of mutual appreciation continues to grow.

To ensure the continuous development of our corporate culture, another global internal employee survey was conducted in December 2025. With a good overall score of 73 out of 100 points – an improvement of 2% over the previous year – the results show a positive trend across all survey categories. The participation rate of 74%, which is higher than in the previous year, also underscores the high level of interest among our employees in actively shaping our corporate culture.

Other cornerstones of our corporate culture are also laid out in the [GRAMMER Code of Conduct](#), which is binding for all employees worldwide and is reviewed annually. The Code of Conduct was approved by the Executive Board and is the responsibility of the Chief Compliance Officer (CCO) (see section 2.2, p. 13-14).

If GRAMMER employees or external parties suspect misconduct or a violation of laws or internal guidelines, they can report this via our digital whistleblower system - anonymously and in several languages (see section 2.2, p. 13-14).

WoW training sessions

The WoW Culture training is an integral part of our programs for developing leaders ("Way of Leading"), project managers and experts. The WoW training offering is rounded off by a mandatory e-learning for all new employees. All WoW training courses

were conducted by internal WoW trainers: employees who volunteered to be trained in the WoW methodology.

Annual WoW CODE awards

Since 2022, we have been presenting the WoW CODE awards annually. This is an award for GRAMMER employees worldwide who excel in the four categories of Collaboration, Openness, Drive and Empowerment. The competition was held again in 2025. After evaluating the submissions, the winners were determined and honored by the Executive Board during an online ceremony in December 2025.

Outlook

In 2026, we will continue to train employees to become WoW methodology trainers. In addition, WoW Culture training courses will remain an integral part of the management development programs in all three regions. By further developing our GRAMMER CODE, we are strengthening a results-oriented corporate culture that focuses on responsibility, transparency, and consistent implementation, thereby effectively supporting the successful implementation of our corporate strategy.

2.2 Combating corruption and bribery

Compliance with national laws and international regulations is of fundamental importance for safeguarding GRAMMER's business activities. GRAMMER pursues a zero-tolerance policy towards corruption and bribery. We are committed to the principles of integrity, fairness, honesty and tolerance in business dealings and do not tolerate any behavior that involves unfair business practices.

Our employees must comply with the legal provisions on prohibited actions involving the direct or indirect offer, promise, granting, solicitation or receipt of money or other benefits with the intent and expectation of an unfair competitive advantage. Particularly strict standards are applied when working with public officials or public institutions.

As part of our value chain is located in countries with an increased risk of corruption, the risk of corruption increases for the entire company, which can be accompanied by reputational risks and a reduction in the company's value. We can counteract this risk in particular through a variety of preventive measures as well as careful monitoring and the strict, consistent remediation of possible cases of corruption.

Our strategic approach

We are committed to conducting our business in an ethical and lawful manner. Our strategy includes implementing a robust compliance program that includes clear policies and procedures, regular employee training and a mechanism for reporting potential violations without fear of retaliation (whistleblowing process). We also ensure that our business practices comply with all relevant laws and regulations in the countries in which we operate.

The aim of our compliance management is to guarantee the effectiveness and viability of our company by respecting the legal provisions. Violations are detected and penalized. The CCO is primarily responsible for handling and coordinating compliance issues across the group and reports directly to the Executive Board. Moreover, the CCO also reports regularly to the Audit Committee of the GRAMMER Group. The multidisciplinary Incident Response Committee (IRC), which is independent of the Executive Board and consists of representatives from the Compliance, Legal, HR and Internal Audit departments, is responsible for assessing and handling information received on breaches of compliance. This committee ensures objectivity, fairness, appropriateness and comparability in the handling of information and internal investigations.

All GRAMMER employees are obliged to behave accordingly. The [GRAMMER Code of Conduct](#) is available to all employees in eleven languages on the intranet and is binding. All new employees are informed about the Code of Conduct and it is explained to them

in training. In addition, internal guidelines on compliance, anti-trust law and the internal guidelines on grants, donations and sponsorship as well as conflicts of interest, which were revised in 2024, contain corresponding binding provisions. Besides the mandatory compliance training for all employees, the GRAMMER Academy offers an interactive training on anti-corruption and anti-bribery, in which employees are trained to recognize corruption and bribery risks and take countermeasures at an early stage.

In 2025, despite numerous internal changes and macroeconomic challenges, we achieved a training participation rate of 86%. Unfortunately, this meant that we did not quite meet our target of a participation rate of over 90%.

Whistleblower system

Employees and external stakeholders can report suspicious cases via a [digital whistleblower system](#) - both anonymously and in various languages. Alternatively, there is the option to make contact via a Compliance e-mail inbox and to communicate in person, by phone or by mail in accordance with EU and German whistleblowing legislation. GRAMMER is subject to EU and German whistleblower protection legislation. All information is treated in strict confidence and the whistleblower is protected under all circumstances from retaliation or discrimination based on their report.

Following thorough verification, incoming compliance complaints are investigated and, if a suspicion is confirmed and a breach has taken place, appropriate measures are taken. A comprehensive process has been established in order to follow up on all reports effectively, neutrally and professionally. The main responsibility for this lies with the CCO. In addition, there is a multidisciplinary body, the Incident Response Committee (IRC), which is independent of the Executive Board. This Committee monitors the process and, in serious cases, determines how to proceed with the investigation. In the event

of a serious breach, the Executive Board makes the final decision on the consequences. In less serious cases, the respective plant/site management, company management or regional management is responsible for this decision. All decisions are documented.

There were no confirmed cases of corruption in the entire GRAMMER Group in the 2025 reporting year.

Outlook

Due to the tense economic situation, internal cost-cutting measures have led to the postponement of external certification of the compliance management system.

GOAL

– In 2026, participation rates in compliance and ethics training will be integrated into the bonus system in order to further reinforce the importance of integrity and ethical behavior.

2.3 Data protection and information security

The protection of data and information is essential for GRAMMER, as it represents a valuable asset for our company. The protection of personal data of our employees, customers and business partners is a top priority and is subject to strict legal requirements, including the General Data Protection Regulation (GDPR) and the German Data Protection Act (Bundesdatenschutzgesetz – BDSG). The violation of the right to the protection of business data or the loss of customer data (e.g. as a result of a cyber attack) has negative consequences, e.g. for the privacy of customers. This poses a risk to the Company in terms of loss of trust and revenue as well as possible fines. The protection of business-critical information and IT systems is therefore of central importance to protect our company from material and immaterial damage. In order to meet these requirements, we pursue a comprehensive strategy for data protection and information security that is based on international standards.

Our strategic approach

GRAMMER has established high data protection and security standards worldwide. The data protection department is part of the compliance organization and reports to the Chief Compliance Officer (CCO). External data protection officers are appointed in countries where this is mandatory. The legal requirements are implemented in the respective specialist departments, which are supported by compliance and external experts. The employees in the data protection organization respond to inquiries and implement appropriate solutions. At the same time, our information security management system (ISMS) protects all business-relevant data, regardless of whether it is stored digitally, on paper or in any other form. It is based on, among others, the ISO/IEC 27000 series and the Trusted Information Security Assessment Exchange (TISAX) automotive standard.

IT security plays a central role here: Modern protection mechanisms, regular IT security tests and authorization checks help to identify vulnerabilities at an early stage and prevent cyberattacks. An external service provider also monitors our IT security infrastructure, while specific security zone and authorization concepts at all locations ensure the physical protection of sensitive information. Access is controlled using key cards or keys.

We pay particular attention to raising awareness among our employees, as they often pose the greatest security risk - usually through unintentional misconduct. We expect our employees to respect our customers' and business partners' business secrets - and to protect industrial property rights, business secrets and other confidential company information against unauthorized disclosure. All employees are responsible for ensuring that appropriate information security is guaranteed at all times within their area of responsibility. They are supported in this by established processes, guidelines and regular trainings. Managers are responsible for implementing the regulations of the integrated management system and carrying out security measures. Mandatory training courses on data protection and

information security are an integral part of our compliance training concept. In 2025, 1,553 employees completed a training on data protection. In addition, 2,073 employees took part in compliance training. We also use targeted measures to identify phishing campaigns.

Responsibility for data protection and information security is clearly structured: The data protection department and the Chief Information Security Officer (CISO) set the guidelines. The CISO reports directly to the Executive Board. The practical implementation of IT security is the responsibility of the IT department, which reports regularly to the Chief Financial Officer (CFO) and the Supervisory Board.

Certifications and continuous improvement

GRAMMER undergoes external audits and certifications to ensure the highest safety standards. TISAX certifications with the label "handling of information with very high protection requirements" have been successfully implemented for all production sites that have a supply relationship with automotive manufacturers. An extension of the label to include "prototype protection" has been successfully completed. Certifications are also becoming increasingly important in the area of data protection in order to demonstrate legal compliance and strengthen the trust of our stakeholders.

In the area of cyber resilience, global processes are standardized and regularly tested as part of crisis management. Experience gained from actual incidents is systematically incorporated into improvement measures.

Outlook

In fiscal year 2026, the organization will focus on consistently strengthening global governance structures by rolling out harmonized cybersecurity processes and strictly implementing NIS2 requirements. The finalization of TISAX prototype protection and the integration of country-specific compliance requirements will ensure that specific protection needs and interna-

tional legal standards are met. The further development of the data protection management system, particularly with regard to systematic deletion concepts, will ensure scalable and legally compliant data processing. These technical and procedural optimizations will be accompanied by in-depth training programs to anchor risk competence among the workforce at a high level on a sustainable basis.

3. Products

GRAMMER attaches great importance to the sustainability of its products along their lifecycle - from development and production to use and recycling. Key criteria include climate-, environment- and resource-friendly product developments and innovations as well as the use of sustainable and recycled materials. Furthermore, the safety and ergonomics of our products must be guaranteed for end users.

Our seating systems and interior products are currently produced and sold at 42 production and logistics facilities around the world. Roughly 530 engineers and R&D employees work at 9 international locations with the aim of continuously enhancing the environmental compatibility, ergonomics, safety, functionality, quality and aesthetics of GRAMMER products. The Group is capable of developing products with state-of-the-art tools and systems - from simulating characteristics using state-of-the-art test facilities to practical testing and prototyping. Smaller research and development teams are located in GRAMMER's own plants as well.

Non-capitalizable R&D expenses amounted to EUR 60.0 million in the 2026 financial year (previous year: EUR 72.8 million), representing 3.3% of total revenue (previous year: 3.8%). Also, development costs of EUR 3.8 million (previous year: EUR 7.4 million) were capitalized in fixed assets. In 2025, the Group-wide number of property rights (patents, designs, and utility models) registered and granted across the group was 1,961 (previous year: 2,004).

3.1 Customer health and safety

Every day, roughly ten million people around the world use seats, headrests and consoles produced by GRAMMER – most of them at work: As professional drivers, they drive trucks, buses, agricultural machinery, construction vehicles or forklifts, often for hours at a time, five days a week. GRAMMER products accompany people not only at work, but also in their private lives: In many cars around the world, they ensure a particularly comfortable and safe ride. We deliver what matters: forward-looking mobile comfort and maximum safety. Wherever people are traveling in vehicles, our products are designed to ensure a high level of safety, comfort, and ergonomics.

Our primary goal is to ensure that users of GRAMMER products feel safe, comfortable and healthy. Inadequate product safety can have a significant impact on the health and well-being of users. This is also accompanied by risks for the Group (e.g. loss of trust, loss of revenue, fines), especially if safety-relevant information on critical components such as airbags were not clearly labeled. That is why we place particular emphasis on the ergonomics, comfort, safety and sustainability of our products.

Our strategic approach

The product experience is largely shaped by the subjective perception of users. This “perceived quality” remains the guiding principle of our product development. With regard to global megatrends – including electrification and digitalization, a growing world population and urbanization, as well as sustainability and climate change – we develop solutions that balance safety and environmental requirements with changing customer needs. Our holistic approach ensures that not only our products but also the surrounding systems are analyzed and optimized to offer drivers the best possible overall solution.

For systematic alignment, we structure requirements according to their contribution to the user experience. First, we ensure that essential fundamentals are in place: uncompromising product

safety, compliance with standards and laws, clear labeling of safety-related information, and robust and reliable functionality throughout the entire service life. Building on this, we improve features that users directly perceive and evaluate in everyday life—in particular, comfort, ergonomics, usability, and durability. In addition, we develop targeted functions that exceed expectations and create additional value, for example, through intelligent assistance and comfort solutions.

Our interdisciplinary development teams define usage requirements, derive solution concepts from them, and ensure their implementation based on clear quality criteria. The guiding principle here is “first time right”: requirements are specified at an early stage, risks are addressed proactively, and solutions are designed to function reliably right from the start. Experience from local road tests, direct customer feedback, and insights from the ever-growing global demands for a safe, modern, and comfortable working environment are systematically incorporated into further development.

Ergonomic products

Our suspension seats for commercial vehicles meet the highest ergonomic standards. They offer drivers optimal support, maximum freedom of movement, and reduce vibration stress to prevent back problems. In addition, they help reduce fatigue, relieve strain on the musculoskeletal system (especially the neck, shoulder, and forearm areas), and promote healthy sitting posture and blood circulation—factors that can support concentration and responsiveness.

The same applies to our interfaces for multifunctional armrests and cabins: their ergonomic design relieves strain on the spine and forearms, improves concentration, and increases safety even under very demanding working conditions. Our headrests for cars protect the cervical spine in accidents and offer individual height and adjustment options. Overall, the functionality

and reliability of our products contribute to the safety and well-being of users.

In 2025, we pursued several development strands in parallel in order to further expand safe, ergonomic, and at the same time economical solutions. In the aftermarket, the new MSG297/S2900 seat was introduced under the name XT2. In addition, we developed a semi-active suspension with controlled dampers. To further increase the cost-effectiveness of our products, we tested various innovative approaches – without compromising on ergonomics, comfort, or safety. We also further optimized and, in some cases, redesigned electronic components. In addition, we significantly advanced and successfully tested software-based approaches to expand functions and make them more robust and user-oriented. In addition, we investigated the use of our suspension technologies in passenger cars, including in the context of anti-kinetosis systems. At the same time, we continued to promote the use of sustainable materials (see section 3.2, p. 17-19) without compromising the advantages achieved in terms of ergonomics, comfort, and safety.

In order to optimize our interior products, we conducted an extensive study in 2024 on changing requirements in vehicle interiors. Scenarios such as driving itself, working while driving, break times, and eating in the vehicle were examined in practical tests with test subjects. The findings provide valuable insights for the ergonomic and kinematic adaptation of the center console in order to tailor our products even better to customer needs and increase driving safety.

Outlook

For 2025, we will continue to focus on developing safety- and application-oriented solutions. Our products should not only create functional added value, but also emotional and social added value by making end users feel safe and comfortable when using GRAMMER products and by ensuring that the products are accessible and usable for everyone. In addition, we are investing

in selected features that improve the user experience beyond expectations and create additional benefits, such as intelligent assistance and comfort solutions.

GOALS

- We remain committed to our mission of promoting the health, safety, and comfort of our customers. Our goal is to develop innovative and economically attractive products that impress with their user experience and everyday practicality. Product safety and user-friendliness are our focus – supported by the principle of “first time right.”
- Our goal remains to ensure that neither end consumers nor GRAMMER itself suffer any damage as a result of product safety incidents. Prevention, clear information on safety-critical components, and robust development and quality processes are our top priorities.

3.2 Resource use

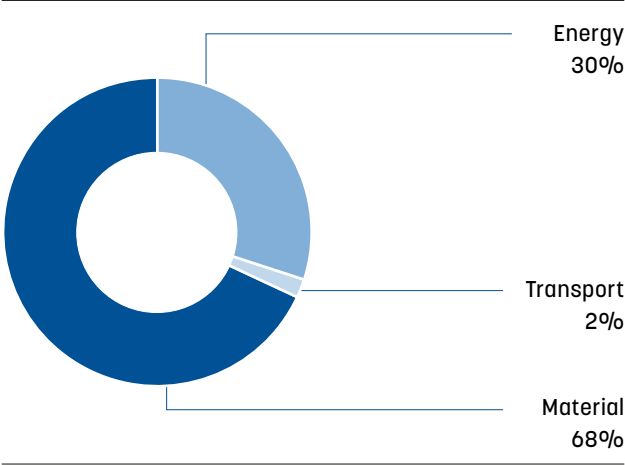
Sustainable product development is an important component of GRAMMER's "Sustainable Company" strategic initiative. This also includes topics such as the reduction of CO₂ emissions along the entire value chain and circular economy, which is increasingly being demanded by our customers and is linked to specific requirements. We want to meet these requirements with innovative and sustainable product solutions. We offer our customers environmentally friendly alternatives and make a contribution to climate, environmental and resource protection.

The choice of materials is an important lever for reducing CO₂ emissions. Depending on the product, 60% to 75% of emissions are caused by the materials used and the product design. To conserve natural resources and protect the climate, GRAMMER ensures that the raw materials used come from sustainable sources wherever possible and that suppliers comply with environmental and social standards throughout the entire supply chain (see section 5, p. 23-26). The use of animal materials, especially leather for seat covers, can pose potential risks to ani-

mal welfare and violate animal protection laws, for example with regard to husbandry conditions, transport, or slaughter practices.

The use of sustainable materials presents numerous challenges. Their availability is often uncertain, which can make it difficult to secure sufficient quantities. In addition, the current EU End-of-Life Vehicles Directive (Directive 2000/53/EC of the European Parliament and of the Council) requires the use of a minimum amount of recycled materials from automotive waste (automotive closed loop). However, there is currently a lack of suitable supply chains for this. In addition, extensive testing is required, as the material properties of recycled materials are often not comparable to those of virgin materials. Furthermore, additional research and certification capacities are needed. This results in risks for GRAMMER due to raw material shortages and increased costs. At the same time, however, sustainable materials and supply chains also offer opportunities: the further expansion of our expertise in this area can represent a competitive advantage. In addition, GRAMMER can make a positive contribution to resource conservation and environmental protection through recyclable product design and the use of recyclable materials within the framework of the circular economy.

Our strategic approach



GRAMMER strives to minimize the environmental and climate impact of its products and materials along the entire value chain. Our measures are aimed at reducing the negative effects from extraction and processing through to the use of the finished product and the end of its life cycle. That is why we are working hard to use recycled and recyclable materials. By designing products with the circular economy in mind, we are reducing the need to procure new materials and raw materials.

At GRAMMER, the Materials and Sustainability department in the Research and Development division is responsible for the comprehensive testing of new materials. Its work focuses on developing product approaches to reduce CO₂ emissions. To prepare the life cycle assessment of our products, we use the LCA for Experts (formerly Gabi) software from Sphera, which has established itself as the industry standard. From the beginning of 2025, the life cycle assessments of our products will be certified by an accredited expert in accordance with our customers' requirements. Initiatives such as Catena-x also standardize the rules for determining the CO₂ footprint (PCF – Product Carbon Footprint). This enables precise and comparable recording of real CO₂ emission data across the entire value chain. GRAMMER actively participates in such initiatives.

We pay attention to sustainable materials and technologies for reducing CO₂ emissions right from the early stages of product development. However, customer material specifications and predefined suppliers limit flexibility in supplier selection.

Sustainable and recycled materials

GRAMMER primarily uses plastics, PUR foams, and steel in the manufacture of its products. These materials are CO₂-intensive to produce. However, customer specifications do not currently allow for the widespread use of alternatives made from renewable raw materials and recycled materials. In the steel sector, the increase in the proportion of steel scrap in selected, non-safety-relevant steel products has been analyzed in order to reduce the CO₂ footprint in the future. In the medium term, GRAMMER is working with its suppliers to use steel from the

electric arc furnace (EAF) process and, later, also from the direct reduced iron (DRI) process. These two processes are alternatives to the conventional blast furnace process in steel production and offer potential savings in CO₂ emissions of 35% to 60%.

In cooperation with our suppliers and customers, we are gradually increasing the proportion of recycled material in our products. Depending on customer specifications and the material, this varies between 25% and 75%. A patented system for attaching the center console to the vehicle floor has been developed. This allows materials with a high proportion of recycled content to be used in safety-relevant components. Since the end of 2024, GRAMMER has also been participating in the "Bio-2Foam" project, which is funded by the German Federal Ministry of Education and Research (BMBF). The aim is to produce the foam component polyol from sugar cane waste. Since mid-2025, GRAMMER has also been investigating newer processes such as mechanical recycling of polyurethane waste, from which new polyurethane components can be produced, as well as various chemical recycling processes.

Traceability of material flows in the value chain

GRAMMER uses the international material data system IMDS to manage environmentally relevant material data and track material flows in the automotive industry. In addition, we require our suppliers to comply with the extended purchasing conditions and code of conduct with regard to environmental protection, human rights, auditability, and the responsibility of sub-suppliers. A particular focus is on the exclusion of conflict minerals in order to prevent the financing of armed conflicts and human rights violations (see section 5.1, p. 23-25). Digital product passports (DPPs) are used to systematically collect and exchange product

and supply chain-related data along the entire value chain. They enable all stakeholders – including consumers – to gain a deeper understanding of the materials used and their associated environmental impacts. Digital product passports are a mandatory part of the European Commission's new Ecodesign Regulation for Sustainable Products (ESPR) and a key measure in the Circular Economy Action Plan (CEAP). GRAMMER is working intensively on this topic.

Efficiency of materials

The economical use of materials in the manufacture of products also conserves natural resources and protects the climate. For example, we are reducing adhesive consumption through new plant technology and mixing systems. The consumption of the chemicals polyol and isocyanate for the manufacture of foam parts is also being reduced through our own formulations and recipes and more precise mold filling. Another measure is the return of scrap parts and sprue residues to the injection molding process (closed-loop recycling).

Our "Global Cutter" project has been implemented at six production sites (Atibaia, Queretaro, Tetla, Trudovetz, Aleksinac, and Changchun) since 2023. The aim of the project is to tap into potential for material and production cost savings by purchasing new cutting machines for leather, vinyl, and fabrics, while at the same time reducing our CO₂ emissions. Three new machines have already been purchased and installed in 2023 and 2024. This has enabled us to achieve the following results:

Investment volume (one-time): €1.3 million

Material savings (annual): €1.3 million

Production savings (annual): €400,000

CO₂ emissions savings (annual): 2,000 tCO₂e

Light-weight construction

By reducing the weight of our seats, center consoles, armrests and headrests, we are contributing to climate protection. Less material does more than conserve resources: By reducing vehicle weight, our customers reduce fuel consumption when driving and thus also greenhouse gas emissions. We reduce weight through function integration, which means fewer components are required. Another approach is to substitute metal die-cast components by using high-performance plastics.

Development of circular products

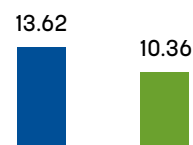
GRAMMER's "Design for Recycling" approach makes it possible to design products in such a way that they can be disassembled into their individual parts at the end of their service life. This can be achieved, for example, by reducing the variety of materials in the product. This leads to greater recyclability, which in turn makes it possible to reduce the amount of waste.

In 2025, based on studies conducted to date on the recyclability of center consoles and the design guidelines derived from them, we developed a new center console and, after successful validation, put it into series production. In addition to reducing the CO₂ footprint, a strong focus was placed on the topic of "Design for Recycling." Early in the development phase, care was taken during the design process to ensure that the center console could be easily disassembled by type at the end of the vehicle's life cycle and fed into the circular economy. Design measures such as connection technology for easier disassembly and lightweight construction through wall thickness reduction were implemented. When selecting materials, those with a lower carbon footprint (PCF) and a high recycled content (at least 30%) were used, which are also suitable for interior applications and thus meet the strict odor and emission requirements. Furthermore, the variety of materials was reduced, significantly exceeding our customers' targets.

- CO₂ target value achieved: 10.3 kgCO₂e
- Weight target achieved: 8 kg
- Recyclate content target achieved: 33%

CO₂ status

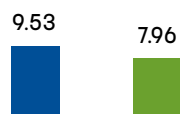
in kg CO₂ eq



■ Target MiKo ■ Current value MiKo

Weight status

in kg



■ Target MiKo ■ Current value MiKo

Outlook

In 2025, we will continue to identify the components with the highest CO₂ emissions in production and examine whether they can be manufactured using alternative materials with a lower CO₂ footprint. We will continuously test new materials and recyclates from different manufacturing processes in order to increase the proportion of sustainable materials in GRAMMER products.

In product development, we will focus primarily on sustainable product design, increased recyclability (> 75%) of products at the end of their life cycle and the optimization of our manu-

facturing processes. We are working on obtaining additional primary data for the calculation and preparation of carbon footprints.

3.3 Innovations

Mobility is changing due to trends such as climate-friendly and autonomous driving, which are accompanied by increasing demands from customers and vehicle manufacturers on suppliers. New vehicle concepts, drive types, automation levels and higher occupant protection requirements are shaping product development. In order to remain profitable in the long term, GRAMMER must recognize trends early on, react quickly and offer innovative solutions.

The vehicle interiors are becoming a distinguishing feature for our customers and are being massively upgraded. State-of-the-art materials, uncluttered architecture and hidden technology are key criteria. Center consoles, for example, are becoming the central element in vehicles. Digitalization is increasing the share of electronics and the complexity of products. At the same time, short development cycles are required to ensure that innovations are to be ready in time for series production. Moreover, there is high-cost pressure that requires innovations through intelligent approaches as well as modularization and standardization in order to be able to offer customers cost-effective solutions. Close customer contact helps us to identify and implement early on.

Our strategic approach

Innovation projects are to be found in the Automotive area and in the Commercial Vehicles area. There are projects at product level - for example for new functions, materials or to improve ergonomics and comfort - and process innovations, such as in the use of new materials and optimized materials processing.

In conjunction with the innovation management process, we produce roadmaps that address both customer- and market-driven issues as well as the implementation of new technologies in existing products. This is all overseen by "Research and Development". Innovation projects are regularly discussed by various panels with representatives from the Sales, Strategy and Product Management business areas. Ideas are also presented at customer events and feedback is incorporated.

Next-generation adaptive center consoles and driver seats

Further progress was made on several innovation projects in 2025:

- For the center console, the focus is on integrating new functions with the aim of offering our customers near-series and adaptable solutions for their products. Our strategy is based on a modular center console equipped with functional storage systems and additional storage space. These adaptations are geared towards the needs of passengers, with a focus on practical use and comfort.
- In the area of driver and passenger seats, we are continuously working on new concepts for suspensions as well as for subordinate modules, assemblies and components to further improve comfort, ergonomics and safety in agricultural and construction machinery, industrial trucks, trucks and trains.
- Among other things, we have developed and designed new headrests and center consoles that can be produced with a high degree of automation. These advances enable us to produce more efficiently while ensuring the quality and reliability of our products.
- In the area of loudspeaker covers, we have created new design possibilities for our customers through the development and redevelopment of technologies in plastic and stainless steel.

Outlook

GRAMMER will continue to adhere to its roadmap in the coming year and push ahead with strategic innovation projects. These include increasing modularity and reducing complexity across all product groups. By redesigning existing products, we are developing new, market-oriented solutions for our customers.

4. Environment

GRAMMER Group takes responsibility for the environment and pursues a holistic approach. Active environmental protection and the responsible use of resources have been defined as important goals in the corporate guidelines. The aspiration: We want to reduce business-related environmental impacts as much as possible. To this end, processes along the entire value chain are continuously analyzed and optimized to improve energy efficiency, reduce emissions and avoid environmental pollution. We also reduce the amount of waste and water consumption and take care to preserve biodiversity.

The success of our environmental activities is regularly reviewed - both internally and with the support of external partners. All of our sites worldwide have already implemented an environmental management system in accordance with ISO 14001 and defined site-specific environmental targets and measures.

Overall responsibility for environmental management lies with the "Group Quality & HSE" department, which reports to the Executive Board. This unit develops strategic guidelines for environmental protection for the entire Group. An environmental manager is appointed at each location to implement the measures.

4.1 Climate change

As a global production company, GRAMMER consumes energy along the entire value chain and thus contributes to climate change by emitting greenhouse gases. To slow climate change, we support the 1.5-degree target of the Paris Climate Agreement and are committed to significantly reducing our CO₂ emissions worldwide.

Reducing carbon dioxide emissions presents us with challenges: The CO₂ targets set by legislators in different countries or by customers are inconsistent, so companies are required to take a high degree of initiative. Non-compliance with CO₂ targets entails certain risks such as loss of revenue or a decline in company value due to a weakened competitive position, changes in customer behavior or higher capital market costs. Rising energy and fuel prices can also lead to financial burdens - directly through higher operating costs and indirectly through higher purchase prices for products. Environmental disasters and extreme weather events are already affecting production and transportation, which requires additional investment and relocation.

However, the increased CO₂ requirements are also leading to a surge in innovation in the automotive industry, which represents an important opportunity for GRAMMER. Efficiency measures, energy savings and the development of a low-CO₂ product range can lead to a reduction in greenhouse gas emissions, as can the use of renewable energies. Through these measures, we are taking responsibility as a company and helping to protect the climate. This also has a positive effect on our attractiveness to customers and applicants.

Our strategic approach

We work with various processes and methods to identify significant climate-related impacts, risks and opportunities. This

enables us to create a sound basis for strategic decisions and the sustainable orientation of our company.

In order to determine the impact of our business activities on climate change, we have been calculating the greenhouse gas emissions of our sites in accordance with the Greenhouse Gas Protocol (GHG Protocol) since 2019. This includes the determination of emissions in Scope 1 and 2. Scope 1 includes direct emissions that arise, for example, from our own energy generation or the production process. Scope 2 comprises indirect emissions, for example from the use of purchased electricity and district heating.

Since 2021, we have also been calculating our Scope 3 emissions with external support. This includes, for example, purchased (pre-) products, business travel and logistics processes. To determine the CO₂ emissions within our supply chain, we query the CO₂ footprint of our suppliers. In preparation for the CSRD, we calculated Scope 1 and Scope 2 emissions for 2025 on both a market-based and location-based basis. We will publish a detailed presentation of the emission reductions on this basis in our next report.

GRAMMER has already achieved the target of reducing its total CO₂ emissions in Scope 1 and 2 by 25% by 2025. The further target is to reduce CO₂ emissions (Scope 1 and 2) by 100% by 2040 compared to the base year 2019. To this end, energy efficiency has been increased by 10% by 2025 compared to 2019. In addition, 49% of all production sites have switched to 100% electricity from renewable sources with corresponding certificates. A further 10% of production plants have partially completed the switch. CO₂ emissions in the upstream supply chain are also to be reduced, by 20% by 2030 compared to the base year 2021.

In order to achieve our emissions targets and control energy consumption worldwide, GRAMMER works with a certified energy management system in accordance with ISO 50001, which we will introduce at all production sites by the end of 2027. This will enable energy consumption to be monitored, analyzed and reduced through targeted measures. As of December 31, 2025, 67% of all production sites and all German sites have already been certified in accordance with ISO 50001.

We derive individual energy savings targets for each plant from the global targets for the GRAMMER Group: All production sites must implement the energy roadmap on a mandatory basis. The regions each have a manager for energy matters, and the plants are also supported by energy management officers.

Under the coordination of the CSR unit, all departments at GRAMMER are involved in the topics of energy consumption and CO₂ emissions. In addition, there are working groups on various topics such as energy efficiency, sustainable procurement and sustainable materials. The "Materials & Sustainability" team within "Research and Development" is responsible for calculating the carbon footprint of GRAMMER products.

Conducting a climate risk analysis

In 2024, GRAMMER conducted a climate risk analysis to assess physical risks, transition risks and opportunities against the backdrop of various climate scenarios. The physical risks were analyzed based on the vulnerability of GRAMMER sites and the supply chain, considering various climate models. The transition risks and opportunities were analyzed with regard to social and economic change towards a lower-carbon future, with a focus on the product portfolio, production sites and dependence on suppliers.

Physical risks for GRAMMER arise from climate-related risks such as heat stress, flooding, heavy precipitation, hydrological

fluctuations and storms, which can reduce the efficiency of machinery, disrupt operations and cause damage to assets. Transition risks include rising costs due to higher CO₂ prices, the procurement of sustainable materials and the possible need to refurbish buildings. In addition, early depreciation of tangible assets may become necessary due to technological changes and there is an increasing need for qualified personnel to implement new products and technologies as well as for administrative and reporting processes. For GRAMMER, however, there are also opportunities arising from potential revenue growth due to changes in market preferences and lower capital costs as a result of access to green financial instruments.

Measures to reduce CO₂ emissions and energy consumption

In order to identify energy waste and compare the status of our technology, we have been working with an energy monitoring system and are conducting potential analyses since 2020. The potential analyses have already been completed at all locations and are repeated annually. First potential savings have been identified, e.g. for machines and systems in standby mode, even though they were not needed at the time.

A plant-specific measurement and the available material consumption data make it possible to improve and compare efficiency with other plants. Around two thirds of our production sites are equipped with smart meters to measure energy consumption in detail. In many facilities, we have switched to energy-saving LED lighting and purchased energy-efficient machines such as injection molding machines and boilers. In some cases, roofs were renovated and insulated to use less energy for heating and cooling. Compared to the previous year, CO₂ emissions per EUR/revenue were reduced by 30.72%.

By increasing the use of electricity from renewable sources, we were able to further reduce our Scope 2 emissions compared to

the previous year. In addition, various campaigns and training courses were held at all locations in 2025 to raise awareness among GRAMMER employees about the economical and responsible use of energy. In addition, energy savings were achieved through measures such as the use of new, more efficient equipment, the modernization of heating systems, and the establishment of power on-off management.

In 2025, the "Top 100 Green Supplier Program" project, for which we have already sent our top 100 suppliers a contract, has replaced the previous "Nomination Tree" project to achieve a higher CO₂ reduction in our upstream value chain as well (see section 5.1, p. 23-25).

Outlook

By the end of 2027, the ISO 50001 energy management system, including energy monitoring, is to be introduced at all GRAMMER production sites worldwide. GRAMMER will continue to work on increasing its energy efficiency in the coming years, including by introducing the energy management system at additional plants. Furthermore, potential analyses in the energy sector will be continued with a view to reducing electricity and energy consumption, and action days will be held on the topics of waste heat utilization and environmentally friendly mobility.

The CO₂ reduction targets will continue to be pursued and the purchase of green electricity at our locations worldwide will be continuously increased. In 2026, GRAMMER will once again take a close look at its climate protection targets in conjunction with the Science Based Targets initiative (SBTi). In addition, CO₂ emissions during the use phase of our products are to be further reduced. We see the greatest leverage in lightweight construction, which saves fuel during vehicle operation (see section 3.2, p. 17-19).

GOALS

- Reduction of CO₂ emissions (Scope 1 and 2) by 100% by 2040 compared to the base year 2019
- By the end of 2026: Definition of an emission reduction target for 2030 for Scope 1 and Scope 2 based on emission calculations in accordance with ESRs standards (market-based and location-based)
- Continuation of the gradual transition to 100% green electricity at all locations worldwide
- Reduction of CO₂ emissions in the supply chain (upstream) by 20% by 2030 compared to the base year 2021

4.2 Environmental pollution

As a manufacturing company, environmental protection is of central importance to GRAMMER along the entire value chain. Our aim is to keep our own operational environmental impact and that of our suppliers and business partners as low as possible.

Environmental pollution occurs during the extraction of raw materials by suppliers, during our own production processes and during the transportation of products. For example, our own production processes can release nitrogen oxides and volatile organic compounds during processes such as foaming, painting and waste incineration. Pollutants can also be released into the soil through landfilling and improper handling of wastewater and chemicals. Higher investment and modernization costs due to stricter legal requirements pose a risk for GRAMMER.

Our strategic approach

We have introduced a company-wide process based on ISO 14001 to identify and assess environmental impacts and risks. This is applied across the entire product life cycle for all GRAMMER Group companies worldwide as well as for upstream suppliers and parties in the downstream value chain. GRAMMER also requests

its suppliers to implement an environmental management system in accordance with ISO 14001 and stipulates in the Supplier Code of Conduct that negative impacts on soil, water and air are to be avoided.

The basis of our strategic environmental management is consistent compliance with all relevant laws and regulations. We also rely on cooperation with authorities, NGOs and other stakeholders such as GRAMMER employees regarding environmental protection. Other cooperation partners include universities, consulting firms and cooperatives. Our environmental and energy guidelines contain elements for avoiding environmental pollution. These include responsible land use, including the preservation of soil quality, the avoidance of air pollutants, the preservation of air quality in all production processes and the water-friendly discharge of unavoidable wastewater. In addition, safe disposal of GRAMMER products is to be ensured.

To reduce air pollution, new chemicals and technologies are regularly introduced to reduce and prevent emissions. In addition, we use water-based adhesives instead of solvent-based adhesives and do not use thinners, which also leads to a reduction in air pollution. The implementation of these measures has not yet been completed. Furthermore, low-emission gas burners have already been installed at various GRAMMER Group production sites to reduce nitrogen oxides.

Outlook

In 2026, we will continue to work on reducing our negative environmental impact along the entire value chain and consistently comply with legal requirements.

4.3 Waste

Waste has a negative impact on the environment – on soil, water and air. GRAMMER therefore tries to avoid waste as much as possible. An increased volume of waste at our sites, especially in countries without a circular economy system where recyclable waste is disposed of in landfills or incinerated, leads to

environmental impacts. While Germany has well-developed recovery and recycling facilities, landfilling is often the only option in countries such as Turkey, Bulgaria and Mexico. Also, illegal disposal poses a risk and has a negative impact on the environment. To reduce waste and disposal costs, the development of innovative packaging systems, e.g. made from recycled materials that can be reused in a closed material cycle, is an opportunity for GRAMMER.

GRAMMER makes every effort to recycle or otherwise utilize unavoidable waste. If the materials are returned to the material cycle, this also conserves natural resources. Only after all recycling options have been exhausted is our waste properly disposed.

Our strategic approach

At GRAMMER, we want to reduce waste worldwide, minimize hazardous waste materials, increase the recycling of waste and ensure that appropriate disposal and recycling methods are used. The topic of waste is part of the strategic initiative "Sustainable Company" and is also considered in the environmental management system, which is already certified according to ISO 14001 at all GRAMMER locations. We regularly audit our waste disposal and prepare annual waste reports to derive measures for optimization.

All our waste flows are analyzed to ensure the highest level of recycling. Contracts are concluded with certified waste disposal companies to ensure recycling and avoid the disposal of waste in landfills. In particular, the way in which we design our products has an impact on the amount of waste generated at the end of the product's life. We therefore follow the "Design for Recycling" approach to reduce the amount of waste (see section 3.2, p. 17-19). For our internal packaging, we have also launched a global improvement program. Particular attention has been given to reduction, reuse and recyclability.

Plastic waste and hazardous waste reduced

In 2025, we continued to improve our waste management through various measures. In the area of packaging, we have ensured that 100% of the polyethylene bags that we receive from our suppliers as packaging material are reused for transportation within our sites. In addition, the amount of packaging used for internal transportation and plastic waste has been reduced, while the share of recyclable packaging materials has been increased. GRAMMER Group's recycling rate in 2025 was 85.41% (previous year: 85.73%). The share of waste that was disposed of in landfills or incinerated was 14.59% in 2025 (previous year: 14.27%).

To reduce the amount of hazardous waste, we have reduced the use of hazardous chemicals in production. At the same time, we avoid disposing of hazardous waste in landfills. The total amount of waste fell by 10.84%. In 2025, waste reporting was further specified. A distinction is now made between hazardous and non-hazardous waste in the categories "Recycling," "Landfill," and "Thermal Waste."

Outlook

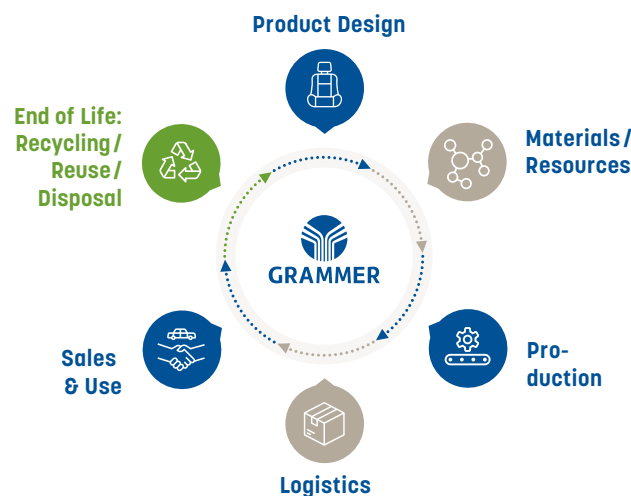
The long-term goal is to eliminate landfill and incineration by 2040, while recycling the majority of our waste.

GOALS

- Maximizing the recycling rate for waste by 2040 (> 95%)
- Reduction of the landfill rate to 0% by 2040
- Reduction of the incineration rate to 0% by 2040

5. Supply chain

GRAMMER's suppliers, service providers and partners are an important part of the value chain. And their business activities also have an impact on the environment, people and society. GRAMMER takes responsibility beyond the boundaries of its own factory walls - and is making its supply chain sustainable: We expect all suppliers, service providers and partners to meet the same high environmental and social standards as we do. These include fair working conditions, respect for human rights, the reduction of CO₂ emissions, energy-efficient production and the avoidance of waste.



5.1 Supplier management

As a manufacturing company, GRAMMER is dependent on a global network of suppliers. For example, suppliers provide us with commodities, raw materials, parts, packaging, technology, tools and various services. To ensure sustainability not only within our own company, but also along our supply chain, we ensure that suppliers live up to our environmental and social standards.

Ongoing conflicts in Ukraine and the Middle East, attacks in the Suez Canal/Red Sea region, climatic impacts (e.g., low water levels in the Panama Canal/German rivers), and political events such as export bans on rare earths or the dispute over Nexperia continue to pose challenges in the supply chain. This can lead to suppliers making decisions that are detrimental to environmental and social standards. The German Supply Chain Due Diligence Act (LkSG) can counteract this and create transparency in preparation for the upcoming Corporate Sustainability Due Diligence Directive (CSDDD) at the European level. We see an opportunity in our digital structure and supporting tools, which can be used to efficiently manage risk management and CSR issues in the supply chain.

The extraction and processing of natural raw materials such as steel or aluminum can also have potential negative impacts on local communities in the upstream value chain. These impacts relate in particular to environmental and health conditions, such as access to clean water, air quality, and the handling of emissions and waste in regions close to raw material sources. GRAMMER has identified these potential impacts as part of its double materiality analysis. The further development of a strategic approach and the definition of concrete measures and targets to address these risks in the supply chain are currently in preparation and are to be further developed from 2026 onwards.

A trusting relationship with our partners promotes our innovative strength and further cooperation, especially in times of crisis. Our reputation as a trustworthy partner and the satisfaction of our suppliers are crucial in this respect. If this is no longer the case, this leads to a significant risk for GRAMMER. We are also aware that the economic stability and ability of our suppliers to pay their employees can be directly influenced, both positively and negatively, by our timely payment. It is therefore important to GRAMMER to comply with all agreed payment terms as part of our trusting cooperation.

Our strategic approach

In order to manage sustainability in our supply chain, GRAMMER works with a [Supplier Code of Conduct](#). It covers all relevant sustainability criteria, as well as legal requirements, ethical and international standards and the requirements of our value system. The Supplier Code of Conduct has been a component of every digital supplier RFQ (request for quote) since 2017 and was expanded in 2023 to give even more weight to the issues of fair working conditions and human rights. New suppliers must sign it electronically before submitting an offer. In doing so, they commit to fight child and forced labor, to pay their employees fairly and to protect the environment, among other things. The Supplier Code of Conduct can be always accessed by all business partners on the digital supplier portal.

GRAMMER uses its digital procurement platform to update supplier data annually and to have suppliers confirm compliance with the CSR guidelines, which are set out in the Code of Conduct and in contracts with General Terms and Conditions (GTCs). Their compliance is monitored at regular intervals through self-assessments and as part of annual supplier meetings. A separate position has been created for this purpose, which is supported by the relevant category managers. Where necessary, we help our suppliers with further development - or part ways with suppliers who do not live up to our environmental and social standards. Suppliers are digitally informed of relevant changes, such as new requirements.

We use a digital risk management system to constantly monitor geopolitical events and their impact on the supply chain. In addition, we have implemented a software for sustainability issues that also fully covers the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz - LkSG). Suppliers must answer standardized questionnaires concerning the environment, anti-corruption, human rights, working conditions and responsibility in the supply chain and, if applicable, provide evidence for their answers with certificates. The system evaluates this information and certificates independently to perform an assessment of the supplier. If necessary, possible countermeasures are subsequently defined within GRAMMER and documented in the system.

GRAMMER's supplier management goes far beyond the legal requirements and makes a positive contribution to a sustainable supply chain. Suppliers sign our specifications and guidelines, and CO₂ emissions are already queried during the award process. We are gradually replacing disposable packaging with reusable packaging. In addition, we want to reduce our Scope 3 emissions in the upstream value chain with the "Green Electricity Contract" project. So far, the contract has been sent to our top 100 suppliers. The project is a core component of our "Top 100 Green Supplier Program" initiative and replaced our previous "Nomination Tree" project at the beginning of 2025, as it enables us to achieve a greater reduction in CO₂ emissions.

The Sustainable Supplier Management Officer is responsible for introducing, ensuring and complying with the relevant sustainability issues in the supply chain. He is aided by several employees; the team works closely with the CSR department.

Responsible payment practices

We are committed to ensuring a strong and trusting relationship with our suppliers, especially in times of crisis, as our procurement practices and payment terms can have a significant impact on our suppliers. We strive to pay our suppliers on time, to maintain an open communication and to treat them with respect.

Unless otherwise agreed in writing, GRAMMER shall make payments within the maximum period permitted by law from receipt of a contractual, defect-free service and a proper, verifiable invoice. However, in the event of acceptance of premature services, the payment period shall commence at the earliest on the agreed delivery date. This applies to all our suppliers.

Implementation of the German Supply Chain Due Diligence Act (LkSG)

In 2022, GRAMMER introduced the ESG risk management platform "Integrity Next" and created a reporting structure to receive supplier data for the German Supply Chain Due Diligence Act (LkSG). In 2024, the platform held a webinar for all suppliers on how to complete the questionnaires correctly. The number of suppliers who have registered to answer the questions has increased since then. The ESG platform has also been integrated into our existing digital SCM landscape of e-procurement & SCM risk management systems. The results are incorporated into the procurement information. In addition, the Risk Management department conducted employee training courses worldwide on potential risks and possible measures in our own business area.

Besides the introduction of the ESG system to comply with the German Supply Chain Due Diligence Act (LkSG), we have also developed an internal SCM risk matrix. This specifies how we act in the case of violations, from minor to serious ones, and which specialist departments must be involved when to comply with the requisite escalation stages. The matrix and its definition were developed on the basis of the GRAMMER Group's global risk management system. Cases that go beyond SCM are then also passed on to central risk management to define global measures, if appropriate.

GRAMMER includes both its own plants and those of its suppliers in its risk analysis. With regard to our suppliers, the focus this year and last year was on suppliers with a high country and industry risk, while in 2023 the focus was on German suppliers with a high risk status. In 2025, there were no incidents in our risk analysis across the entire value chain.

Outlook

In the coming years, GRAMMER will create even greater transparency regarding compliance with environmental and social standards in its supply chain in accordance with the German Supply Chain Due Diligence Act (LkSG) and further improve sustainability. Among other things, CO₂ emissions within the global upstream supply chain are to be reduced by 20% by 2030 compared to the base year 2021 (see section 4.1, p. 20-22).

In addition, future invitations to suppliers will be brought forward in the contract award process to identify supplier issues or gaps at an early stage.

GOALS

- 60% of suppliers worldwide accept the GRAMMER Supplier Code of Conduct by the end of 2026
 - Reduction of CO₂ emissions within the global upstream supply chain by 20% by 2030 compared to the base line year 2021.
-

5.2 Working conditions and human rights

Fair working conditions and respect for human rights are not just essential for a healthy work environment for GRAMMER's employees all over the world and along the entire supply chain. They also foster trust in our company among customers and the public at large. GRAMMER is aware of its responsibility - and ensures that human rights are respected within the company and along its supply chain.

One of the biggest risks for internationally operating companies is that they do not have absolute control over the upstream and

downstream supply chains. Local law does not always comply with international human rights standards, which can lead to discrimination, abuses or modern slavery. In addition to human rights violations, the resulting reputational damage and loss of company value pose a high risk for GRAMMER.

At the same time, there are many opportunities for companies to shape and improve working conditions within their own operations. This includes, for example, implementing a management system for occupational health and safety or creating more attractive working conditions to attract and retain qualified employees. Increased employee satisfaction can also boost efficiency and production output.

Our strategic approach

GRAMMER is committed to the core labor standards defined by the International Labor Organization (ILO) and the United Nations Universal Declaration of Human Rights. To emphasize its commitment to fair working conditions, GRAMMER has published a [Declaration of Principles on Respect for Human Rights](#), which can be viewed on the website. With this declaration of principles, we commit ourselves to strengthening the respect for human rights within our own operations and along our value chain and to preventing human rights violations. It is regularly reviewed, adapted and further developed. In addition, our [Code of Conduct for Employees](#) (see section 6.1, p. 26-27) regulates, among other things, conduct with regard to human rights and child and forced labor. The Code of Conduct applies to the entire Group.

In addition, we are introducing a management system for occupational health and safety in accordance with ISO 45001 at all plants worldwide, thus ensuring fair and safe working conditions within the company (see section 6.1, p. 26-27)

Digital risk management system

To manage the supply chain with regard to sustainability issues and to create transparency, GRAMMER works with a digital ESG risk management platform that requests queries on all relevant sustainability issues, including evidence, and generates a supplier rating.

As part of our human rights risk management and due diligence process (see section 5.1, p. 23-25), we regularly assess the risks of human rights violations in our supply chain. The results of the risk analysis are then used to derive and implement preventive measures to minimize and avoid risks. A Human Rights Officer position was created in 2023 to oversee risk management, including the review of risk analysis and the appropriateness of the measures taken. She reports directly to the GRAMMER Executive Board.

Our guidelines for the GRAMMER Group, such as our [Supplier Code of Conduct](#), were developed based on the results of the risk analysis and international standards. By signing this code, suppliers commit to adhere to our environmental and social standards and to pass them on to their suppliers. This is being monitored using our ESG risk management software. The updated Supplier Code of Conduct is available on the GRAMMER website together with the Code of Conduct since January 2023.

A complaints mechanism has also been implemented: Employees and external stakeholders can anonymously report violations of our standards via a whistleblower system. A position has been set up in the legal department for this purpose, which contacts the SCM Governance & Processes department in the event of reports from suppliers. An interdisciplinary team comprising Compliance, Legal, Human Resources and the Executive Board

is responsible for consistently and systematically following up on reports and taking appropriate action where necessary (see section 2.2, p. 13-14). In accordance with our Supplier Code of Conduct, suppliers should establish a comparable reporting capability within their own operations and supply chain.

An interdisciplinary team comprising members from CSR, Compliance, Legal and Supply Chain Management reviews all relevant cases identified in our ESG risk platform "Integrity Next". This covers our own production sites and our suppliers. In the event of deviations or violations by suppliers, a mechanism in our ESG system documents and implements appropriate measures.

Since 2022, we have also introduced a mandatory e-learning course on compliance, including human rights issues. Its content is reviewed and developed on a regular basis.

Outlook

The occupational health and safety certification of all GRAMMER plants in accordance with ISO 45001 will be completed by the end of 2026. The current certification rate is 89%. In addition, 60% of our suppliers should have accepted our Supplier Code of Conduct by the end of 2026.

GOALS

- Certification of all GRAMMER plants according to ISO 45001 by the end of 2026
- 60% of our suppliers accept our Supplier Code of Conduct by the end of 2026

6. Employees and community

GRAMMER owes its success as a company above all to the performance and commitment of its global team. With great personal dedication, around 12,000 GRAMMER employees worldwide develop and produce solutions and innovations that make the mobility of millions of people safer, more comfortable and more sustainable. That is why we attach great importance to ensuring that employees feel comfortable at GRAMMER - and that everyone has the same opportunities to develop their potential. Responsibility as a corporate citizen is also an important part of our sustainability concept. GRAMMER therefore supports social and cultural initiatives around the world.

6.1 Working conditions and other work-related rights

GRAMMER sees qualified, motivated and healthy employees as the basis for sustainable success. With a combination of continuous skills development, global occupational health and safety standards and health promotion, the company creates a safe and future-oriented working environment. The focus is on promoting individual skills and ensuring the health of the workforce. To build a trusting relationship with our employees from the start, we approach our applicants with transparent communication and responsible handling of their data.

Respecting the rights of our employees is also of central importance to us. The violation of employee rights or a breach of data protection could lead to financial and reputational risks. Competition for talent on the labor market and generally rising wage and benefit levels, which result in higher costs for GRAMMER, also pose a challenge. Appropriate working conditions are therefore essential for GRAMMER and represent an important opportunity to increase employee satisfaction and performance at

GRAMMER. This not only benefits our reputation and profitability but also promotes a future-oriented working environment and the health of our employees.

Our strategic approach

GRAMMER pursues a holistic strategy that integrates employee satisfaction, employee development and occupational safety and health. "Group Human Resources" (Group HR) takes care of the concerns and development of employees. GRAMMER's corporate culture and working conditions are set out in the [GRAMMER Code of Conduct](#) (see section 2.1, p. 12-13), which summarizes the key internal and external rules and principles. GRAMMER firmly rejects forced labor, child labor and human trafficking and emphasizes respect for the rights of its employees. The Code of Conduct is publicly available on the company website in all relevant languages and our employees receive regular training on it.

To promote employee satisfaction, GRAMMER offers a variety of services and benefits, e.g. fair pay in accordance with the collective wage agreement, regulated and flexible working hours, mobile working, various training and development opportunities and a company pension plan. Moreover, the "MyLife@GRAMMER" program supports our employees in all life situations.

The GRAMMER Academy offers programs worldwide on topics such as project management, communication and intercultural skills, supplemented by on-site training and e-learning offerings. In 2025, the average number of training hours per employee was 10.44 hours in Germany and 8.6 hours globally. By 2030, we want to increase the average number to 12 hours per administrative employee worldwide.

Young professionals, managers, and specialists are specifically supported through special programs such as “Talent Circle” and “Way of Leading.” These training offerings were expanded in 2025 with the addition of the “Talent Rally” and the global implementation of the “Expert Program.” Overall, we are expanding training offerings of this kind as part of our GRAMMER Academy and creating transparent, target group-specific development opportunities. Annual development meetings with our employees are designed to support individual career planning.

GRAMMER has also further developed and refined its job architecture. This has created the essential conditions for increasing pay transparency and comparability and ensuring fair, gender-neutral remuneration for work of equal value in the long term. The completion of the job architecture will continue to occupy us in 2026.

Focus on occupational health and safety

In the area of occupational health and safety, GRAMMER has established a global occupational health and safety organization. In addition, GRAMMER is gradually certifying its occupational health and safety system according to ISO standard 45001 in all regions worldwide. At the end of 2025, the certification rate was 89%. The aim is to achieve 100% by the end of 2026.

Campaigns and training raise awareness among the workforce, while the Lost Time Incident Frequency Rate (LTIFR) is continuously being reduced as a key indicator - in 2025 it was 1.29%. We have therefore achieved the target of an accident frequency rate of less than 2% in all regions. The global LTIFR target is reduced each year compared to the figure for the previous year. The goal of improving the absence rate compared to the previous year was also achieved in 2025. It was 3.67% compared to 3.90% in the previous year. In addition, GRAMMER promotes physical and mental health through preventive medical services, external counseling services and flexible working models.

Outlook

GRAMMER plans to expand its training offerings within the GRAMMER Academy to include new target groups and thus specifically promote employees' development opportunities. As part of a pilot project, we will make our e-learning platform available to our blue-collar employees in the form of an app at some of our sites in 2026.

In addition, GRAMMER will finalize its job architecture and embed it as an integral part of its HR processes. This will provide a sound basis for ensuring fair and gender-neutral pay for work of equal value in the long term.

In the area of occupational health and safety, the plan is to expand ISO 45001 certification to 100% worldwide by the end of 2026 and to fully finalize the occupational health and safety organization. New information campaigns, action days, and targeted training courses are intended to further reduce the number of accidents and promote the long-term health of employees.

GOALS

- Expansion of the target groups of our training programs
- Completion of the GRAMMER job architecture as an integral part of HR processes
- Introduction of ISO 45001 occupational health and safety certification at all GRAMMER sites by the end of 2026

6.2 Equal treatment and equal opportunities

The basic values of trust and respect are firmly anchored in GRAMMER's corporate culture, as described in the WoW Code (see section 2.1, p. 12-13) – and thus also equal treatment and equal opportunities for all employees.

An open, tolerant and appreciative working culture has many advantages: Diverse and inclusive companies are considered attractive employers. They attract qualified employees who enjoy working there and often stay with the company for many years. Studies have also shown that diverse teams work more successfully. If different perspectives are considered, this often leads to better decisions. However, if inclusive collaboration does not work, conflicts arise and performance and innovative strength suffer.

The opportunity for training and development for our employees also has a positive effect. In particular, we want to support our students and trainees at an early stage in order to increase satisfaction and the chance of long-term employment for all of them.

Our strategic approach

Diversity is not just a passing trend for us, but a reality that we have lived by for decades. GRAMMER Group has 42 production and logistics locations in 20 countries, and its workforce is correspondingly international and diverse. We actively promote openness and respectful and appreciative interaction with one another: In 2006, GRAMMER was one of the first companies to sign the Diversity Charter, thereby committing itself to strengthening diversity and appreciation in the working world. The [Code of Conduct](#) stipulates equal opportunities for all employees. We take action against all forms of discrimination or harassment in the working environment – whether on the basis of ethnic origin, gender, religion or belief, disability, age or sexual identity. Employees can report incidents to the Compliance department via an internal whistleblower system (see section 2.1, p. 12-13). To promote openness and mutual understanding in mixed teams, intercultural training, language courses and team-building measures are offered to employees worldwide.

We seek a reasonable gender balance and support and encourage women at the company. The share of women at GRAMMER is currently around 45%. The goal of keeping the global percentage of women at around 45% remains in effect. The global share of women in management positions at the first management level below the Executive Board is currently around 12%. We also attach great importance to equality when it comes to employee remuneration: We regularly review salary levels and ensure that women and men receive the same pay for equal performance.

Measures to promote diversity, equity, inclusion, and belonging (DEIB)

- International campaigns on International Women's Day (March 8) at several locations to promote visibility, appreciation, and dialogue
- The internal women's network "Ladies@GRAMMER" strengthens the exchange of professional experience, offers opportunities for mutual support, and facilitates the transfer of know-how.
- Participation in Girls' Day to get young people interested in technical and industrial careers at an early stage
- Adaptation of recruiting processes to take DEIB aspects into account, including diversity-sensitive job postings and transparent selection decisions
- Hiring managers are also required to complete training to avoid hiring biases
- Implementation of a DEIB reporting concept that creates transparency regarding key figures and progress and enables systematic further development

Further measures to sustainably strengthen diversity and equal opportunities are continuously evaluated and developed.

Outlook

By 2030, the share of women in top management is to be increased to 20%. Our internal campaign and our further training program on DEIB will continue in 2026.

GOALS

- Increasing the percentage of women in top management to 20% by 2030
- Maintaining a constant global female quota of 45% for women

6.3 Social commitment

For GRAMMER, sustainability means not only protecting the environment and climate, but also taking social responsibility and creating a balance between the interests of employees, shareholders, customers and the society at large. This is why we support numerous social projects, educational institutions and volunteer activities at our company locations. In doing so, we follow the guidelines of our Code of Conduct and our globally applicable "Donations and Sponsoring Directive".

Social engagement can make an effective contribution to the positive development of society, the environment, and the workforce. At the same time, it strengthens the company's reputation and supports, among other things, the recruitment of new employees. In order to make targeted use of these opportunities, global management of engagement is necessary to ensure close alignment with the corporate strategy.

Challenges arise in particular in providing sufficient human resources for coordinating social projects and in setting appropriate budgets. In addition, selecting projects with demonstrable added value for society, employees, and the environment requires suitable criteria, as their impact is often difficult to measure.

Our strategic approach

The focus of our donation and sponsorship activities is on supporting social institutions and projects. GRAMMER is also active in the promoting sports. We are involved in school and university education through various collaborations, support and sponsorship programs. The aim is to prepare young people for the labor market. We do not support political parties or similar interest groups.

To prevent any suspicion of corruption arising due to an inappropriate donations or critical relationships with recipients or contractual partners, we have implemented a donation guideline at GRAMMER since the end of 2024. This sets out a standardized and transparent procedure for donations and sponsorship and must be adhered to at all times.

In order to better combine the individual commitment of the employees at the locations with the support from the company, a rough concept was created that we will continue to develop in the future. The CSR department is responsible for social engagement at GRAMMER.

Global social initiatives (Winner of the GRAMMER CSR Award 2025)

GRAMMER supported people affected by severe flooding in the state of Rio Grande do Sul through its Brazilian subsidiary. As part of the "SOS Rio Grande do Sul" initiative, employees collected urgently needed relief supplies such as water, milk, diapers, and pet food. In addition, blankets and beds were made from unused materials. The support was expanded through cooperation with external partners such as CNH Industrial and AGCO. The initiative made a concrete contribution to acute emergency aid and at the same time strengthened the team spirit and sense of responsibility of those involved.

At the Bursa site (Turkey), GRAMMER employees once again took part in a regular blood donation campaign. In cooperation with the Turkish Red Crescent Society, employees were able to donate blood voluntarily on site. The donations made an important contribution to the medical care of patients in Turkey and beyond. At the same time, the initiative promoted solidarity, cohesion, and social responsibility among the workforce.

At the Tianjin site (China), GRAMMER employees took part in a social project to support children with disabilities. As part of the initiative, they visited a local welfare facility, spent time with the children, played together, and handed out gifts. The project gave the children attention and appreciation, while also strengthening the social commitment and sense of community among the participating employees.

Outlook

Building on our previous activities in school and university education, we plan to continue our support for local educational institutions in the future. For example, we will continue to give presentations, offer practical days at our GRAMMER Campus and conduct job application training at schools. Our goal remains to optimally prepare young people for the job market.

7. Disclosures in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation)

7.1 Background and objectives

The European Union (EU) has made the process of transforming Europe's economy into a greener and more environmentally friendly system a priority for its political action. Channeling capital flows into sustainable investments is seen as the key to success. With the taxonomy, the EU has created a classification system according to which economic activities can be classified as Taxonomy-aligned if they are mentioned in the Regulation and satisfy its requirements. The requirements include proof that the

activity makes a positive contribution to at least one of the six environmental objectives. In addition to a positive contribution, it must do no significant harm to any of the other five environmental objectives. Moreover, there must be proof of compliance with minimum standards for social and selected environmental and governance aspects.

7.2 Reporting by GRAMMER AG for the 2025 financial year

GRAMMER AG must report on the six environmental goals "climate change mitigation", "climate change adaption", "sustainable use and protection of water and marine resources", "transition to a circular economy", "pollution prevention and control" and "protection and restoration of biodiversity and ecosystems" for the 2025 financial year. The reporting obligation includes disclosures on the shares of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) that relate to Taxonomy-eligible and non-Taxonomy-eligible economic activities. The disclosures take into account all companies consolidated in the consolidated financial statements.

7.3 Taxonomy-eligible economic activities

GRAMMER AG is active in two business segments: GRAMMER develops and produces high-quality interior and operating systems as well as innovative thermoplastic components for the global automotive industry.

GRAMMER is also a full-service provider of driver and passenger seats for trucks, trains, buses and off-road vehicles.

Sustainability is anchored in the GRAMMER Group's corporate strategy and divided into five areas of action: In addition to the development of sustainable products, these include reducing direct and indirect emissions, the efficient use of energy, raw materials and other materials, increasing the recycling rate and optimizing the carbon footprint in the supply chain and for our own products.

With the company-wide strategic initiative "Sustainable Company", GRAMMER continues to promote sustainable solutions throughout the company. Furthermore, GRAMMER is pursuing the common goal of reducing CO₂ emissions for Scope 1 and 2 by 50% by 2030 and by 100% by 2040, thereby contributing to the fulfillment of the 1.5-degree target of the Paris Climate Agreement.

The examination of the economic activities carried out by GRAMMER for taxonomy eligibility took place with the involvement of all relevant company departments.

The Climate Delegated Act (EU) 2021/2139 and the Environmental Delegated Act (EU) 2023/2486 were reviewed and assigned to the economic activities of GRAMMER AG. For the sake of completeness and to avoid double counting, the revenues generated in the 2025 financial year, as well as the investments made and costs incurred that correspond to the definitions in Delegated Regulation (EU) 2021/2178 of November 21, 2023, were reviewed and directly assigned to the individual economic activities.

A key result is that GRAMMER's main economic activities can be assigned to the two EU taxonomy-eligible activities 3.18. Manufacture of automotive and mobility components and 3.19. Manufacture of rail rolling stock constituents. The economic activities of GRAMMER AG can therefore be assigned to the NACE codes C.29.3 Manufacture of parts and accessories for motor vehicles and C.30.2 Manufacture of railway locomotives and rolling stock.

The following economic activities with the corresponding NACE codes were also identified as part of GRAMMER AG's activities:

6.5. Transport by motorbikes, passenger cars and light commercial vehicles (N77.11 Renting and leasing of cars and light motor vehicles – with total weight of 3.5 t or less)

7.3. Installation, maintenance and repair of energy efficiency equipment (F43.2 Construction installation)

7.7. Acquisition and ownership of buildings (F41.1 Development of building projects; developer, F41.2 Construction of residential and non-residential buildings)

Compared to the previous year, activities 7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings and 9.1 Close to market research, development, and innovation are not reported, as no or no significant investments were made in this regard in the 2025 fiscal year.

7.4 Alignment assessment

GRAMMER has produced a procedural description for assessing alignment with the requirements of the Taxonomy Regulation and rolled it out in three regions. These have been addressed by the relevant locations in their region. The assessment of whether the economic activity makes a substantial positive contribution and whether it does no significant harm to the other environmental objectives was performed by plant/site managers with the support of the local Accounting department and Plant Controlling. The individual results reported were consolidated and verified, first by regional Accounting and then by Accounting at the GRAMMER Group.

By contrast, the review of compliance with minimum safeguards in accordance with Article 18 of the Taxonomy Regulation in the areas of human rights, anti-corruption, bribery and fair competition was performed centrally for GRAMMER AG by Group Accounting with the support of the CSR, Legal, Compliance, Risk Management and Supply Chain Management departments.

The combined results for the reviews performed can be found in the tables in section 7.6.

7.5 Taxonomy-eligible and Taxonomy-aligned turnover

As outlined above, GRAMMER pursues ambitious sustainability goals in its business activities. The share of taxonomy-eligible main business activities in total revenue for the 2025 fiscal year

is 13.13% (previous year: 7.83%), while the taxonomy-compliant share is 3.98% (previous year: 2.11%). (see table on pp. 31-32). 12.89% of the eligible share is attributable to economic activity 3.18 Manufacture of automotive and mobility components (previous year: 7.46%) and 0.24% to economic activity 3.19 Manufacture of rail vehicle components (previous year: 0.36%). The increase in taxonomy eligibility and compliance compared to the previous year is primarily due to higher sales in the area of automotive components for electrified vehicles.

The KPI denominator was determined in accordance with Section 1.1.1 of Delegated Regulation (EU) 2021/2178 of November 21, 2023. The reference value (denominator of the "Revenue" key figure) is the "Revenue" item in the consolidated income statement for the 2025 financial year (see page 126).

7.6 Taxonomy-eligible and Taxonomy-aligned CapEx and OpEx

CapEx according to the EU Taxonomy relates to additions to tangible and intangible assets during the financial year in relation to the economic activities. OpEx includes direct non-capitalized costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair. Furthermore, OpEx comprises any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

The definitions and calculations of the KPI denominators follow sections 1.1.2.1 and 1.1.3.1 of Delegated Regulation (EU) 2021/2178 of November 21, 2023. The reference value (denominator) for the "CapEx" key figure is composed of the items "Property, plant, and equipment," "Concessions, industrial property rights," and "Capitalized development costs" under "Intangible assets" in the statement of changes in fixed assets for the 2025 fiscal year (see page 128). The proportion of Taxonomy-eligible investments (CapEx) and the proportion of Taxonomy-eligible operating

expenses (OpEx) were calculated in accordance with sections 1.1.2.2 and 1.1.3.2 of Annex 1 to the Delegated Regulation on disclosure requirements (2021/2178).

The proportion of investments eligible for taxonomy was determined at 19.05% (previous year: 13.21%), and the proportion compliant with taxonomy at 3.98% (previous year: 2.16%). The taxonomy-eligible portion is divided among economic activities 3.18 (12.01%), 3.19 (0.22%), 6.5 (2.04%), 7.3 (0.10%), and 7.7 (4.68%) (see table on pp. 33-36). The taxonomy-compliant portion mainly relates to economic activities 3.18 (3.80%) and 3.19 (0.18%).

The proportion of taxonomy-eligible operating expenses was determined at 13.13% (previous year: 7.83%), and the taxonomy-compliant proportion at 2.59% (previous year: 1.42%) (see table on pp. 37-38). The taxonomy-eligible and taxonomy-compliant share of operating expenses is divided between economic activities 3.18 and 3.19.

The increase in the share of taxonomy-eligible and taxonomy-compliant investments and operating expenses compared to the previous year is due in particular to an increase in investments in activity 7.7 (acquisition and ownership of buildings) and an increase in the main business activities CCM 3.18 Manufacture of automotive and mobility components and CCM 3.19 Manufacture of rail rolling stock constituents.

Template: Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 (1/2)

Economic Activities (1)	Code(s) (2)	Turnover (3)	Proportion of Turnover, 2024 (4)	Substantial Contribution Criteria					
				Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
				Mio. €	%	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of automotive and mobility components	CCM 3.18	69.24	3.80	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of rail constituents	CCM 3.19	3.25	0.18	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		72.49	3.98	3.98	0	0	0	0	0
Enabling		72.49	3.98	3.98	0	0	0	0	0
Transitional		0.00	0.00						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of other low carbon technologies	CCM 3.18	165.55	9.09	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of rail constituents	CCM 3.19	1.16	0.06	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		166.71	9.15	9.15	0	0	0	0	0
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		239.20	13.13	13.13					
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities (B)		1,582.00	86.87						
Total (A+B)		1,821.20	100.00						

Template: Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 (2/2)

	DNSH criteria („Does Not Significantly Harm“)							Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, 2023 (%) (18)	Category enabling activity (19)	Category transitional activity (20)
	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
Manufacture of automotive and mobility components	Y	Y	Y	Y	Y	Y	Y	1.89	E	
Manufacture of rail constituents	Y	Y	Y	Y	Y	Y	Y	0.22	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	Y	Y	Y	Y	Y	Y	Y	2.11		
Enabling	Y	Y	Y	Y	Y	Y	Y	2.11	E	
Transitional								0.00		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Manufacture of other low carbon technologies								5.57		
Manufacture of rail constituents								0.14		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								5.72		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)								7.83		
Proportion of turnover/Total turnover					Proportion of turnover/Total turnover					
	Taxonomy-aligned per objective		Taxonomy-eligible per objective			Taxonomy-aligned per objective		Taxonomy-eligible per objective		
CCM	3.98%		13.13%		CE	0%		0%		
CCA	0%		0%		PPC	0%		0%		
WTR	0%		0%		BIO	0%		0%		

Template: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 (1/4)

Economic Activities (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx, 2024 (4)	Substantial Contribution Criteria					
				Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
				Mio. €	%	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of automotive and mobility components	CCM 3.18	3.57	3.80	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of rail constituents	CCM 3.19	0.17	0.18	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	–	–	–	–	–	–	–	–
Close to market research, development and innovation	CCM 9.1	–	–	–	–	–	–	–	–
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		3.74	3.98	3.98	0	0	0	0	0
Enabling		3.74		3.98	0	0	0	0	0
Transitional									

Template: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 (2/4)

Economic Activities (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx, 2024 (4)	Substantial Contribution Criteria					
				Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
				Mio. €	%	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of automotive and mobility components	CCM 3.18	7.72	8.21	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of rail constituents	CCM 3.19	0.04	0.10	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	4.40	4.68	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.09	0.10	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1.91	2.04	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Close to market research, development and innovation	CCM 9.1	–	–	–	–	–	–	–	–
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		14.16	15.07	15.07	0	0	0	0	0
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		17.90	19.05	19.05					
B. Taxonomy-non-eligible activities									
CapEx of Taxonomy-non-eligible activities (B)		76.10	80.95						
Total (A + B)		94.00	100						

Template: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 (3/4)

	DNSH criteria („Does Not Significantly Harm“)						Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)	
	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				Minimum Safeguards (17)
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				Y/N
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
Manufacture of automotive and mobility components	Y	Y	Y	Y	Y	Y	Y	1.89	E	
Manufacture of rail constituents	Y	Y	Y	Y	Y	Y	Y	0.22	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	–	–	–	–	–	–	–	0.02	E	
Close to market research, development and innovation	–	–	–	–	–	–	–	0.03	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	Y	Y	Y	Y	Y	Y	Y	2.16		
Enabling	Y	Y	Y	v	Y	Y	Y	2.16	E	
Transitional								0.00		T

Template: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 (4/4)

	DNSH criteria („Does Not Significantly Harm“)							Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Manufacture of automotive and mobility components								5.14		
Manufacture of rail constituents								0.13		
Acquisition and ownership of buildings								2.98		
Installation, maintenance and repair of energy efficiency equipment								0.21		
Transport by motorbikes, passenger cars and light commercial vehicles								2.49		
Close to market research, development and innovation								0.10		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) [A.2]								11.05		
A. CapEx of Taxonomy-eligible activities [A.1 + A.2]								13.21		

Proportion of CapEx/Total CapEx			Proportion of CapEx/Total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective		Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	3.98%	19.05%	CE	0%	0%
CCA	0%	0%	PPC	0%	0%
WTR	0%	0%	BIO	0%	0%

Template: Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 (1/2)

Economic Activities (1)	Code(s) (2)	OpEx (3)	Proportion of OpEx, 2024 (4)	Substantial Contribution Criteria							
				Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)		
				Mio. €	%	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)	(Y;N;N/EL)
A. Taxonomy-eligible activities											
A.1 Environmentally sustainable activities (Taxonomy-aligned)											
Manufacture of automotive and mobility components	CCM 3.18	0.95	2.48	Y	N/EL	N/EL	N/EL	N/EL	N/EL		
Manufacture of rail constituents	CCM 3.19	0.05	0.12	Y	N/EL	N/EL	N/EL	N/EL	N/EL		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.99	2.59	2.59	0	0	0	0	0		
Enabling		0.99	2.59	2.59	0	0	0	0	0		
Transitional		–	0.00								
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)											
Manufacture of automotive and mobility components	CCM 3.18	3.99	10.42	EL	N/EL	N/EL	N/EL	N/EL	N/EL		
Manufacture of rail constituents	CCM 3.19	0.05	0.12	EL	N/EL	N/EL	N/EL	N/EL	N/EL		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4.04	10.54	10.54	0	0	0	0	0		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		5.03	13.13	13.13	0	0	0	0	0		
B. Taxonomy-non-eligible activities											
OpEx of Taxonomy-non-eligible activities (B)		33.26	86.87								
Total (A + B)		38.29	100.00								

Template: Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025 (2/2)

	DNSH criteria („Does Not Significantly Harm“)							Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	T
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
Manufacture of automotive and mobility components	Y	Y	Y	Y	Y	Y	Y	1.27	E	
Manufacture of rail constituents	Y	Y	Y	Y	Y	Y	Y	0.15	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	Y	Y	Y	Y	Y	Y	Y	1.42		
Enabling	Y	Y	Y	Y	Y	Y	Y	1.42	E	
Transitional								0.00		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Manufacture of automotive and mobility components								6.19		
Manufacture of rail constituents								0.22		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								6.41		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)								7.83		

	Proportion of OpEx/Total OpEx			Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective		Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	2,59%	13,13%	CE	0%	0%
CCA	0%	0%	PPC	0%	0%
WTR	0%	0%	BIO	0%	0%

Template: Nuclear energy and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

8. About this report

Basis of reporting

This combined separate non-financial report (NFR) has been prepared in accordance with the requirements of sections 315b and 315c in conjunction with sections 289c to 289e HGB for the 2025 financial year (January 1, 2025 to December 31, 2025). It contains the disclosures required by law on material topics pertaining to the environment, employees, social concerns, observance of human rights and anti-corruption and anti-bribery precautions. In addition, it discloses material risks in accordance with section 289c(3) no. 3 and 4 HGB where these are necessary for an understanding of the Group's business performance, results of operations and position as well as the impact on non-financial aspects. The mandatory disclosures pursuant to Article 8 of the EU Taxonomy Regulation 2020/852 are also included.

For disclosure of the diversity concept in accordance with Section 289f (2) No. 6, see Annual Report 2025 pp. 87.

This report is the combined separate declaration for the GRAMMER Group and GRAMMER AG for the 2025 financial year in accordance with sections 289b and 315b HGB, which is made available to the general public on the company's website under Company > Sustainability & social responsibility > Combined separate non-financial report.

The content deadline for the 2025 NFR was March 6, 2025. This NFR is available in both German and English. The German version takes precedence in the event of any discrepancies.

Unless stated otherwise, the contents refer to the entire GRAMMER Group including GRAMMER AG. In this report, the term GRAMMER Group also includes GRAMMER AG. In addition to its financial key performance indicators, the GRAMMER Group has also defined strategic and environmental, social and govern-

ance (ESG) targets, such as compliance, environmental protection, economic stability and growth, as ongoing performance indicators. A more detailed explanation of the non-financial key performance indicators for GRAMMER AG can be found in the remuneration report. Detailed information on provisions can be found in the notes to the consolidated financial statements. Otherwise, there is no direct link between the amounts reported in the annual financial statements of the GRAMMER Group in accordance with section 289c (3) no. 6 HGB and the non-financial aspects. In some cases, reference is made to the content of the Group management report in accordance with section 315b (1) sentence 3 HGB.

The combined separate non-financial report has been prepared with reference to the Global Reporting Initiative (GRI) standards.

Forward looking statements

This non-financial report contains certain forward-looking statements concerning the future development of GRAMMER AG and its companies as well as economic and political developments. These statements are assessments made on the basis of all the information available to us at the time of reporting. If the underlying assumptions are inaccurate or other risks occur, actual results and the development and performance of GRAMMER AG can differ from the assessments shown. Even if GRAMMER AG's actual results, including its financial position and profitability as well as the economic and regulatory framework, are consistent with the forward-looking statements in this NFR, this does not guarantee that this will continue to be the case in the future. GRAMMER AG therefore accepts no liability for the forward-looking statements presented here.

Review

This NFR has been reviewed by the Supervisory Board, which has satisfied itself of its legality, propriety and suitability for its intended purposes.

Rounding differences

The use of rounded amounts and percentages can give rise to minor differences on account of commercial rounding.

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Image Credits

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Your feedback

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Further reporting

Further information on sustainability at GRAMMER AG can be found on our [website](#).

9. Annex: GRI Index

Statement of use

GRAMMER AG has reported the information cited in this GRI content index for the period 01.01.2024 to 31.12.2024 with reference to the GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

GRI Standard	Disclosure	Location	Comments
GRI 2: General Disclosures 2021	2-1 Organizational details	Annual Report 2025 (GB 2025) (p. 6), Dashboard 2025	
	2-2 Entities included in the organization's sustainability reporting	- Combined separate non-financial report 2025 (NFB 2025) (p. 3–4), Organizational structure of sustainability - NFR 2025 (p. 40), About this report	See comment on disclosure 2-4.
	2-3 Reporting period, frequency and contact point	NFR 2025 (p. 40), About this report	
	2-4 Restatements of information		In fiscal year 2025, GRAMMER reorganized its sustainability activities at the Group level (CSR team). As part of this reorganization and the deconsolidation of the TMD Group, existing targets were reviewed and reassessed in terms of their priority and organizational and procedural requirements. Against this backdrop, individual targets originally planned for 2025 were postponed to 2026 or 2027. The postponement serves to ensure a robust definition of targets, a clear allocation of responsibilities and consistent achievement of the objectives. Following the sale and deconsolidation of the TMD Group in September 2024, the financial and non-financial key figures of the GRAMMER Group were retroactively adjusted to exclude the discontinued operations of the TMD Group. This ensures comparability between the figures for 2024 and 2025.
	2-5 External assurance	NFR 2025 (p. 40), About this report	
	2-6 Activities, value chain and other business relationships	- NFR 2025 (p. 3–12), Sustainability at GRAMMER - NFR 2025 (p. 15–20), Products - NFR 2025 (p. 23–26), Supply chain	

GRI Standard	Angabe	Verweis	Kommentare
GRI 2: General Disclosures 2021	2-7 Employees	• AR 2025 (p. 12), People at GRAMMER	
	2-8 Workers who are not employees		All workers of GRAMMER AG are employees.
	2-9 Governance structure and composition	• NFR 2025 (p. 3–4), Organizational structure of sustainability • AR 2025 (p. 10–13), Basis of the Group • AR 2025 (p. 87–102), Corporate Governance	
	2-10 Nomination and selection of the highest governance bodys	• AR 2025 (p. 87–102), Corporate Governance • AR 2025 (p. 103–108), Report of the Supervisory Board	
	2-11 Chair of the highest governance body	• AR 2025 (p. 87–102), Corporate Governance • AR 2025 (p. 103–108), Report of the Supervisory Board	
	2-12 Role of the highest governance body in overseeing the management of impacts	• AR 2025 (p. 103–108), Report of the Supervisory Board	
	2-13 Delegation of responsibility for managing impacts	• AR 2025 (p. 103–108), Report of the Supervisory Board	
	2-14 Role of the highest governance body in sustainability reporting		The supervisory board of GRAMMER AG - as the highest controlling body - reviews the non-financial report and thus also the sustainability reporting.
	2-15 Conflicts of interest	• AR 2025 (p. 103–108), Report of the Supervisory Board	
	2-16 Communication of critical concerns		The non-financial report is submitted to the supervisory board for audit.
	2-17 Collective knowledge of the highest governance body	• AR 2025 (p. 103–108), Report of the Supervisory Board	
	2-18 Evaluation of the performance of the highest governance body	• AR 2025 (p. 103–108), Report of the Supervisory Board	
	2-19 Remuneration policies	• AR 2025 (p. 109–124), Remuneration Report	
	2-20 Process to determine remuneration	• AR 2025 (p. 109–124), Remuneration Report	
	2-21 Annual total compensation ratio	• AR 2025 (p. 109–124), Remuneration Report	
	2-22 Statement on sustainable development strategy	• AR 2025 (p. 5), Letter from the Executive Board	

GRI Standard	Angabe	Verweis	Kommentare
GRI 2: General Disclosures 2021	2-23 Policy commitments	• NFR 2025 (p. 25–26), Working conditions and human rights • NFR 2025 (p. 26–27), Working conditions and other work-related rights • Code of Conduct of the GRAMMER AG • Supplier Code of Conduct of the GRAMMER AG • Declaration of Principles on Respect for Human Rights of the GRAMMER AG	
	2-24 Embedding policy commitments	• NFR 2025 (p. 25–26), Working conditions and human rights • NFR 2025 (p. 26–27), Working conditions and other work-related rights • Code of Conduct of the GRAMMER AG • Supplier Code of Conduct of the GRAMMER AG • Declaration of Principles on Respect for Human Rights of the GRAMMER AG	
	2-25 Processes to remediate negative impacts	• NFR 2025 (p. 13–14), Combating corruption and bribery • NFR 2025 (p. 25–26), Working conditions and human rights	
	2-26 Mechanisms for seeking advice and raising concerns	• NFR 2025 (p. 13–14), Working conditions and human rights • NFB 2025 (p. 25–26), Working conditions and human rights	
	2-27 Compliance with laws and regulations		There were no significant violations of laws and regulations during the reporting period.
	2-29 Approach to stakeholder engagement	• NFR 2025 (p. 4–5), Materiality analysis • NFR 2025 (p. 4), Inclusion of all stakeholders	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	• NFR 2025 (p. 4–5), Materiality analysis	
	3-2 List of material topics	• NFR 2025 (p. 4–5), Materiality analysis	
	3-3 Management of material topics		The management approaches can be found in the individual chapters.
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	• AR 2025 (p. 125–209), Consolidated Financial Statement	
	201-2 Financial implications and other risks and opportunities due to climate change	• NFR 2025 (p. 20–22), Climate change	

GRI Standard	Angabe	Verweis	Kommentare
GRI 205: Anti-corruption 2016	3-3 Management of material topics	• NFR 2025 (S. 13–14), Combating corruption and bribery	
	205-3 Confirmed incidents of corruption and actions taken	• NFR 2025 (S. 13–14), Combating corruption and bribery	
GRI 206: Anti-competitive Behavior 2016	3-3 Management of material topics	• NFR 2025 (S. 13–14), Combating corruption and bribery	
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		There were no legal actions for anti-competitive behavior, anti-trust, and monopoly practices during the reporting period.
GRI 301: Materials 2016	3-3 Management of material topics	• NFR 2025 (S. 17–19), Resource use	
GRI 302: Energy 2016	3-3 Management of material topics	• NFR 2025 (S. 20–22), Climate change	
	302-4 Reduction of energy consumption	• NFR 2025 (S. 20–22), Climate change	
GRI 305: Emissions 2016	3-3 Management of material topics	• NFR 2025 (S. 20–22), Climate change	
	305-1 Direct (Scope 1) GHG emissions	• NFR 2025 (S. 20–22), Climate change	
	305-2 Energy indirect (Scope 2) GHG emissions	• NFR 2025 (S. 20–22), Climate change	
GRI 306: Waste 2020	3-3 Management of material topics	• NFR 2025 (S. 22–23), Waste	
	306-1 Waste generation and significant waste-related impacts	• NFR 2025 (S. 22–23), Waste	
	306-2 Management of significant waste-related impacts	• NFR 2025 (S. 22–23), Waste	
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	• NFR 2025 (S. 22), Environmental pollution • NFR 2025 (S. 23–25), Supplier management	
GRI 401: Employment 2016	3-3 Management of material topics	• NFR 2025 (S. 26–29), Employees and community	
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	• NFR 2025 (S. 25–26), Working conditions and human rights • NFR 2025 (S. 26–27), Working conditions and other work-related rights	
	403-1 Occupational health and safety management system	• NFR 2025 (S. 26–27), Working conditions and other work-related rights	
	403-4 Worker participation, consultation, and communication on occupational health and safety	• NFR 2025 (S. 26–27), Working conditions and other work-related rights	

GRI Standard	Angabe	Verweis	Kommentare
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	• NFR 2025 (S. 26–27), Working conditions and other work-related rights	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	• NFR 2025 (S. 26–27), Working conditions and other work-related rights	
	403-9 Work-related injuries	• NFR 2025 (S. 26–27), Working conditions and other work-related rights	
GRI 404: Training and Education 2016	3-3 Management of material topics	• NFR 2025 (S. 26–27), Working conditions and other work-related rights	
	404-1 Average hours of training per year per employee	• NFR 2025 (S. 26–27), Working conditions and other work-related rights	
	404-2 Programs for upgrading employee skills and transition assistance programs	• NFR 2025 (S. 26–27), Working conditions and other work-related rights	
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	• NFR 2025 (S. 27–28), Equal treatment and equal opportunities	
	405-1 Diversity of governance bodies and employees	• NFR 2025 (S. 27–28), Equal treatment and equal opportunities • AR 2025 (S. 87-102), Corporate Governance	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		There were no incidents of discrimination during the reporting period.
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	• NFR 2025 (S. 23–25), Supplier management • NFR 2025 (S. 25–26), Working conditions and human rights	
GRI 415: Public Policy 2016	415-1 Political contributions		Political parties or similar interest groups are not supported. This indicator is therefore not collected.
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	• NFR 2025 (S. 16–17), Customer health and safety	
GRI 418: Customer Privacy 2016	3-3 Management of material topics	• NFR 2025 (S. 14–15), Data protection and information security	