Sustainability statements

4

Disclosure Requirements covered by the sustainability statements

Introduction

Looking back on 2025

The past year was characterized by change and uncertainty for EU legislation regarding ESG, with major legislative developments finalized at the end of 2025 (e.g., Omnibus proposals). At the same time, we worked on various sustainability topics to improve our sustainability performance and reporting.

In 2025, we continued to improve the quality of our sustainability data. We also improved our assessment on possible pollutants, with more measurements reports from third parties confirming our pollutions are below the set thresholds. In addition, we started to further assess our value chain related to copper in collaboration with one of our customers. In this copper value chain we see higher risks compared to other value chains we are active in, for example related to the workers in the value chain (copper mines).

In terms of target setting, we defined a target on water reduction. We have the ambition to reduce our water intensity ratio by 5% annually, on average over the 5-years period 2026-2030. Furthermore, as part of our Capital Markets Day 2028 targets, we raised our target score for employee satisfaction from >7.8 to >8.0 as we see potential to further improve the score and believe that it is an essential pillar for the success of our strategy. The increased score compared to previous years demonstrates the effectiveness of the measures and action plans we have implemented. We measure, monitor, and evaluate customer satisfaction through surveys. As part of our Capital Markets Day 2028 targets, we also adjusted

our customer satisfaction survey score target from >7.8 to >8.5 because our performance in 2024 exceeded the original target, and also because this score is essential for our success and focus on customer-centricity as major strategic pillar.

The year 2025 was also a year of operational challenges, especially related to our new subsea cable production facility in Eemshaven, the Netherlands. The start-up and ramp-up of the production facility resulted in additional usage of materials and related waste, needed for the commissioning of the machines, testing, type approval tests of different portfolio of subsea cables, and due to operational inefficiencies as a result of (technical) unforeseen disturbances. This resulted in relatively more material usage and waste in 2025.

Finally, we also paid attention to the presentation of the sustainability information by, among other things, integrating information and making more use of graphics to increase readability.
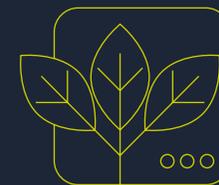
Our ESG ratings

We are committed to continuous improvement in sustainability and its deeper integration throughout our operations and value chains. In 2025, this resulted in improved score for the CDP rating (from B to A-), reflecting our sustainability performance and organizational momentum.

The following ESG ratings are available for TKH Group:

score

23.7

SUSTAINALYTICS

medium risk level

score

AA

MSCI

industry leader

climate score

A-

CDP

environmental leadership

In addition, a number of other ESG ratings are used by the operating companies because these ESG ratings are better suited to their activities or because they are used within the value chain. In 2025 and early 2026, our operating companies VMI and TKF received a gold EcoVadis medal in recognition of their sustainability achievements.

New strategy program Capitalize & Execute 2028

At our Capital Markets Day (CMD) in September 2025, we announced our new strategy program Capitalize & Execute 2028. In the past period, a strong focus on the megatrends Automation and Electrification created a strong foundation of technology and market leadership in these two segments. Today we are a successful business positioned for growth, consisting of Automation and Electrification. TKH will use these new Automation and Electrification segments from 2026 onwards.

At the same time, we announced that TKH's future is Automation – with a separation of Electrification. Furthermore, for the next phase of value creation, a focus on cash flow generation, disciplined capital allocation, execution on portfolio optimization including bolt on acquisition in Automation and continuation of the non-core divestment program (~€250m turnover), and separate targets for the Automation and Electrification segment. More information is included in the Strategy and performance section.

The new strategic program also includes new and updated (annual) sustainability targets and goals. These targets are ambitious and present challenges. We reconfirmed our existing target on the reduction of carbon emissions from our own operations (scopes 1 and 2) by 100% by 2030. In addition, we committed ourselves to be net-zero carbon by 2050. The safety-related target have been further sharpened to a LTIFR below 0.7 (from <1.0), confirming it is our key priority to make sure that all our employees return home safe and sound at the end of each workday. As part of the Capital Markets Day 2028 targets, we also increased our target on employee satisfaction (from >7.8 to >8.0) and on customer satisfaction (from >7.8 to >8.5). We reconfirmed our target of >25% female executive and senior management employees by 2030.

Outlook 2026

In 2026, we will continue to improve in sustainability and its deeper integration throughout our operations. Depending on EU legislation regarding ESG, we also will adjust our sustainability reporting towards the amended ESRS and other relevant sustainability legislation. A European integrated framework for climate resilience is expected by the end of 2026.

For several sub-topics we defined actions in this 2025 sustainability statements, which requires follow up in 2026. This includes for example the implementation of various updated policies. An important focus area will be a target setting on scope 3 emissions and related SBTi-alignment. This also requires a further engagement with suppliers and customers.

Key sustainability targets

Realization 2025   **Objective**

Carbon footprint reduction (CO_2e emissions)

76.3%   100%
                                                    by 2030

Scope 1 and 2 – reduction compared to reference year 2019

Turnover linked to SDGs

75.3%   >70%

Diversity

20.5%   >25%
                                                    by 2030

Female members in executive and senior management teams

Accident rate (LTIFR)

0.41   <0.7

Employee satisfaction score

7.8   >8.0
                                                    CMD 2028 target

Customer satisfaction score

8.6   >8.5
                                                    CMD 2028 target

General information

Basis for preparation

Under the CSRD (Corporate Sustainability Reporting Directive), companies in scope will be required to report on sustainability issues in their management report for the 2024 financial year onward and to obtain an assurance conclusion on this report. However, the implementation of CSRD in Dutch law has been delayed. Although there is not yet a formal statutory requirement to report in accordance with the CSRD, due to the delayed implementation, TKH prepared its 2025 sustainability statements based on the CSRD on a voluntary basis, as we did for 2024. In addition, we obtained a voluntary assurance on the sustainability statements.

The CSRD requires companies to report their sustainability statements based on the ESRS (European Sustainability Reporting Standards), providing the framework and methodology for reporting. All material datapoints are reported on, other than those that are voluntary or subject to phase-in. Disclosures relating to the EU Taxonomy are also included.

The sustainability statements are reported on TKH Group N.V. level and are prepared on a consolidated basis. The scope of the consolidation is equal to the scope of consolidation for the financial statements. Acquired companies are reported from the date of acquisition in accordance with the CSRD. In 2025, no companies were acquired. We divested the company Dewetron as per October 22, 2025. The sustainability data of Dewetron has been consolidated until Q3 2025.

The sustainability statements contain value chain information related to scope 3 GHG emissions (ESRS E1 climate change), ESRS S2 workers in the value chain, and ESRS S4 customers and end-users.

No relevant pieces of information were omitted for reasons related to classified and sensitive information and information on intellectual property. TKH did not use any exemptions provided under Article 19a and 29a of Directive 2013/34 of the European Parliament and of the Council of the European Union in the preparation of its sustainability statements. The basis of preparation, the resulting level of accuracy, the estimation of outcome uncertainty and, where applicable, planned actions to improve the accuracy and outcome uncertainty of sustainability information in future annual reports are disclosed for each material topic in the relevant section of the sustainability statements.

Time horizons
The time horizons considered in these sustainability statements align with those applied in the financial statements. Short-term is the reporting period in our financial statements, one year; medium-term is from the end of the short-term up to five years; long-term is defined as more than five years.

Value chain and sources of estimation, and outcome uncertainty
All sustainability data from our operating companies, except for scope 3 GHG emissions, are reported on a quarterly basis in our reporting tool, Cognos, according to our Sustainability Reporting Manual, which includes definitions, (reporting) procedures, and calculation methods. The sustainability data from our operating companies are tracked and reported to measure progress against our sustainability targets. The KPIs are based on activity data as much as possible, which, in turn, are based mostly on meter readings, invoices, and data provided by suppliers. However, the preparation of the sustainability statements requires management to make judgments, estimates, and assumptions that affect amounts reported. The estimates and underlying assumptions are reviewed on a frequent basis.

The calculation of the scope 3 emissions has a higher degree of judgement and complexity, for which changes in the assumptions and estimates could result in different results than those recorded in the sustainability statements. Data on GHG emissions are based on measurements and estimates at both TKH Group and operating company level. The emissions figures reported are TKH's best estimate. The basis of preparation is data submitted by our operating companies, which is validated and consolidated by TKH Group's sustainability team.

For the calculations of our scope 3 emissions, we make use of a high-level of estimations. The following estimations are most relevant:
- Emission factors are partly based on industry averages. The database used to retrieve the industry averages is the Ecoinvent database.
- The lifetime of our sold products is partly estimated and based on the average portfolio of the operating company in question (scope 3 category 11 emissions).
- The energy consumption of our sold products is partly estimated based on the average portfolio of the operating company in question (scope 3 category 11 emissions).

- In case the exact treatment of our products at their end of life (scope 3 category 12) is unknown, we assume the most conservative and/or polluting outcome of a treatment (in most cases, incineration).

Replacing industry average data to calculate the scope 3 emissions attributed to our suppliers and customers with supplier- and customer-specific carbon footprint data is a key driver to improve our data quality. The use of estimations is disclosed in more detail in the respective paragraphs. For the estimations used for the GHG emissions, reference is made to the Climate change section.

Other metrics containing estimates are disclosed in more detail in the respective paragraphs. Part of the inventory of pollution to air, soil, and water, based on the list of pollutants and related threshold values specified in Annex II of Regulation (EC) No 166/2006, is based on estimates and own calculations, resulting in uncertainty about the outcome. More information is included in chapter Pollution E2.

Changes in preparation or presentation of sustainability information

We are continuously working on improving the quality of our sustainability data. In 2025, we updated our location-based and market-based scope 2 emissions calculations by adopting a new Ecoinvent dataset and applying country-specific emission factors. Simultaneously, we refined our scope 1 and scope 2 methodology. To ensure comparability, we recalculated the 2024 scope 2 location-based emissions using this new approach. However, 2024 scope 1 and scope 2 market-based emissions

remain unadjusted, as the methodological differences make recalculation impracticable.

Reporting errors in prior periods

Reporting errors in prior periods are restated in the current reporting period. Where this is the case, we indicate this through an explanatory footnote. For 2025, we did not identify any material reporting errors which resulted in a restatement.

Incorporation by reference

Some disclosures are incorporated by reference. Wherever we incorporate information by reference (to other parts of the management report), this is clearly indicated. The following table is a list of the ESRS disclosure requirements and specific datapoints incorporated by reference to other parts of the annual report.

#	Datapoint	Incorporation by reference
ESRS2.GOV-1	The role of the administrative, management, and supervisory bodies, composition of the Executive and Supervisory Board	- Members of the Executive Board, page 41 - Members of the Supervisory Board, page 42
ESRS2.GOV-3	Integration of Sustainability-related performance in incentive schemes	Sustainability performance described in Remuneration Report, pages 53 and 55 - Page 53: Sustainability performance (20%) paragraph with LTIFR and employee satisfaction performance - Page 53: Sustainability performance in STI 2025 table - Page 55: Targets and performance 2025 paragraph with performance multiplier B on CO_2 footprint reduction and diversity - Page 55: B Sustainability in LTI 2025 table
ESRS2.21	Information about members' experience relevant to sectors, products, and geographic locations of undertaking	- Members of the Executive Board, page 41 - Members of the Supervisory Board, page 42 - Report of the Supervisory Board, page 44 table Supervisory Board competences and skills
ESRS2.23	Sustainability-related expertise that the bodies directly possess or can leverage, and how those skills and expertise relate to material IROs	- Members of the Executive Board, page 41 - Members of the Supervisory Board, page 42 - Report of the Supervisory Board, page 44 table Supervisory Board competencies and skills
ESRS2.38	Elements of strategy that relate to or impact sustainability matters, the undertaking's business model and its value chain	For background information on our value chain, refer to Long-term value creation, pages 28-29

Governance of sustainability issues

Administrative, management, and supervisory bodies

The Supervisory Board oversees the process the Executive Board implements TKH's policies and strategy to achieve the identified objectives of the company and its affiliated companies. The Supervisory Board also monitors whether the interests of the various stakeholders have been sufficiently considered. In doing so, the Supervisory Board is provided with financial, commercial, operational, sustainability, and governance information, thereby focusing on the interests of the company's stakeholders. Sustainability is frequently on the agenda of the Supervisory Board meetings. The Audit Committee of the Supervisory Board is responsible for overseeing sustainability reporting. The responsibilities are formalized in the rules of procedure for the Supervisory Board and its committees.

The overall ownership of sustainability is with the CEO. The Executive Board is responsible for strategic risk management and for identifying the impacts, risks, and opportunities using double materiality analysis. The Executive Board is responsible for all assessments of and changes to sustainability aspects in the company strategy and business model. The Executive Board is also responsible for approving targets and sustainability-related policies. This also includes the monitoring of the performance of each operating company through the quarterly reporting cycle.

The Executive Board is informed about relevant sustainability matters during each Management Board meeting, and quarterly through our internal sustainability reporting. This includes communication regarding our annual reporting, impact, risk, and opportunity (IRO) identification from the double materiality assessment (DMA), reporting requirements based on IROs, and our quarterly sustainability performance. The Executive Board discusses the sustainability strategy, implementation of policies, KPIs, and progress with the various operating companies at least once a quarter. This is based on financial and non-financial reports, with the latter covering all material sustainability matters. Thus, sustainability management is integrated into our regular risk management processes and controls.

The responsibilities for sustainability-related IROs are reflected in the Supervisory and Executive Board's mandates as part of the overall ownership and supervision of sustainability-related topics. The members have sufficient/advanced knowledge, skills, and experience in the area of sustainability, and can make a balanced judgement on the matter. Members of the Executive and Supervisory Board follow internal sustainability training programs. Since 2023, various deep-dive sessions on sustainability topics have been organized, for example, on the CSRD, the double materiality assessment process and outcomes – including material impact, risk, and opportunity management, other upcoming sustainability laws and regulations, cyber-security, and bribery and corruption. The Supervisory Board has been further informed about developments in the field of sustainability and TKH's position in this regard, including the sustainability strategy. The outcome of the DMA, including the material sustainability-related IROs, is discussed and approved by the boards. The KPIs connected to the IROs are part of the quarterly sustainability reporting, and are discussed within the Executive and Supervisory Board.

The role and composition of the Executive Board and Supervisory Board are described in more detail in the Governance section.

The Executive Board is supported by the Director Sustainability in the implementation of the sustainability strategy. The Director Sustainability, who reports to the CEO, is responsible for setting targets, monitoring and reporting on sustainability performance and progress, identifying and managing sustainability-related IROs, and developing sustainability-related policies. Sustainability is a standard item on the agenda at TKH's monthly

Diversity of administrative, management, and supervisory bodies						
			2025			**2024**
	Male	Female	Total	Male	Female	Total
Supervisory Board (non-executive members)	**2**	**3**	**5**	**2**	**3**	**5**
Diversity percentage	40.0%	60.0%	100.0%	40.0%	60.0%	100.0%
Diversity target Supervisory Board	33.3%	33.3%		33.3%	33.3%	
Independent board members percentage	100%	100%	100%	100%	100%	100%
Executive Board (executive members)	**3**	**0**	**3**	**3**	**0**	**3**
Diversity percentage	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%
Diversity target Executive Board	33.3%	33.3%		33.3%	33.3%	

Management Board meetings. The Director Sustainability is a member of the Management Board. Each month, the Executive Board receives an update from the Director Sustainability and evaluates the progress made within the sustainability program. Each quarter, the Executive Board receives a performance update on sustainability-related KPIs.

The Director Sustainability works in close cooperation with other functions, such as Finance & Control, and with TKH's Internal Audit department in relation to the auditing of sustainability matters during internal audits. TKH's Internal Audit Department carries out sustainability internal audits on the processes and the accuracy of the data as a permanent part of its work program. All internal audit reports are shared with the Executive Board once they are completed, and the material findings are reported to and discussed with the Audit Committee during the Audit Committee meetings. New sustainability initiatives are preferably developed in work groups, in collaboration with (topic experts from) operating companies. This expedites the building of support within TKH Group and makes the implementation of the sustainability strategy and related operational processes more efficient and effective.

Information about the representation of employees and other workers is included in the section Engaging with our workforce.

Sustainability-related performance in incentive schemes

Members of the Supervisory Board do not receive variable remuneration or incentives based on the financial or sustainability-related performance of TKH. The variable remuneration for the Executive Board members consists of a short-term incentive (STI) in the form of a bonus, and a long-term incentive (LTI) in the form of a share plan.

STI

Variable remuneration is an essential part of the remuneration package for Executive Board members in terms of rewarding short-term results in line with strategic objectives. The STI is based on annual financial and sustainability-related performance measures, including personal targets. On the recommendation of the Remuneration Committee, the Supervisory Board sets the targets and criteria for earning a performance bonus in advance of the reporting year. Once the reporting year has ended, the size of the performance bonus is determined by the Supervisory Board, based on the results achieved and the criteria set.

In 2025, the following sustainability topics were part of the STI targets:
- Employee satisfaction (weight of 10% in STI): target of 7.8
- LTIFR – safety performance (weight of 10% in STI): target of 0.70

LTI

The long-term variable remuneration aims to align the interests of the Executive Board members with the long-term interests of TKH's shareholders. For that purpose, a share plan was enacted that provides for a long-term incentive. Under the share plan, members of the Executive Board receive shares based on the achievement of targets. Members of the Executive Board receive shares on the condition that they personally invest in the same number of shares as they receive under the LTI plan. By personally investing in the same number of shares as they are awarded under the LTI, each member of the Executive Board invests a significant amount of money in a way that prudently manages risk but still encourages an entrepreneurial spirit to create long-term value. As a result, the interests of the Executive Board and the shareholders remain aligned. In 2025, the following sustainability topics were part of the LTI targets:
- Diversity (weight of 10% in LTI): target of 22.2%
- CO_2 reduction (weight of 10% in LTI): target of 73.3% CO_2 reduction scope 1 and 2

A more detailed description of the key characteristics of the incentive schemes is included in the section Remuneration report, on pages 53-56.

Management Board
- Alexander van der Lof *(Executive Board member)*
- Elling de Lange *(Executive Board member)*
- Harm Voortman *(Executive Board member)*
- Jacqueline Lenterman
- Gertjan Sleeking
- Derk Postma

Policy name	Key contents
Remuneration policy	- Aims to provide remuneration in line with the market to attract, motivate, and retain qualified executives for the publicly listed company, taking into account the company's size, strategy, and unique characteristics. - Remuneration policy for Executive Board and Supervisory Board. - Remuneration Committee is responsible for implementation. - Based on good practices, Dutch Corporate Governance Code, and regulations. - Published on the website.

Policies, action plans, metrics, and targets

The following sections (Environmental, Social, and Governance information) indicate the policies and action plans we have in place to manage each material topic. Overall, we have policies and action plans in place for the material topics of our own operations.

We currently have limited detailed policies and action plans in place for topics related to the value chain. We are preparing an action plan to determine ambitions, set up policies and action plans, allocate resources, set targets, and track effectiveness in relation to these topics.

The ambitions and annual targets set are also included in the respective sections. Targets are determined by the Executive Board. Tracking effectiveness is part of our quarterly sustainability reporting, including metrics. In cases where no quantitative measures are available, we report on progress based on qualitative information. The metrics included in the sustainability statements are not validated by an external body other than our assurance provider. The targets are applicable to all operating companies, unless stated otherwise in the specific disclosure.

At least once a year, the Executive Board and the Supervisory Board will be informed by the Director Sustainability about the material IROs, the implementation of due diligence, and the results and effectiveness of policies, action plans, and the adopted targets. The Executive Board and the Supervisory Board will then evaluate and determine how they will oversee the strategy, risk management process, and important decisions that need to be made, based on the defined material IROs.

Due diligence process

The due diligence process performed to determine our material impacts, risks, and opportunities is included in the section Impact, risks, and opportunities.

Reference to the information provided in our sustainability statements about our current sustainability due diligence process and performance is included in the table below.

Core elements of due diligence	Paragraphs
Embedding due diligence in governance, strategy, and business model	• Administrative, management, and supervisory bodies • Policies, action plans, metrics, and targets • Risk management and internal controls over sustainability reporting • Strategy, business model, and value chain • Process to identify, assess, and prioritize material impacts, risks, and opportunities • Material impacts, risks, and opportunities
Engaging with affected stakeholders in all key steps of the due diligence process	• Interests and views of stakeholders • Administrative, management, and supervisory bodies • Process to identify, assess, and prioritize material impacts, risks, and opportunities • Policies, action plans, metrics, and targets
Identifying and assessing adverse impacts	• Process to identify, assess, and prioritize material impacts, risks, and opportunities • Material impacts, risks, and opportunities
Taking actions to address those adverse impacts	• E1 Climate change action plans • E2 Pollution – Actions • E3 Water – Actions • E5 Circular economy – Actions • Sustainable innovation – Actions • S1 Diversity – Actions • S1 Health and safety – Actions • S2 Workers in the value chain – Actions • S4 Consumers and end-users – Actions • G1 Business conduct • AI and algorithm ethics – Actions
Tracking the effectiveness of these efforts and communicating	• Environmental, Social, and Governance information

Risk management and internal controls over sustainability reporting

Controls are in place to ensure reliable reporting on sustainability-related metrics. Where relevant ISO standards (e.g., 9001, 14001, 27001, 45001) are implemented, ensuring quality, safety, and efficiency across organizations. The sustainability reporting processes and definitions used by TKH have been formalized in our Sustainability Reporting Manual, which provides guidance on how to collect, consolidate, and report data. The data has been reviewed for validity and progress by the responsible company officers using the financial reporting model. The data has been validated by TKH's sustainability department on the group level, and analyses have been carried out. For most of the reported datapoints, differences greater than 10% compared with the previous year have been investigated. As the sustainability reporting scope has broadened since 2024, we have established a wider range of internal controls, deemed appropriate and adequate, following an ongoing evaluation of the risks related to data accuracy and completeness.

In addition, TKH's Internal Audit Department carries out internal audits on the processes and the accuracy of the data as a permanent part of its work program. All internal audit reports are shared with the Executive Board, and the material findings are reported to and discussed with the Audit Committee. External expertise is sought for specific and complex sustainability issues, for example, related to the calculation of scope 3 emissions. In the year under review, Internal Audit performed reviews on selected non-financial reporting KPIs and operating companies and identified areas for improvement and optimization. Identified risks are prioritized based on impact and likelihood, among others, following TKH's risk management approach. No material deficiencies or findings were identified. The 2025 findings included topics such as completeness of waste reporting and classification of waste treatment, minor reconciliation differences in sustainability reporting, including documentation, and consistency in ways of working regarding sustainability reporting, partly as a result of the decentralized organizational structure. In 2026, we will continue to develop the review activities related to non-financial information, with the ambition of including all CSRD-related quantitative datapoints in the scope of internal audit over time.

Main policies

- Sustainability Reporting Manual
- Health, safety and environmental (HSE) policy (at operating company level)
- Water policy
- Code of Conduct
- Whistleblower procedure
- Code of Supply
- IT and security policy
- Privacy policy
- Internal Control Framework (ICF)
- Internal control procedures
- Financial Reporting Manual
- AI Tools policy

Policy name	Key contents
Sustainability Reporting Manual	• Guidance on non-financial (sustainability) reporting, addressing accounting principles and estimation methods for defined KPIs connected to the identified material sustainability topics, including guidance on reporting through our reporting system Cognos. • Applicable for all operating companies. • Operating company managing directors are responsible for implementation. • Based on the CSRD and ESRS. • Provided to managing directors, the sustainability lead of each operating company, and available for all functions with access to the Cognos reporting system.

Strategy, business model, and value chain

Our sustainable business model
Sustainability is embedded in how we create value. Our technologies help customers operate more efficiently while reducing environmental impact. We pursue profitable growth that benefits all stakeholders: customers, employees, shareholders and the communities where we operate. Through responsible innovation and disciplined execution, we build businesses that deliver long-term value for people, the planet and future generations. We have a clear focus on our six UN Sustainable Development Goals. Our commitment to ESG guides us by setting a clear direction, while also helping to support our customers in driving meaningful change and achieving their own sustainability targets.

Environmental mindset
Sustainability is a strategic priority. Our operating production companies have implemented all relevant ISO environmental standards, for example ISO14001. By integrating sustainability into every relevant aspect of our business, we are aiming to minimize energy use, greenhouse gas emissions, waste, and raw materials. Our ambitious plans for mitigating our impact on the environment include becoming carbon neutral for Scope 1 & 2 emissions by 2030. We will also set our goals in line with the latest climate science, which aims to restrict global warming to no more than 1.5°C above preindustrial levels. We also focus on maximizing resource efficiency and minimizing waste by re-using and recycling resources. Our concrete goals include limiting waste of key production raw materials such as copper, aluminum and plastics to no more than 5%, while recycling at least 80% of most relevant production raw material waste.

Socially responsible
We have a duty to be a socially-responsible employer. We firmly believe that a culture of diversity, and belonging creates a better performing company. We maintain an inclusive workplace that values every individual, providing all the support required to help employees work safely and reach their full potential by developing inspiring and rewarding careers. We also want to ensure that we have a safe workplace that attracts top talent to our organization. Our priority is always to make sure that all our employees return home safely at the end of each workday.

Good governance
Good governance is the cornerstone of any strong organization. We conduct our business with integrity, accountability, and transparency. We engage stakeholders and share our performance through dedicated events, publications, and channels. And we are fully committed to complying with all relevant governance laws and regulations.

Our strategy, business model, and value chain
For a general description of our strategy, business model, and key markets served, see the Strategy and performance section. Details of the business model and value chain, including the inputs and approach to gathering, developing, and securing those inputs, the outputs, and the outcomes in terms of current and expected benefits for customers, investors, and other stakeholders, are included in the Long-term value creation section. TKH manufactures computer, electronic and optical products, as well as electrical equipment and machinery, which are classified under the NACE Code C26 Manufacture of computer, electronic and optical products, C27 Manufacture of electrical equipment, and C28 Manufacture of machinery and equipment. These activities are activities in high climate impact sectors, based on the sectors that are listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council (as defined in Commission Delegated Regulation (EU) 2022/1288).

TKH has offices and production sites in 34 countries and serves customers in over 90 countries. TKH's operations are grouped (until 2025) into three business segments: Smart Vision systems, Smart Manufacturing systems, and Smart Connectivity systems.

More information per business segment is included in note 22 Information by segment in the consolidated financial statements.

Employees		
in headcount	2025	2024
Smart Vision systems	2,219	2,241
Smart Manufacturing systems	1,713	1,822
Smart Connectivity systems	2,436	2,438
Other	170	164
Total employees	**6,538**	**6,665**

Turnover per business segment			
in million	NACE	2025	2024
Smart Vision systems	C26	€522.6	€489.6
Smart Manufacturing systems	C28	€522.6	€608.8
Smart Connectivity systems	C27	€728.8	€631.9
Other and eliminations	others	€-12.8	€-17.6
Total turnover		**€1,761.2**	**€1,712.7**

Value chain Vision Technologies
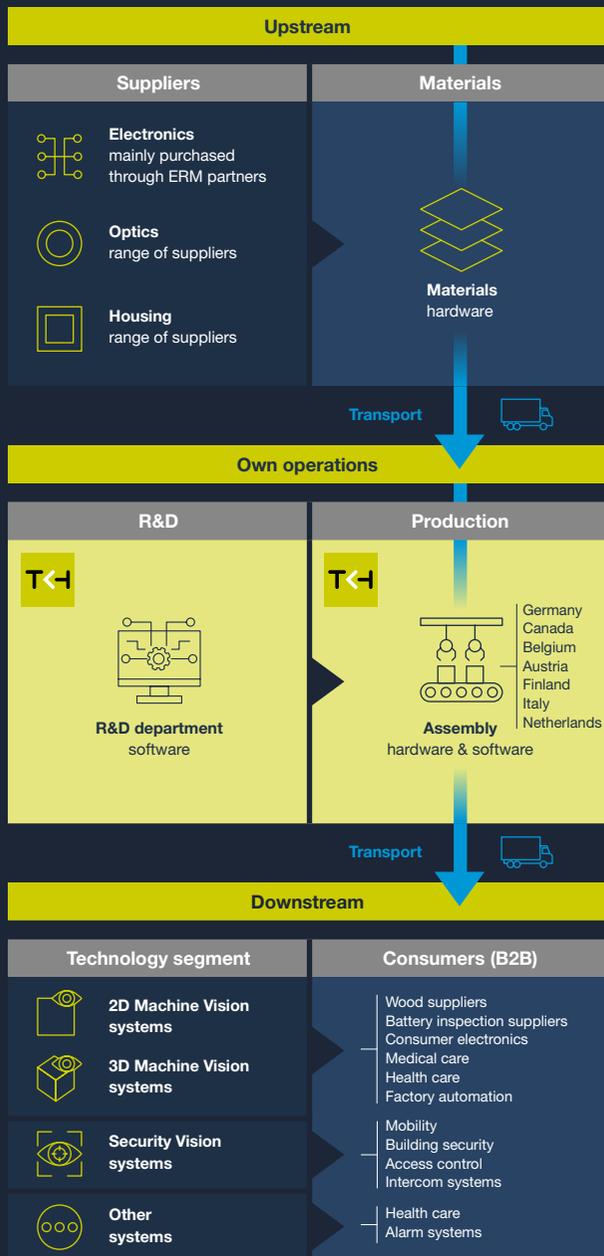
Smart Vision systems

TKH's Smart Vision systems segment operates through a coherent, vertically integrated business model combining hardware, software, and service focused on delivering end-to-end 2D/3D vision and security solutions. Through advanced in-house software, recurring service contracts, and global sales infrastructure, it provides a scalable, integrated business model targeting broad industrial and urban security markets.

TKH Vision Technologies accounts for about 88% of the turnover of the Smart Vision systems segment. This technology includes 2D and 3D Machine Vision and Security Vision systems. TKH's 2D and 3D Machine Vision technology systems are used to improve quality inspections, operations, and object monitoring in numerous industries, such as consumer electronics, factory automation, logistics, the wood industry, intelligent transport systems (ITS), and medical and life sciences. Meanwhile, our Security Vision systems, combined with advanced communication technologies, enable customers to efficiently manage and control the urban environment. They also improve efficiency, safety and security in various markets, such as infrastructure and building security. Within this segment, there is no significant dependency on key-suppliers or customers, as there are diverse material inputs and substitutable suppliers, and different market segments and customers served.

Integrated value proposition

Hardware: Delivers state-of-the-art 2D and 3D machine vision cameras, sensors, and security vision systems - including area scan, line scan, SWIR, UV, and polarized imaging for production automation and security infrastructure. The primary raw materials we use are steel, aluminum, and electronic components. Other materials mainly used are packaging materials, such as wood, paper, board, and plastic foils.

Software & AI: Develops in-house software - including AI and machine learning capabilities - to offer plug-and-play, turnkey systems that enhance inspection accuracy and process automation.

One-stop-shop & ecosystem approach

TKH Vision comprises specialized technology brands (e.g. Allied Vision, Chromasens, SVS-Vistek, Euresys, etc.), acquired and aggregated into a unified global Allied Vision brand since early 2026. This structure allows customers access to a full stack of vision solutions - from hardware selection, software integration, implementation, maintenance, and support - through a single point of contact.

Markets, applications & customer segments

The end markets are primarily factory automation, automotive/battery production, consumer electronics, wood processing, solar, logistics, life sciences, and intelligent traffic/security systems. Use cases include automated quality control (pass/fail inspection), sorting/grading, object monitoring, parking guidance, and security/surveillance in urban environments.
Direct sales through OEMs, system integrators, end users, and distributors - ensuring diversified and recurring turnover streams. Geographical footprint spans Europe (largest), North America, Asia, and other regions, with local sales and service hubs for customer intimacy.

Value chain Tire Building

Upstream

Suppliers
- **Electrical OEMs**
- **Mechanical OEMs**
- **Mechanical Outsourcing** (producing based on drawings)
- **Other suppliers**

Materials
- **Raw materials** Stainless steel, steel and aluminum
- **Semi-finished products**
- **Finished goods to be add supplement**

Transport

Own operations

R&D

TKH

R&D department software

Production

TKH

Poland
China
Germany
Netherlands

Assembly hardware & software

Transport

Downstream

Technology segment

Tire Building systems

Consumers (B2B)

Tire manufacturing companies

Smart Manufacturing systems

TKH's Smart Manufacturing systems segment focuses on delivering advanced, highly automated, software-driven production systems for specialized industrial markets. The business model combines hardware, proprietary software, vision technology, and deep process knowledge to create turnkey automation solutions. They focus on niche, high-tech industrial markets where automated processes significantly improve efficiency and sustainability. Turnover comes from tire building systems sales, software, and long-term services - supported by a strong innovation ecosystem and global specialized expertise. Our Tire Building systems represent the majority of the turnover within the Smart Manufacturing systems segment. Within this segment there is no major dependency on specific key customers, as a wide range of customers are served. There is a dependency on one particular supplier, because customers prescribe this supplier as their factory auto-mation system.

Value proposition: high-efficiency, fully automated production systems

TKH develops and markets superior, highly efficient manufacturing systems, leveraging deep knowledge of production automation. These systems reduce inven-tories, increase flexibility, improve process efficiency and sustainability performance at our customers. Our oper-ating company VMI is the global leader in fully automated tire production machinery, integrating TKH's vision systems into automated tire-building equipment.

Integrated technology stack: hardware + software + vision

Smart Manufacturing's business model is built on four technology building blocks: system & assembly engineering expertise, in-house software development, integration of vision technologies, and advanced control and analytical functions. This integration allows TKH to deliver plug-and-play, one-stop-shop manufacturing systems tailored to customer workflows.

Markets, applications & customer segments

Smart Manufacturing systems is active in specialized, high-growth industrial markets and serve industries such as automotive (tire production), and medical/pharma distribution automation. Customers look for automation due to reshoring, labor shortages, supply chain pressures, and the need for higher throughput. TKH positions itself as a solution provider to these macro trends.

TKH differentiates itself through decentralized R&D hubs working closely with a centralized AI/software core team to develop tailored automation solutions, the ability to combine Vision + Manufacturing into unique, integrated systems, and a strong global market leadership in niche segments (e.g., tire-building automation). This cross-company integration of technologies creates a unified ecosystem. Operating mainly in high-growth global markets (Europe, North America, Asia), TKH aims to scale innovation and strengthen market share through continuous portfolio optimization and investment in manufacturing technologies.

Value chain Electrification and Digitalization

Upstream

Suppliers	Materials

Preform suppliers (e.g. Shin - Etsu)
Alumium suppliers
Plastics suppliers
Copper suppliers
Metal suppliers
Other suppliers

Materials hardware

Transport

Own operations

Production

TKH

China Fibre optics | **Poland** Fibre optic cables | **Netherlands** On- and offshore cables

Haaksbergen
Lochem
Eemshaven

Transport

Downstream

Technology segment	Consumers (B2B)

Energy cable systems — Offshore and onshore utility companies

Fibre optic cable systems — Telecom and network companies

Industrial and other systems — Industrial customers and wholesale industry

Smart Connectivity systems

TKH's Smart Connectivity systems segment operates as a technology-driven provider of specialized connectivity solutions. Its business model centers on designing, producing, and delivering high-value cable and connectivity systems combined with integrated smart technologies and supporting services across energy, digital infrastructure, and industrial markets. Electrification and Digitalization represent a share of about 72% and 24% of turnover of the Smart Connectivity systems segment respectively. Within this segment there is no major dependency on specific key customers, as a wide range of market segments and customers are served. There is a dependency on suppliers of raw materials (copper and aluminum), due to the limited numbers of global suppliers.

Value proposition

Energy Connectivity (On-shore & Off-shore)

TKH supplies low-, medium- and high-voltage cables for energy transmission and distribution. These are used for utilities, industrial applications, and renewable energy infrastructures such as wind farms - including specialized offshore inter-array cables.

Digitalization & Fiber Optic Connectivity

The segment provides fiber optic systems, including Fiber-to-the-Home (FttH) solutions, supported by robotics and software engineering. These reduce project costs and public disruption for large-scale digital infrastructure projects.

Specialty & Industrial Cables

TKH develops customer-specific specialty cables for high-tech, automation, robotics, medical, and industrial environments. These cables are engineered for demanding, mission-critical applications.

Contactless Energy & Data Distribution (CEDD)

This is a proprietary system combining hardware and intelligent software for airfield ground lighting - a niche but high-value offering improving safety and efficiency.

Markets, applications & customer segments

Key markets & customers are energy utilities (grid operators, renewable developers), telecom and data network operators, industrial automation sectors (tech, robotics, marine, medical), and airports (CEDD airfield systems). These markets demand reliability, long lifecycle performance, and compliance with strict safety standards, supporting TKH's high-value positioning.

TKH differentiates itself through high-performance and sustainable cable technologies (robust, long-life, low-maintenance), integrated systems combining hardware + software, enabling "smart" monitoring and control, customization for complex environments, and efficient project delivery (reduced installation time, lower total cost of ownership).

Interests and views of stakeholders

TKH recognizes and acknowledges the importance of meaningful dialogue with its stakeholders about sustainability and the company's strategy. TKH's Stakeholder Engagement Policy, published on our website, outlines how we include the interests of relevant stakeholders in the definition and further development of the sustainability strategy. This requires effective consultation and engagement with our stakeholders. In this context, we strive to optimally serve their interests and build lasting relationships with them. The policy provides guidelines and principles to maintain and strengthen these relationships. The CEO is responsible for the implementation of the policy. The policy defines our key stakeholders as: our employees, shareholders, customers, suppliers, analysts, banks, public bodies, and other stakeholders, including sectoral organizations and NGOs. If the (central) works council of the company is considered a participant in a stakeholder dialogue, the chair of the works council will be invited to participate in such a dialogue in case the stakeholder dialogue is held in groups. This is also the case when the stakeholder dialogue with the works council has already taken place through regular contact between the Executive Board and the works council (and the Supervisory Board).

TKH uses various methods and channels to engage in dialogue with its stakeholders, depending on the nature, purpose, and frequency of the interaction, which are listed in the table on the right. The Executive Board decides whether a stakeholder dialogue will be held with more stakeholders at the same time (collectively) or through (one or more) year-round bilateral contacts between the company and a specific stakeholder/representative of a group of stakeholders (individually). The main outcomes of the stakeholder dialogues are discussed with the Executive and Supervisory Board.

Representatives from these key stakeholder groups have been consulted on sustainability-related impacts, risks, and opportunities. We prioritize the input from stakeholders based on frequency (how often specific issues are mentioned by multiple stakeholders), severity (the potential magnitude of the impact on our stakeholders or business), and alignment (how these issues align with our long-term strategic goals and regulatory requirements). The views of these stakeholders shape our strategic decision-making process. We incorporate feedback on specific areas of our business into our planning, actions, targets, policies, and disclosures.

Our main stakeholders

- Employees
- Shareholders
- Customers
- Suppliers
- Analysts
- Banks
- Public bodies
- Education and knowledge institutions
- Community and sectoral organizations (including NGO**s)**

Table with stakeholders, channels of engagement and key engagement topics

Stakeholder	Relevance and purpose	Engagement channels	Key engagement topics	Relevant strategy elements
Employees	• Crucially important for the success of TKH. • The company's ambassadors. • Most important "authorized capital". • Good employment practices. • Development opportunities and a good package of primary and secondary employment benefits. • A safe and healthy working environment.	• Internet and intranet. • Staff magazine. • Employee satisfaction survey. • Staff meetings. • Conferences and seminars. • Webinars. • Performance reviews. • Survey on material IROs.	• Health and safety. • Diversity. • Climate change. • Sustainable employability. • SDGs. • IT & Security / Privacy. • Strategic program. • Defining material IROs.	• Commitment to the diversity of the workforce. • Learning organization. • Boost innovative capacity. • Leadership and entrepreneurship. • Integrity & zero tolerance.
Shareholders	• Investment through a shareholding in TKH, thereby strengthening our capital position. • Good return on investment with good dividend policy and long-term value creation.	• Internet. • Financial reporting and annual reports. • General meeting of shareholders. • Investor days. • Capital Markets Day. • Survey on material IROs.	• Financial reporting and annual reports. • Sustainability. • SDGs. • Diversity. • Climate change. • Strategic program. • Defining material IROs.	• Long-term shareholdings.
Customers	• Buy products and services. • Develop sustainable package of products and services through collaboration. • Offer innovative, high-tech technologies and comprehensive solutions. • Good ROI for customers.	• Internet. • Events, symposia, and trade fairs. • Customer satisfaction survey. • Survey on material IROs.	• Sustainable product portfolio. • SDGs. • Customer satisfaction. • Climate change. • Defining material IROs.	• Technological developments. • Growth targets.
Suppliers	• Supply of services and products for our business operations. • Fair business practices and doing good business at market rates.	• Business associates. • Negotiations. • Code of supply and site visits. • Survey on material IROs.	• Sustainable product portfolio. • SDGs. • Defining material IROs.	• Technological developments. • Sustainable procurement.
Analysts	• With the aid of analysis and research, prepare profiles and ratings on the basis of which investors can make a selection for their investments. • Honest and transparent communication about developments.	• Internet. • Financial reporting and annual reports. • IR meetings. • Capital Markets Day. • Reporting. • Survey on material IROs.	• Financial reporting and annual reports. • Financial ratios. • Sectoral developments. • Strategic program. • Defining material IROs.	• Long-term value creation and transparency.
Banks	• Financial service providers with the aid of which TKH is able to achieve its growth targets. • Creditworthy enterprise that is appropriately balancing risks against returns and complies with contractual agreements.	• Internet. • Financial reporting and annual reports. • Half-yearly discussions. • Survey on material IROs.	• Financial reporting and annual reports. • Financial ratios. • Risk analysis. • Defining material IROs.	• Sustainable funding policy.
Public bodies	• Act as initiator, facilitator of supply chain and other projects, and driver of sustainable initiatives. • Boost the economic appeal in the region with respect to business office location and employment. • Supply chain initiatives with a significant contribution to sustainability.	• Internet. • Network and thematic meetings. • Survey on material IROs.	• Sustainable and other developments in the region. • Defining material IROs.	• Strategic investment decisions.
Education and knowledge institutions	• Influx of new talent in order to compensate for such things as a shortage of technical personnel. • Providing a challenging work environment with ample development opportunities. • Providing traineeships – work experience.	• Internet. • Trade fairs and seminars. • Social media.	• Relevance of education (in relation to the relevant discipline). • Profiling TKH as an interesting employer.	• Sustainable workforce. • Learning organization.
Community and sectoral organizations (including NGOs)	• Possess an extensive network and knowledge of the positions in the supply chain. • Expertise in specific sectors. • Contribute ideas to and start up joint ventures.	• Internet. • Reporting and reports. • Annual reports. • Survey on material IROs.	• SDGs. • Climate change. • Defining material IROs.	• Sustainable business operations. • Consolidate social initiatives.

Material impacts, risks, and opportunities

Topics	IRO	Upstream	Own operations	Downstream	Time horizon	Page
Environmental						
E1-Climate change	− !	GHG emissions, energy efficiency and consumption (climate change mitigation)			S M L	98
E2-Pollution	− !		Pollution of air, soil, and water		S M L	104
E3-Water and marine resources	− !		Water consumption		S M L	106
E5-Resource use and circular economy	− !		Resource inflows, waste, and waste recycling		S M L	108
Entity-specific	+ ! ✓		Sustainable innovation		S M L	111
Social						
S1-Own workforce	− !		Diversity		S M L	119
	− !		Health and safety		S M L	122
S2-Workers in the value chain	− !	Child / forced labor, and health and safety			M L	124
S4-Consumers and/or end-users	− !		Privacy (cybersecurity)		S M	128
Governance						
G1-Business conduct	− !		Corporate culture		S M L	133
	− !	Management of relationships with suppliers			S M L	136
	− !		Corruption and bribery		S M L	138
Entity-specific	− !		AI and algorithm ethics		S M L	140

Legend: + Positive impact − Negative impact | ✓ Opportunity ! Risk   S Short-term M Medium-term L Long-term

Process to identify, assess, and prioritize material impacts, risks, and opportunities

In 2024, TKH identified material sustainability topics by following the double materiality assessment (DMA) approach. In performing this DMA, we used the list of sustainability matters covered in the topical ESRS provided in application requirement 16 of ESRS 1 (including biodiversity and ecosystem-related impacts, risks, dependencies, and opportunities). Based on these sustainability matters, we defined a comprehensive longlist of 131 potentially relevant sustainability topics. This longlist was narrowed down to a shortlist of 67 sustainability topics by scoping out sustainability topics that are not relevant due to the nature of our business and value chain. For each of the 67 sustainability topics on the shortlist, we assessed the impacts, risks, and opportunities (IROs) in the short (<1 year), medium (1-5 years), and long term (>5 years), as well as their respective materiality. The IRO assessment was enriched by including the perspectives from across business segments and the value chain, alongside experiences from across TKH Group. These 67 sustainability topics and the related IROs were evaluated and prioritized according to their respective nature (impact, risk, or opportunity) by considering both the impact and financial materiality.

Impact materiality is evaluated based on the following characteristics:
- Positive impact materiality: scale and scope of the impact
- Negative impact materiality: scale, scope, and irremediable character of the impact

Positive and negative impacts have been assessed for actual and potential impacts; for potential impacts, the likelihood is assessed.

Financial materiality is evaluated based on the following characteristics:
- Risks and opportunities: financial magnitude, likelihood

The outcome of the DMA has been validated at the group level by leveraging internal expertise, industry reports, and specialist insights. This was followed by an assessment at the business segment level to ensure that key value chain topics are adequately addressed in the respective segments. In addition, we asked our external stakeholders to prioritize the material sustainability topics and to provide input if sustainability topics were missing or were of less importance from their perspective. The engagement with external stakeholders did not result in additional sustainability topics. More information on stakeholder engagement is included in the Interests and views of stakeholders section. Finally, the material topics were signed off on by the Executive Board and Supervisory Board.

For 2025, we did not identify changed material facts and circumstances (i.e., triggers). There were no material changes in our organizational and operational structure, and there have been no material changes in the external factors that could generate new or modify existing IROs, or that could impact the relevance of a specific disclosure. Based on this, we concluded that the outcome of the prior reporting period's materiality assessment is still relevant at the reporting date. We performed a validation assessment on the existing identified IROs, including benchmark analysis. This resulted in the conclusion that the preparation of the 2025 sustainability statements is based on the conclusions previously reached. We will update the DMA again in 2026, especially in view of the intended separation of our Electrification segment. We will also assess how we can improve the DMA process further to mitigate the risk that certain sustainability topics are wrongly classified as non-material.

In determining the financial magnitude and likelihood, we used our existing risk management model, based on a five-point scale. The EBITA used to determine the financial size is based on the EBITA of the most recent full reporting year at the time of the execution of the DMA.

Size	
Potential size category	Financial size in % of EBITA
1. Very low	<5%
2. Low	between 5% and 10%
3. Medium	between 10% and 20%
4. High	between 20% and 40%
5. Critical	>40%

Likelihood	
Potential size category	Likelihood in %
1. Rare	<20%
2. Unlikely	between 20% and 40%
3. Possible	between 40% and 60%
4. Likely	between 60% and 80%
5. Almost certain	>80%

The scale, scope, and irremediable character are also defined based on a five-point scale:

Scale, scope, and irremediable character		
Scale	Scope	Irremediable character
1. Very low	1. Operating company	1. Very low (immediately)
2. Low	2. Local	2. Low (0-1 year)
3. Medium	3. Country	3. Medium (1-5 years)
4. High	4. Regional	4. High (5-20 years)
5. Critical	5. Global	5. Critical (>20 years)

Environmental information

Climate change (E1)

Introduction

TKH's production processes rely on energy and material inputs, and therefore generate GHG emissions that contribute to climate change. At the same time, our technologies and systems play an essential role in enabling the transition to a net-zero economy. For instance, our cable portfolio is a critical component of renewable energy infrastructure, while our vision and tire-building systems, help our customers improve their own sustainability performance. By reducing the energy consumption of our products during their use phase, improving the recyclability of our products, and increasing production output at customers' sites, our technologies contribute to reducing environmental impacts across the value chain.

As we continue to expand our activities, we are integrating sustainability into our operations to minimize energy use and GHG emissions. Our operating production companies have implemented internationally recognized ISO standards that support our sustainability goals, including the ISO 14001 environmental management system and the EN-16247 energy audit system, the latter of which is related to the European Energy Efficiency Directive.

Climate-related risks and opportunities

Since 2024, the potential impact of climate change on our strategy and our business model has received a great deal of attention. We analyzed potential climate-related transition risks to our operations, and explored how these risks could be turned into opportunities through innovation. Our climate risk and opportunity assessment follows the TCFD framework, integrating key risk categories into our sustainability strategy. This high-level assessment primarily focuses on physical (acute) risks and transition risks. The assessment performed is based on TKH's current situation, and does not yet include a climate scenario analysis. In the coming years, we will formally identify and assess transition risks as part of an expanded scenario analysis. We are planning to conduct a comprehensive resilience analysis in accordance with the full requirements of the CSRD. These include defining time horizons for climate-related risks and opportunities, evaluating exposure of assets and business activities to transition risks (likelihood, magnitude, and duration), and integrating scenario analysis.

While our general time horizons for sustainability align with our financial reporting (short-term: one year, medium-term: two to five years, and long-term: greater than 5 years), we have not yet explicitly defined these time horizons for specific climate-related risks and opportunities. We recognize the importance of such an analysis and plan to expand our assessment in the coming years to align with best practices and regulatory expectations. A European integrated framework for climate resilience is expected by the end of 2026.

Due to the locations of our production facilities, the physical (acute) risk is considered to be low. However, we consider physical (acute) climate change risks when making business decisions, for example when changing locations, expanding our facilities, or increasing activities.

We have also assessed the exposure of our strategic suppliers (suppliers with an annual purchase volume above €1 million) to any material first- and second-order physical climate change impacts. This assessment includes impacts indirectly caused by the physical effects of climate change, such as significant economic crises resulting from physical damage to businesses or human migration due to flooding.

Our strategy already integrates climate-related considerations through our transition plan, decarbonization roadmap, and sustainability-linked incentive schemes for executives. While we have not yet conducted a full resilience analysis, we are actively implementing mitigation strategies such as electrification, energy efficiency improvements, and supplier engagement.

Future scenario analyses will help refine our adaptation strategies to ensure resilience against climate risks.

Our analysis identified four potential climate-related transition risk areas that could impact our company's strategy and operations, which are presented in the table below.

In addition to managing risks, we have identified four key opportunity areas to drive climate adaptation and mitigation, which are presented in the table below. The climate-related risks and opportunities are also part of the DMA process.

Climate change (E1)
• GHG emissions, energy efficiency and consumption (climate change mitigation)

Pollution (E2)
• Pollution of air, soil, and water

Water and marine resources (E3)
• Water consumption

Resource use and circular economy (E5)
• Resource inflows, waste, and waste recycling

Entity-specific
• Sustainable innovation

Risk area	Climate-related transitions risks
Regulatory risks	Future implementation of CO_2 taxation/pricing may mean higher operational and compliance costs
Technology risks	High investment costs to bring technology up to a level where it can meet the demand for products and services that can offer reduced emissions
Market demand and market change risks	Failure to meet the expectations of key stakeholders, including customers and investors, in relation to reporting information on how we are addressing the challenges of climate change
Resource scarcity	Increasing volatility in the price and availability of (raw) materials/resources

Opportunity area	Climate-related opportunities
Efficient production	Further implementing more efficient production processes via our Operational Excellence Program
Renewable energy use	Further implementing carbon neutral operations by purchasing green energy, self-generated energy through solar panels, green certificates, etc.
R&D and innovation	• Accessing markets with our climate-related innovations • Increasing turnover through demand for our innovations that result in lower emissions for our customers • Differentiating ourselves from the competition through climate-related innovations
Renewable energy programs in the value chain	Contributing to the achievement of internationally agreed climate mitigation targets, and acquiring and leveraging our knowledge by participating in initiatives for renewable energy

Our approach and policies

We have integrated environmental policies per operating company as part of the health, safety, and environmental (HSE) policy (Health and safety (S1-14) section), focusing on various environmental-related topics such as climate and energy, waste, transportation, and supply chain. These policies also address our local compliance with environmental laws and continuous improvement of our practices.

We do not currently have a group-level environmental policy. However, we are considering an environmental policy that would involve the whole group.

TKH is not excluded from any EU Paris-aligned benchmarks because we do not meet any of the exclusion criteria stated in Articles 12.1 (d) through (g) of Commission Delegated Regulation (EU) 2020/1818.

Transition plan

Since 2024, we further developed our existing transition plan, including by further developing the scope 3 GHG emissions inventory and targets. We provided a framework for all our companies to calculate their scope 1, 2, and 3 emissions according to the GHG protocol, and identified emissions hotspots, which highlighted the operating companies and business segments with the highest emissions. Due to their size and global footprint, these are Smart Manufacturing systems (VMI – tire building machines) and Smart Connectivity systems (TKF - cable production company). In our roadmap for achieving our reduction targets, we are prioritizing these operating companies. Next, we identified mitigation levers, including through assessment of potential portfolio shifts, technological options, and peer benchmarking. We also developed business cases for prioritized decarbonization initiatives. Finally, we agreed on set targets for scope 1 and 2 in alignment with the Science Based Targets initiative (SBTi), and designed mechanisms to enable or accelerate the organization and implementation of the transition plan. These mechanisms include awareness campaigns and the integration of sustainability into our annual strategic plan and budget process. The transition plan has been approved by the Executive and Supervisory Board, and the CEO is responsible for its implementation, with support from the Director of Sustainability.

GHG emissions reduction targets and ambitions

In 2021, as part of our CMD targets, we announced our ambition to reduce our carbon emissions for our own operations (scopes 1 and 2) by 100% by 2030. This is a carbon-neutral, market-based target which also takes into consideration GHG removals or carbon credits. We use 2019 as our baseline year, which represents TKH's activities prior to the COVID-19 pandemic. As these CMD targets are more ambitious than the SBTI-aligned targets, they are also aligned with the Paris Agreement and the 1.5°C scenario. At our CMD at September 25, 2025 we reconfirmed this 2030 target.

In 2024, we aligned our near-term reduction targets with the SBTi, resulting in a 2030 carbon reduction target for scope 1 and 2 of 42.0%. These SBTi-aligned net-term

GHG emissions reduction targets scope 1 and 2			
	Reduction target	Target year	Base year
Scope 1 and 2 – SBTi-aligned	42.0%	2030	2023
Scope 1 and 2 – CMD carbon neutral market-based target	100.0%	2030	2019

The reduction targets values are in absolute terms as % of the base year. CMD: Capital Markets Day.

carbon reduction targets by 2030 are based on net-zero science-based targets, meaning they exclude carbon credits and include neutralization. These carbon reduction targets are calculated based on the SBTi's cross-sector absolute contraction methodology, using 2023 as a base year. The near-term reduction target includes a forward-looking ambition (FLA) adjustment, which enables companies to count early emission reductions towards achieving their near-term science-based targets, while at the same time preventing companies from setting targets that have already been achieved.

We expect future developments, such as changes in sales volumes, growth in the demand for autonomous systems, shifts in customer preferences, and new technologies, to have an effect on GHG emissions in the coming years. We have assumed that these developments will result in a 2.5% yearly increase in our scope 1 and 2 GHG emissions.

The impact of acquisitions and divestments on the 2023 base year emissions inventory is considered non-significant because they relate to non-production sites. Influences from external factors in the base year, such as temperature anomalies, are considered nonmaterial. In 2024, we completed our scope 3 emissions inventory and started assessing our ambitions and identifying levers for scope 3. As of 2025, we are initiating comprehensive implementation plans for the coming years. In 2025, we updated our location-based and market-based scope 2 emissions calculations by adopting a new Ecoinvent dataset and applying country-specific emission factors. Simultaneously, we refined our scope 1 and scope 2 methodology. To ensure comparability, we recalculated the 2024 scope 2 location-based emissions using this new approach. However, 2024 scope 1 and scope 2 market-based emissions remain unadjusted, as the methodological differences make recalculation impracticable.

Decarbonization levers

We evaluated the potential for reducing emissions through taken or planned actions, based on information collected in the reported carbon footprint and sustainability-related plans for the period from 2025 to 2029. These plans were submitted by each operating company. This includes both identified emission reduction initiatives related to our own operations, as well as the feasible options to reduce emissions in our value chain. The table on the next page provides an overview of the most relevant decarbonization levers, including the scope of their application.

Scope 1 and 2

We have developed a decarbonization strategy (see waterfall chart below) to align our actions with our ambition of reducing our carbon footprint in our own operations by 100% by 2030 (achieving carbon neutrality). In developing this decarbonization strategy, we assumed a 2.5% yearly increase in our scope 1 and 2 emissions due to increased activity.

The first key decarbonization lever is electrification. It represents 16.5% of the overall reduction. To help achieve this, we aim to replace 100% our fleet with electric cars by 2030. In the coming years, we have also scheduled the replacement of several gas-powered heating systems with electric heat pumps. The second key decarbonization lever is improving energy efficiency to reduce our energy consumption. This represents 8.9% of the overall reduction.

The third key decarbonization lever is renewable energy, which represents 34.1% of the overall reduction. The share of self-generated renewable electricity will increase in the coming years due to investments done and planned related to solar panels on our buildings and parking areas. In addition, we will increase our use of renewable energy by purchasing renewable energy and green certificates.

We expect the planned actions to further reduce our scope 1 and 2 emissions by 59.6% between 2026 and 2030. Compared to the 2023 base year, we expect to decarbonize our scope 1 and 2 emissions by 80.7%.

Carbon emmisions reduction scope 1 and 2
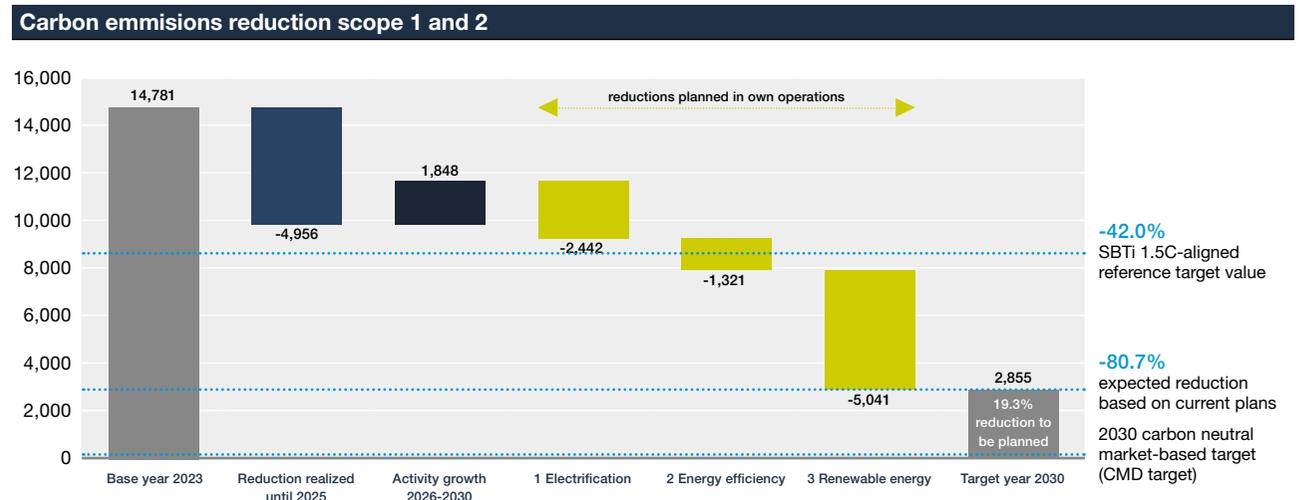
(period 2023-2030), which is above the SBTi-aligned reduction target of 42.0%. The remaining expected reduction of 19.3% needed to achieve carbon neutrality by 2030 will be further investigated in the coming years and included in our decarbonization strategy. The realization of the target is partly dependent on available and affordable low-carbon technologies and green certificates until 2030. This may pose a challenge for some of the countries in which we operate. Replacing gas-based systems with electric heat pumps in older buildings is challenging, and may lead to locked-in emissions if replacements cannot be made. Green certificates for gas will be used where possible, and any residual emissions in 2030 will be offset by carbon credits.

Scope 3

The boundaries and definitions for scope 3 emissions are aligned with the GHG protocol. The main contributors in our scope 3 emissions are the emissions resulting from the purchase of raw materials and products used to manufacture and assembly our products (category 1), and the emissions occurring during the use phase of our products (category 11).

The other scope 3 categories are considered as not-applicable for TKH, because we have limited activities connected to these categories.
- Category 8 upstream leased assets: we do not have any leased assets that are not in our control.
- Category 10 processing of goods sold: we do not sell physical products that require further processing by our clients.
- Category 13 downstream leased assets: we do not act as a lessor.
- Category 14 franchises: we do not operate with franchises.
- Category 15 investments is designed primarily for private financial institutions (e.g., commercial banks),

Decarbonization levers	Key actions
1 Electrification	• Phase out gas installations. • Phase out petrol and diesel cars from our fleet. • New purchased or leased forklifts are electric, resulting in increasing percentage of electric forklifts.
2 Energy efficiency	• Develop smart buildings solutions, e.g. using LED lights, intelligent thermostats and other building automation (light sensors, automatic switch on/off). • Reduce unnecessary space in office facilities to reduce energy usage.
3 Renewable energy	• Increase percentage of renewable electricity. • Increase percentage of self-generated renewable electricity. • Add renewable electricity requirements in rental contracts.
4 Business model innovation	• Develop and implement new service programs, and extend existing service programs.
5 Product and service design	• Implement development principles based on EcoDesign. • Improve energy efficiency of products during use phase. • Improve recyclability of materials part of sold products.
6 Supply chain and circularity (supplier engagement)	• Increase the share of recycled content part of copper purchased. • Prioritize sourcing from suppliers with lower carbon footprints and choose sustainable materials and products by incorporating carbon reduction criteria into procurement decisions. • Engaging with strategic suppliers to stimulate them to reduce their carbon footprint. • Setting joint emission reduction targets. • Providing training and resources, and establishing supplier sustainability programs.
7 Customer engagement	• Educate and involve customers to encourage the sustainable use of sold products. • Offering recycling incentives. • Providing training and guidance on reducing carbon footprints.
8 Waste management	• Implementing waste reduction programs. • Implementing recycling programs.
9 Transportation	• Reduce/eliminate use of air freight. • Implement green transport procurement strategy.
10 Travel	• Promote online meetings and remote work. • Encouraging the use of public transport. • Bicycle purchase and repair plans for employees as part of their employee benefit budget.

but is also relevant to entities with investments not included in scope 1 and scope 2. Our business activities do not involve significant financial investments that lead to indirect GHG emission.

When it comes to reducing carbon emissions across our value chain (scope 3), we have identified seven key levers that should help us achieve our ambition. Collaborating

with our value chain partners is key to collectively decarbonizing. These collaborative projects are grouped under the categories of supply chain and circularity (supplier engagement) and customer engagement. Business model and product innovations help to reduce the emissions during a product's use phase. Lastly, we identified decarbonization opportunities related to waste management, upstream and downstream transportation,

and travel. However, the contribution of these categories is of less impact compared to the other decarbonization levers. In 2025, we started to work on the implementation of our scope 3 decarbonization strategy and expected decarbonization opportunities by developing detailed plans for each decarbonization lever. Our aim is to set a target for the reduction of scope 3 emissions by 2026.

Key actions planned
The key actions per decarbonization lever are included in the table on the previous page.

Transition plan related investments
No capital expenditures (capex) have been made related to coal-, oil-, or gas-related economic activities. Based on our assessment as of the end of 2025, there have not been any site-related investments with locked-in GHG emissions that might impede our emission-related targets. However, locked-in GHG emissions of our products could inhibit our scope 3 GHG emissions reduction. For a quantitative assessment of our potential locked-in GHG emissions associated with purchased goods and the use of sold products, please refer to the GHG metrics section hereafter.

For climate mitigation and adaption, the current expenditures are included in the EU taxonomy reporting (see Appendix). Over the next five years, we plan to invest in projects that support the implementation of our transition plan with regard to scope 1 and 2 GHG emissions. The identified investments related to environmental topics, in the form of capital expenditure (capex), amount to €7.8 million for the coming five years and are mainly related to replacements of gas systems with electric heat pumps, installation of solar and photovoltaic panels, and other investments to reduce energy consumption. We have identified €8.3 million in operating expenses (opex) in the coming five years to implement sustainability-related

programs for environmental, social, and governance topics. These operating expenses are related to sustainability functions at operating companies, supply chain programs, trainings, replacement of cars, purchase of green certificates, implementation of a leadership and development program for women, and other programs. The capex and opex amounts are based on the plans and estimations submitted by our operating companies for the period 2026-2030, and will be examined again in 2026 to determine whether additional investments and expenditures are necessary to meet our targets and ambitions. These investments are not planned to align our economic activities (turnover, capex, and opex) with the criteria established in Commission Delegated Regulation.

GHG metrics
Our GHG emissions are prepared on a consolidated basis. The scope of the consolidation is equal to the scope of consolidation for the financial statements. The companies in which TKH has a minority ownership stake are not included in the sustainability statements, because we have no operational control over them. The GHG inventory boundaries for scope 1, 2, and 3 are based on the GHG protocol. The turnover used to calculate the

energy and GHG emission intensity rates is reconciled with the total turnover included in note 22 of the consolidated financial statements. The total turnover included in the consolidated financial statements is based on the requirements of accounting standard IFRS 15. We have not used contractual instruments for the sale and purchase of energy bundled with attributes about the energy generation. Approximately 71% of the electricity consumption is covered by green certificates (unbundled energy attribute claim).The percentage of scope 1 GHG emissions from regulated emission trading schemes is zero. Detailed information about the calculation of the GHG emissions scope 1, 2 and 3 is included in the Appendices section.

Scope 1 and 2
Scope 1 emissions decreased by 2.1% compared to previous year, mainly driven by a small reduction of our gas consumption and further electrification of our fleet. The share of electric cars in the total fleet increased from 34.8% in 2024 to 44.3% in 2025. Scope 2 location-based emissions decreased by 2.3%. Scope 2 market-based emissions decreased by 32.8% as a result of green certificates, purchased renewable energy (14.4% of

GHG emissions scope 1 and 2

in ton CO_2-equivalent unless otherwise stated	2025	2024	2023 base year	movement	%	2030 target year	% target / base year
			Retrospective			Milestones and target years	
Scope 1 GHG emissions							
Gross scope 1	4,943	5,049	6,285	-105	-2.1%	3,645	42.0%
Scope 2 GHG emissions							
Gross scope 2 (location-based)	30,302	31,009	55,677	-707	-2.3%		
Gross scope 2 (market-based)	4,869	7,245	8,496	-2,376	-32.8%	4,928	42.0%
Total scope 1 and 2 GHG emissions (location-based)	**35,245**	**36,058**	**61,962**	**-813**	**-2.3%**		
Total scope 1 and 2 GHG emissions (market-based)	**9,812**	**12,294**	**14,781**	**-2,482**	**-20.2%**	**8,573**	**42.0%**

consumption), and self-generated renewable energy (2.9% of consumption). 71.3% of the electricity consumption is covered by green certificates. Scope 1 and 2 market-based emissions decreased by 20.2% compared to 2024. The reduction compared to base year 2019 is 76.3% and well on track towards our 100% reduction target by 2030.

Scope 3
Scope 3 emission decreased by 7.8% compared to previous year, mainly due to lower emissions in category 11 use of sold products. This is the result of a combination of factors, including lower grid emission factors, the product sales mix, and improved data and estimations.

GHG emissions scope 3

in ton CO_2-equivalent unless otherwise stated	2025	% of total	2024 base year	movement	%
Significant scope 3 GHG emissions					
Cat. 1 – purchased goods and services	462,276	15.8%	420,168	42,108	10.0%
Cat. 2 – capital goods	15,464	0.5%	19,843	-4,379	-22.1%
Cat. 3 - fuel- and energy-related activities	8,485	0.3%	11,330	-2,845	-25.1%
Cat. 4 - upstream transportation and distribution	10,199	0.3%	4,805	5,394	112.3%
Cat. 5 - waste generated in operations	5,247	0.2%	5,246	1	0.0%
Cat. 6 - business travel	5,719	0.2%	4,941	778	15.7%
Cat. 7 - employee commuting	12,223	0.4%	10,237	1,985	19.4%
Cat. 9 - downstream transportation	3,360	0.1%	4,282	-923	-21.5%
Cat. 11 - use of sold products	2,330,240	79.6%	2,620,159	-289,919	-11.1%
Cat. 12 - end-of-life treatment of sold products	74,818	2.6%	74,436	382	0.5%
Total gross scope 3 GHG emissions	**2,928,029**	**100.0%**	**3,175,447**	**-247,417**	**-7.8%**

GHG emissions total

in ton CO_2-equivalent unless otherwise stated	2025	2024	movement	%
Total GHG emissions				
Total GHG emissions (location-based)	2,963,274	3,211,504	-248,230	-7.7%
Total GHG emissions (market-based)	2,937,841	3,187,741	-249,899	-7.8%
GHG emissions intensity (location-based)	1,683	1,875	-193	-10.3%
GHG emissions intensity (market-based)	1,668	1,861	-193	-10.4%

GHG emissions scope 1 and 2 – progress towards CMD targets

in ton CO$_2$-equivalent unless otherwise stated	2025	2024	2019 base year
Gross scope 1 GHG emissions	4,943	5,049	8,642
Gross scope 2 GHG emissions (market-based)	4,869	7,245	32,773
Total scope 1 and 2 GHG emissions (market-based)	**9,812**	**12,294**	**41,415**
Carbon footprint reduction scope 1 and 2 compared to base year (market-based)	-76.3%	-70.3%	

Energy consumption metrics

Energy consumption and mix

| in MWh unless otherwise stated	2025	2024	movement	%
Fuel consumption from crude oil and petroleum products [1]	7,894	9,799	-1,905	-19.4%
Fuel consumption from natural gas	16,629	16,710	-81	-0.5%
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	7,650	15,837	-8,187	-51.7%
Total fossil energy consumption	**32,173**	**42,346**	**-10,173**	**-24.0%**
Share of fossil energy consumption in total energy consumption (%)	*34.0%*	*43.1%*		*-9.2%*
Consumption from nuclear sources	**340**	**336**	**5**	**1.4%**
Share of consumption from nuclear sources in total energy consumption (%)	*0.4%*	*0.3%*		*0.1%*
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	60,169	53,852	6,317	11.7%
Consumption of self-generated non-fuel renewable energy	2,016	1,658	358	21.6%
Total renewable energy consumption	**62,185**	**55,510**	**6,675**	**12.0%**
Share of renewable energy consumption in total energy consumption (%)	*65.7%*	*56.5%*		*9.1%*
Total energy consumption	**94,698**	**98,192**	**-3,495**	**-3.6%**
Energy intensity rate (for high climate impact sectors) *in MWh/turnover in million €*	53.8	57.3	-3.6	-6.2%

1. The 2024 crude oil and petroleum products consumption has been adjusted by including fleet consumption.

GHG emissions scope 1 and 2 market-based

We aim for

100%

Carbon neutrality by 2030 (scope 1 and 2)
compared to reference year 2019

2025	76.3%
2024	70.3%
2023	64.3%
2022	42.7%
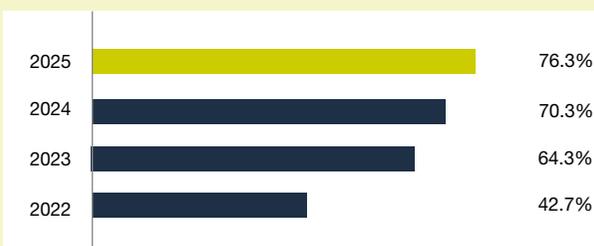
Pollution (E2)

Introduction

Pollution risks exist across various parts of our supply chain, including our own cable production sites as part of the Electrification business segment. The pollution topic is material to our own cable production sites, as part of our Electrification business segment. Since a proportion of the raw materials is delivered to us in the form of pellets, TKH actively recognizes the potential risks of environmental pollution and contamination by pellet loss. In addition, pollution could occur by spills of toxic/polluting materials in the soil as a result of accidents during cable production. Furthermore, cable production results in emissions into the atmosphere, for example, nitrogen oxides (NOx) and sulfur oxides (SOx). Pollution of water in the proximity of TKH cable production sites could also occur as a result of the release of pollutants into process water. Across business segments, our products, including parts and materials from suppliers, are subject to regulation by various government and regulatory agencies, e.g., Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), and other (local) regulations regarding pollution. Our policies and systems are set up to ensure holistic monitoring and effective mitigation measures.

Our approach and policies

We manage our impact on pollution using our Health, Safety & Environment (HSE) policy. All operating companies to whom the HSE policy is relevant have established and implemented it, incorporating a clear commitment to preventing pollution and minimizing health risks. Stakeholders are not directly involved in policy and target setting.

To proactively identify and mitigate pollution-related risks, we conduct structured screenings of our site locations and business activities. These assessments evaluate both actual and potential pollution-related impacts within our operations. The methodologies, assumptions, and tools used in this process include ISO 14001-certified environmental management systems at all production locations. Each relevant cable production company has established internal awareness programs and procedural safeguards designed to minimize pellet loss and prevent contamination. Our cable production companies demonstrate a strong commitment to pollution mitigation by implementing specific measures, including filtering dust from the factories' chimneys and purifying the chimney gases.

Environmental matters are managed by the local Health, Safety, & Environment (HSE) function. In the performance of the local HSE functions, systems are adopted with the intention of guaranteeing strict compliance with applicable regulations in accordance with best practices. The systems are set up to ensure the collection and analysis of environmental data, the monitoring of risk exposure (using specific indicators), the organization of specific training, and the conducting of audit work at the production locations. The HSE policy of operating companies includes explicit commitments to preventing incidents and managing emergency situations through structured risk assessments, proactive control measures, and targeted employee training. Additionally, it defines clear response procedures to minimize the impact of incidents on people and the environment. This approach aligns with our broader risk management framework and reinforces our commitment to safety, sustainability, and operational resilience.

Environmental information

Pollution of air, soil, and water

Value chain	Time horizon
O Own operations (Electrification)	**S** Short-term
	M Medium-term
	L Long-term

Negative impacts

Potential negative impacts related to our cable production sites:
- Pollution caused by spills in the soil of toxic/polluting materials as a result of accidents during cable production.
- Emissions into the atmosphere of as a result of cable production activities (e.g. nitrogen oxides (NOx), sulphur oxides (SOx)).
- Pollution of water in the proximity of TKH cable production sites, as a result of release of pollutants into process water.

Risks

- Environmental pollution leading to remediation costs, sanctions, fines and reputational damages.

Policy name	Key contents
Health, safety and environmental (HSE) policy (at operating company level)	• Describes how the operating company deals with health and safety issues, including safety instructions and procedures. • Applicable for all production sites and, if relevant, for other locations. • The managing director of the operating company is responsible for implementation. • Based on the ISO 14001 standard. • Published on the intranet of the operating companies, and part of local procedures/handbooks.

In 2025, we reviewed whether it is necessary to develop a group-wide pollution policy to ensure a consistent approach across all operations. We concluded that this topic is sufficiently incorporated into the existing Health, safety and environmental (HSE) policy (at the operating company level).

Pollution metrics

In line with the commitment within the HSE policy to preventing pollution and minimizing health risks, we monitor emissions from our cable production processes. In this way, we can measure the effectiveness of emission reduction measures, such as the gradual introduction of new methods and/or products, particularly for cable degassing, isolation, and printing operations.

The inventory of pollution to air, soil, and water is based on the list of pollutants and related threshold values specified in Annex II of Regulation (EC) No 166/2006. In 2025, we further expanded the number of measurements of pollutants. For most of the pollutants, we have determined, on the basis of (laboratory) measurement reports and reports from external sources, that the listed threshold values were not exceeded in 2025. For the pollutants that are not measured through (laboratory) measurements, we used estimates based on reports provided by external parties. These estimates are calculated by internal technical engineers and the health, safety, and environmental department. Information used in the calculations is based on available internal information, e.g., details of chemicals used in the production process, the internal registration of

pollution and losses of pollutants, the impact of filter systems used, and the impact of suspended particles, among others. Due to the use of estimates and own calculations, there is a degree of uncertainty in the outcome of the assessment. We will further optimize the process in 2026, including by having more measurements carried out by external experts for the remaining relevant pollutants. This will further substantiate the assertion that the listed thresholds for the relevant pollutants have not been exceeded. Our target is that the listed thresholds for the relevant pollutants should not be exceeded.

We record all environmental incidents, breaches, and fines, with voluntary targets of zero environmental breaches and fines related to our own operations. The target is based on compliance with regulatory requirements. An environmental incident is an incident that has an environmental impact. An environmental breach occurs when there is a failure to comply with an environmental legislative obligation, e.g., breaches or non-compliance events (which can result in fines). The number of environmental incidents, breaches, and fines provides an indication of how well we control air pollutants, emissions to water, and pollution to soil.

Environmental compliance

	Annual target	2025	2024
Number of environmental incidents	0	10	5
Fines for environmental breaches	€0	€0	€0
Number of environmental breaches	0	1	0

In 2025, one environmental breach was reported (no fines). The reported breach is the result of several findings notified during an onsite environmental audit at one of our cable production sites by the local regional environmental agency. The audit resulted in six observations, which we will follow up in 2026. Also, ten environmental incidents were reported, compared with five in 2024. Each incident is assessed to determine if additional internal control measures or other actions are needed to prevent recurrence. Depending on the topic, an external researcher may be appointed to ensure independence and objectivity. If deemed necessary, disciplinary and corrective measures are taken. The reported 2025 environmental incidents are related to minor incidents, for example small oil leakages from machines or during transportation. Therefore, we concluded that no further action was deemed necessary, as all remediation actions were addressed directly upon detection.

Actions

In 2026, we plan to complete the inventory of relevant emissions at our cable production sites, supported by (laboratory) measurement reports where relevant. Specific actions related to pollution are revisited every year and integrated into the activities at the operating company level. Also, we will follow up on the environmental breach reported at the end of 2025. Due to the nature of the actions, the resources needed for these actions are opex-related and do not require any significant capex. The opex-related resources are also not additional, since these initiatives are embedded into ongoing environmental management efforts.

Water (E3)

Introduction

While water use directly affects operational expenditures, its true significance resides in its contribution to wider environmental pressures. Careful and deliberate management of water usage is therefore necessary to ensure sustainable operations.

At TKH, we acknowledge that water usage is an inherent part of our operations. As a company that is active in the cable production industry, our manufacturing activities rely on water for various production processes. Water is essential for cooling and is also used for drinking and sanitary purposes at our factories and offices.

Our approach and policies

At TKH, our water policy focuses on reducing our operational impact on water consumption and quality. The interests of key stakeholders are not specifically considered when we set our policy. Our primary focus is on operational water efficiency, compliance with environmental standards, and responsible water management within our production facilities. In line with global reporting standards, including CDP Water and ISO 14001 Environmental Management, we commit to transparently disclosing relevant water management indicators. We measure and monitor water-related risks and stress, using internationally accepted methodologies, and we mitigate risks through efficient water management, conservation, and protection. Our established processes are integrated into the functions that are responsible for daily adherence to our policies. We also hold ISO 14001 certifications, reflecting our commitment to a high standard of environmental management.

We ensure that all our workplaces globally have adequate water, sanitation, and hygiene facilities. We raise awareness of the environmental impacts of water use and the possible actions that can be taken to reduce them. We reduce water consumption by using efficient equipment or technology and minimize water consumption by reusing water. We also promote industrial closed-loop water processes. We concentrate our efforts at our sites in water-scarce areas. ISO standards, such as 14001 – which are already established in our production companies – help us better understand and manage these valuable resources. We also perform an annual assessment of our operational sites to address potential water-related risks. We use publicly accessible tools, such as the Aqueduct Water Risk Atlas by WRI and WWF Water Risk Filter, to define and respond to these risks.

Policy name	Key contents
Water policy	• Describes how we strive to reduce our impact related to water, defining goals, implementing actions, and monitoring results. • Applicable for all operating companies. • Not based on a specific framework or set of guidelines. • Managing director of the operating company is responsible for implementation. • Provided to managing directors and available for all functions having access to the reporting system Cognos.

Environmental information

Water consumption

Value chain	Time horizon
(O) Own operations	(S) Short-term
	(M) Medium-term
	(L) Long-term

Negative impact

• The consumption and quality of water resources have an actual negative impact on the environment, as well as on communities that depend on those resources.

Risks

• Interruption of production sites due to unavailability of water.

Water metrics

The total water consumption in 2025 is 114,242 m³, a 2.2% decrease compared to 2024. This decrease is a combination of relocating production activities to other locations, divestment, and less water consumption at some locations. The 2025 water intensity ratio was 64.9 (m³/€m turnover). This figure is 4.9% lower than the previous year and close to the average yearly reduction target of 5.0% (2026-2030), which we defined in 2025.

In our cable production activities, water is reused in a closed system for the cooling of our extrusion lines. At our largest cable production company, water circulates around 154 times before it completely evaporates. In 2025, 14,438 m³ of water was recycled and reused in this way.

The water intensity ratio is calculated by dividing total water consumption (in m³) by the total turnover, with the total turnover included in note 22 of the consolidated financial statements. Reported water consumption is based on measurements taken directly from water meters and water invoices, both of which are stored locally at the operating companies.

Actions

Among our production sites, one location has been identified as being exposed to substantive financial and strategic risks related to water. This site is situated in China, in an area with extremely high water stress. In response, we assessed and defined our risk exposure, anticipated potential losses, and implemented proactive measures to mitigate business interruption. Important production sites are flexible, allowing us to shift production capacity from areas with high water stress to other locations. Additionally, we have offices in areas with high water stress. We assessed these locations and concluded that the anticipated potential losses and business interruption are limited.

Moving forward, we will continue our efforts to maintain our ISO 14001 certification and promote responsible environmental behavior. In 2026, we will investigate whether diversified water sourcing could be a solution to further reduce our water risk. In addition, we will continue to reassess ouroperational resilience on a yearly basis by analyzing potential scenarios for adjusting production planning, including shifting production to other sites in the event of severe water scarcity. The implementation of defined actions may result in limited investments in research and technical assessments, such as collabo-ration with environmental experts or water resource specialists. These measures will be integrated into our broader sustainability strategy to ensure transparency, effective financial planning, and long-term water resilience across our operations.

Water metrics	Target	2025	2024
Water consumption (in m³)		114,242	116,821
Water consumption in areas of high-water stress (in m³)		21,610	27,021
Water recycled and reused (in m³)		14,438	10,840
Water stored (in m³)		0	0
Changes in water storage (in m³)		0	0
Water intensity ratio		64.9	68.2
Water intensity ratio average yearly reduction target (2026-2030)	5.0%		

Circular economy (E5)

Introduction

Raw materials are becoming increasingly scarce due to a rise in demand. Companies that generate waste without implementing effective waste management practices risk facing regulatory fines, legal liabilities, and reputational damage. On the other hand, companies that adopt sustainable waste management practices, such as reducing waste production, recycling, and repurposing materials, can enhance resource efficiency, reduce operational costs, and strengthen their reputation.

Recognizing that waste is a potential source of financial risk, TKH has adopted more sustainable waste practices to reduce environmental impact and mitigate financial risk. At TKH, sustainability is a strategic priority, and we are actively integrating sustainability initiatives throughout our organization. As a result, sustainability is firmly embedded in our day-to-day operations.

At TKH, the primary raw materials we use are copper, aluminum, and plastics, which are essential parts of our Smart Connectivity systems supply chain. Within Smart Manufacturing and Smart Vision systems, the primary raw materials we use are steel, aluminum, and electronic components. Other materials mainly used are packaging materials, such as wood, paper, board, and plastic foils. Most of the waste we produce is classified as non-hazardous, which accounts for 98.8% of our total waste.

Our approach and policies

Sustainable business practices include the sustainable management of resources. Through our operational excellence program, we focus on production efficiency while maintaining close attention to key issues, such as reducing our energy consumption and the use of raw materials.

From the design stage onward, we aim to select raw materials and other input materials that have a minimal environmental impact. We do this at all our manufacturing sites. Efficient management of these materials is important because valuable metals – such as copper and aluminum – are essential components in cable production. It is also crucial to manage and minimize the waste that is inevitably generated during this production process. Our ultimate ambition is to eliminate waste and completely minimize its environment impact. This will also help us to avoid unnecessary costs. With this goal in mind, we have adopted the following two approaches:

- **Reducing waste at source:** We aim to use raw materials as efficiently as possible and therefore increase material efficiency. Our operational excellence programs focus on right-first-time production to minimize waste in our own operations. We also reduce waste through process improvement and innovation.
- **Minimizing the impact of waste:** We aim to maximize the use of recycled materials and optimize waste treatment through greater cooperation across the value chain.

At TKH, we integrate globally recognized environmental management and sustainability standards into our operations to ensure alignment with industry best practices and regulatory requirements. These include:

- **ISO 14001 certification:** All TKH production sites comply with ISO 14001 environmental standards, ensuring responsible disposal and recycling of electronic waste. This promotes circular economy principles.
- **Industry initiatives and ESG ratings:** TKH and parts of certain operating companies participate in relevant third-party sustainability assessments to track environmental performance and identify improvement opportunities. This includes assessments conducted by

Resource inflows, waste, and waste recycling

Value chain		Time horizon	
O	Own operations	S	Short-term
		M	Medium-term
		L	Long-term

Negative impact

- Sourcing resources unsustainably and waste have an actual negative impact on the environment, including greenhouse gas emissions

Risks

- TKH is dependent on resource inflows, limited availability of resource inflows such as copper and other (raw) materials could affect the company in a negative way.
- Waste can pose financial risks due to its impact on resource efficiency, operational costs, and environmental compliance.

Policy name	Key contents
Health, safety, and environmental (HSE) policy (at operating company level)	• Describes how the operating company deals with environmental, health, and safety issues, including safety instructions and procedures. • Applicable for all production sites, and if relevant for other locations. • Managing director of the operating company is responsible for implementation. • Based on ISO 14001 standard. • Published on the intranet of the operating companies, and part of local procedures/handbooks.

organizations such as EcoVadis, CDP, Sustainalitics, and others. These standards form the basis of our efforts to reduce waste, increase resource efficiency, and procure materials more sustainably, ensuring regulatory compliance and adherence to industry best practices.

We actively incorporate stakeholder perspectives into the development of policies related to resource use and the circular economy. Our key methods of stakeholder engagement include:
• Regular sustainability meetings to align with evolving environmental and business expectations.
• Supplier dialogue to ensure responsible sourcing and compliance with sustainability criteria.
• ESG reporting to address investor and regulatory concerns regarding our sustainability performance.
• Regulatory updates and participation in industry working groups to stay aligned with global best practices and emerging standards.

We ensure that practices and policies related to resource use and the circular economy are accessible and communicated effectively to both internal and external stakeholders. We do this via multiple channels:
• **Internal distribution:** Policies are published on the TKH intranet and included in both operating company handbooks and employee training programs.
• **Supplier engagement:** Sustainability criteria and environmental expectations are embedded in supplier contracts, procurement guidelines, and the Code of Supply.

• **Public transparency:** Policy commitments are disclosed in our sustainability report, on our website, and in investor ESG presentations.
• **Regulatory compliance and audits:** Policies are subject to internal audits, external assessments, and compliance reviews to ensure proper implementation and accountability.

Our approach to this topic is guided by health, safety, and environmental (HSE) policies at operating company level.

Resource inflows metrics
In addition to price and quality, we consider sustainability criteria when selecting both our raw materials and packaging materials. We engage in discussions throughout the value chain on how to make processes and products more sustainable, so that we can use our resources more effectively. For example, approximately 21% of the copper we purchase comes from secondary reused or recycled sources, meaning that 21% of the copper we purchase contains recycled content. This percentage is calculated

based on information provided to us by our suppliers as well as publicly available information on recycled content.

We calculate our resource inflow based on recorded purchases during the reporting year. We determine the weight of our materials using the weights recorded on purchase orders, purchase invoices, or transportation documents. If weight data cannot be obtained, the weight is estimated based on the estimated proportion of the material in the total product weight. To avoid double counting, we exclude intercompany shipments, ensuring only external material purchases are accounted for.

Waste metrics
Given the importance of materials and their contribution to total waste from our own operations, our primary focus is on the raw materials copper, aluminum, and plastics used in our cable production activities. Total waste from the most relevant raw materials used in cable production, compared to total relevant material consumption, was 12.2% of total material volume consumed in the year under review. This is higher compared with the previous year – which was 5.4% – and also higher than our target for a maximum of 5% waste. The increase is mainly the result of our start-up activities, in particular related to our new subsea cable production facility in Eemshaven and our new fibre optic cable production facility in Poland. Establishing new activities and production sites results in more waste, for example, from testing and commissioning

Resource inflows unless otherwise stated		
in ton unless otherwise stated	**2025**	**2024**
Overall total weight of materials used	85,181	84,022
Percentage of biological materials that is sustainably sourced	0%	0%
Weight of secondary reused or recycled components, secondary intermediary products, and secondary materials	2,818	3,488
Percentage of secondary reused or recycled components, secondary intermediary products, and secondary materials	3.3%	4.2%

machines and cable type approvals. Although the waste percentage is relatively high, the recycling percentage in 2025 was 75% (recycling of copper, aluminum, and plastics related to our cable production activities), with copper being fully recycled.

Our waste figures are calculated based on the amount of waste recorded within the reporting year. We determine the weight and treatment method of the waste using data recorded and reported by external recycling and waste processing companies. In case weight data cannot be obtained, the weight is estimated based on the proportion of the material in the total product weight. If the treatment method cannot be obtained, we assume that the waste has been incinerated. To avoid double counting, we exclude intercompany shipments.

Approximately 58% of waste is related to our main raw materials copper, aluminum, steel, and plastics. TKH does not produce any radioactive waste.

Our copper suppliers re-process pure copper waste into fully usable copper. This means that our copper waste is 100% recycled. This also applies to aluminum and steel.

Plastics that become unusable during the cable production process but are suitable for recycling are offered to waste processing companies to be converted into new raw materials. Due mainly to the product mix, we increased our use of plastics, which resulted in more plastic waste. As a result, the total percentage of recycled plastics decreased. Cables – particularly those with odd lengths – are sorted as much as possible, and we are exploring the possibility of completely recycling these cables. We are considering the same approach for plastics used in insulation and sheathing material.

Actions
In 2025, TKF made more than 200 self-declared environmental product declarations (SD-EPDs) available to customers. An EPD is a transparent, standardized profile of a product's environmental impact throughout its entire life cycle: from raw material sourcing and production to transportation, use, and end-of-life disposal. The results are based on a life cycle assessment (LCA). TKF's LCA and EPD tool, ALCAS, was critically examined and successfully verified by independent third parties. This ensures that customers receive consistent, verifiable data for specifications, tenders, procurement, and project documentation, including a strong substantiation of sustainable material choices.

In 2026, we will continue to assess the need for a group-wide procurement policy, aimed at reducing the use of virgin material, increasing recycled content, and promoting sustainable sourcing. We revisit actions related to the circular economy every year and these actions are integrated into activities at the operating company level. Due to the nature of these actions, the required resources are primarily operating expenditure (opex)-related and do not require any significant capital expenditure (capex). The opex costs are also not additional, since these initiatives are an integral part of our day-to-day expenses and procurement activities.

Waste from own operations				
in ton unless otherwise stated	2025	% of total	2024	% of total
Total waste generated	**14,181**	**100.0%**	**11,509**	**100.0%**
Copper	2,180	15.4%	2,265	19.7%
Aluminum	2,364	16.7%	1,339	11.6%
Steel	676	4.8%	479	4.2%
Plastics (e.g., PVC, XLPE, PE)	2,999	21.1%	2,235	19.4%
Wood	2,094	14.8%	2,122	18.4%
Paper and board	649	4.6%	824	7.2%
Electronics	9	0.1%	9	0.1%
Other plastics (e.g., foils, packaging)	179	1.3%	161	1.4%
Hazardous materials	166	1.2%	394	3.4%
Other materials	2,865	20.0%	1,682	14.6%
Hazardous waste disposal	**166**	**100.0%**	**394**	**100.0%**
Incineration	160	96.5%	381	96.7%
Landfill	1	0.4%	1	0.3%
Recycling	4	2.3%	8	2.0%
Other disposal operations	1	0.8%	4	1.0%
Non-hazardous waste disposal	**14,015**	**100.0%**	**11,115**	**100.0%**
Incineration	2,523	18.0%	2,279	20.5%
Landfill	2,367	16.9%	951	8.6%
Recycling	8,137	58.1%	6,839	61.5%
Other disposal operations	987	7.0%	1,046	9.4%
Total weight of non-recycled waste	**6,039**		**4,663**	
Total percentage of non-recycled waste in relation to total waste	42.6%		40.5%	

Sustainable innovation (entity-specific material topic)

Introduction

Sustainable innovation is an entity-specific material topic for TKH because innovation is key to our success and long-term value creation. Our sustainable innovations and technologies promote sustainable production and consumption, enabling our customers to address key environmental challenges. By doing so, we contribute to achieving of the UN's Sustainable Development Goals (SDGs) and help create a more sustainable world.

Investing in innovative technologies is vital for us to maintain our position as a leading technology company. These investments also maximize sustainable value for our stakeholders and the world around us. A strong combined emphasis on both innovation and customer focus keeps us at the forefront of our industry. As a result, we create best-in-class, innovative technologies and respond quickly and effectively to changing market trends.

Insufficient technological development and innovation could pose a risk to our long-term value creation. These risks may arise in the following areas:
- The pace of technological development.
- Reluctance in certain end markets to adopt our new disruptive technologies.
- Execution of the R&D roadmap.
- Introduction of new technologies by our competitor's.
- Our payback capacity.

Our approach and policies

Through our sustainable innovation policy, we drive continuous innovation and execute our strategic roadmap, ensuring timely market entry. The Executive Board and local management frequently discuss the latest technology- and innovation-related developments. We leverage our technology leadership to accelerate growth from innovations and utilize the R&D pipeline. We bring key innovations to maturity with targeted profitability, while limiting the number of large, new "start-up" projects. Additionally, we focus on expanding our market share by unlocking the full potential of our innovations and disruptive technologies, as well as by aligning our innovation strategy with relevant megatrends that drive long-term industry growth.

The UN's Sustainable Development Goals (SDGs) are a blueprint for achieving a better and more sustainable future. At TKH, we recognize their importance and aim to positively contribute to the SDGs through our business operations and innovative product portfolio, in line with our long-term value creation process.

To effective support the SDGs, we focus on areas where we believe we can have the greatest impact and make the most direct contribution. Sustainability is a key element of our product portfolio and enables our customers to improve their own sustainability performance.

In this context, we are focusing on four SDGs (3, 7, 9, and 11) that are related to our external business lines. Meanwhile, sustainability is also being integrated into our operations and supply chain. Therefore, we are considering two additional SDGs (8 and 12), which we can impact through our internal operations and business practices.

Environmental information

Sustainable innovation

Value chain	Time horizon
Ⓞ Own operations	Ⓢ Short-term
	Ⓜ Medium-term
	Ⓛ Long-term

Negative impact
- Sustainable innovation and technology are actually making a positive contribution to the achievement of the SDGs by promoting sustainable production and consumption, and addressing environmental challenges at customers. This can help create a more sustainable world.

Risks
- Insufficient technological development and innovation can threaten TKH's long-term value creation.

Opportunities
- Customer's need for sustainable innovation and technology offers TKH opportunities for growth and value creation.

SDG 3: good health and well-being

TKH's technologies and solutions support the healthcare sector, making it more efficient and reliable for home care, professional care, and pharmaceutical companies.

Impact

We believe that care can become more efficient and reliable by tailoring technology more closely to each client. In fact, "tailor made" is at the heart of TKH's care solutions for both extramural and intra-mural care. Our care technology platform, which includes customized alarm scenarios and smart sensors, facilitates the rapid and flexible connection of care systems to a comprehensive range of functions and applications for care needs. It also helps to make care delivery more user-friendly and accessible. Our Smart Manufacturing technology helps meet the pharmaceutical industry's increasingly stringent quality standards for packaging different medicines with the highest precision.
In addition, it eliminates the risk of contamination.

Examples of our innovative SDG solutions
- Care technology platform
- Mission critical communications systems
- Medication distribution and inspection system
- Special cable systems for medical equipment
- 2D Vision systems for medical endoscopy equipment
- Thermal camera systems

SDG 7: affordable and clean energy

With our Connectivity technologies, we are developing innovative cable systems that contribute to the energy transition and the use of sustainable energy sources, including offshore wind farms. In this way, we contribute to Europe's energy reduction targets.

Impact

TKH's Connectivity technology plays a fundamental role in the distribution of green energy, such as wind power. For example, our innovative subsea cable concept connects wind turbines in offshore wind farms and is characterized by high performance, risk reduction, installation efficiency, and sustainable composition. With the trend towards electrification, there is a considerable need to upgrade and expand power grids. Our power cable systems offer a solution to meet this demand.

Examples of our innovative SDG solutions
- Energy cable systems for the energy transition
- Sustainable power cable systems for onshore applications
- Dry-design inter-array subsea cables for offshore wind farms

SDG 9: industry, innovation and infrastructure

At TKH, we have a strong reputation as an innovator in the tire building, robotics, and mechanical engineering industries. We pioneer technologies and innovations that capitalize on the pillars of "Industry 4.0," and the demand for increased productivity, improved product quality, and better production processes. Our technology also makes infrastructure safer and more accessible.

Impact

Our Connectivity, Vision, and Security technologies make it possible to build sustainable infrastructure that meets strict safety and efficiency standards. Our innovative vision and manufacturing systems also enable our customers to make products more efficiently, reliably, and flexibly. Our Vision technology is used for inspection, quality control, and process control in industrial automation, battery inspection, consumer electronics, scientific research, and many other applications. We leverage our unique expertise and deep understanding of the automation of production processes for controlling and monitoring industrial processes, as well as comprehensive manufacturing systems for car and truck tire production.

Examples of our innovative SDG solutions
- Fiber-optic cable systems
- Access control and security systems
- CEDD/Airfield Ground Lighting system
- Industrial 2D and 3D Vision systems
- Tire building systems
- Special cable systems for robotics and mechanical engineering

SDG 11: sustainable cities and communities

We help improve the efficiency, safety, and security of the systems used in and around cities. We do this by combining our Connectivity and Security technologies to develop innovative, comprehensive solutions for the built environment.

Impact

Our technologies and resulting solutions contribute to making cities safer. Our Security technology enables the built environment to be monitored and controlled with alarm systems, mission-critical communication systems, access and recording systems, and evacuation systems. Our mobility security solutions focus on vehicle tracking, video analytics for public transport, and security solutions on toll roads. In addition, TKH technologies improve efficiency, safety, and security in multi-story car parks, football stadiums, schools, and financial institutions.

Examples of our innovative SDG solutions
- Mobility inspection systems and security solutions
- Mission-critical communication systems
- Parking guidance and security systems
- Connectivity systems

SDGs 8 and 12 focus on our internal operations and business practices

SDG 8: decent work and economic growth

Thanks to our strong focus on R&D and knowledge sharing, we offer a distinctive and innovative portfolio of value-adding products. Healthy balance sheet ratios and a solid operating cash flows also support our overall company-wide growth strategy. We offer our employees a vibrant and safe working environment with ample development opportunities by employing good employment practices. We have set KPIs and targets on health and safety as well as employee satisfaction.

Impact

TKH is committed to providing a safe and inspiring work environment for all. We offer our employees the training and resources they need to perform their activities and develop their skills effectively. By sharing knowledge, we further develop our sustainable portfolio in response to market needs. Through our operational excellence programs – which systematically focus on both customer value and on making the best possible use of our people's knowledge and skills – we excel in our business operations.

SDG 12: responsible consumption and production

Through our business operations, we focus on responsible operations and production, and on reducing our negative impact on the environment. All our production companies are certified in accordance with the ISO 14001 environmental management system and work according to the LEAN principle to eliminate waste in the production process.

Impact

Our sustainability policy is designed to ensure that we continuously improve our environmental performance and minimize the negative impact of our operations on the environment. From the initial design stage, TKH production companies select raw materials that have little or no harmful effect on the environment, to the greatest extent possible. TKH's production environment focuses on eliminating waste as much as possible, and sets targets for reducing waste and recycling raw materials. We regularly discuss sustainability opportunities and our Code of Supply with our suppliers.

Sustainable innovation metrics

To measure the effectiveness of our practices in improving environmental outcomes and related financial effects, we established a turnover target based on our innovations. Our target is to generate more than 10% of our turnover from products introduced within the past two years. As a result, a significant portion of our technology portfolio is consistently in the early stages of the product life cycle, forming an essential strategic foundation for future growth.

In 2025, we generated €299 million in turnover from innovations across our business segments. The percentage of turnover generated from innovations was 17.0%, which is well above our target. Investing in R&D and accelerating and scaling innovations are vital for future growth, and for maintaining and expanding our leadership positions in the niche markets in which we operate. In 2025, we spent €88.3 million on R&D activities, compared to €80.7 million in 2024. These R&D-related expenses are included in note 29 of the consolidated financial statements.

As described above, our innovative products make a significant contribution to the SDGs. Our target is to be able to link at least 70% of our total turnover to the SDGs. In 2025, 75.3% of our portfolio's total turnover was linked to the SDGs that we had previously defined as relevant. This allows us to support our customers in achieving their sustainability goals while simultaneously providing clear direction for our company's own sustainable development.

We measure the result of our innovations by monitoring the number of live patents we have. We also use these patents to help secure our value proposition. In addition to investing in the development of our own technology, we also invest in partnerships that provide us with specific expertise and accelerate the time-to-market for selected technology systems. Lastly, we aim to strengthen our market position and/or our product portfolio via acquisitions. In 2025, we had 1,591 live patents, compared to 1,422 in 2024. To maintain our market-leading position and drive continued growth, it is essential that we continue to accelerate and scale our innovations.

Turnover from innovations is based on turnover from new products launched in the current and previous two reporting years. The percentage of turnover from innovations is calculated by dividing the turnover from innovations by the total turnover. The total turnover is included in note 22 of the consolidated financial statements.

Turnover linked to the SDGs is calculated by taking the TKH portfolio based on the internal reporting of turnover in each end market during the reporting year and combining it with the portfolio information included in the operating companies' quarterly reports. This value is then divided by total turnover, which is included in note 22 of the consolidated financial statements.

Actions

In 2025, we explored industry benchmarks and standardized measurement methodologies to identify ways to make reported metrics more comparable. Because innovation and contributing to the SDGs are key focuses for our company, we kept the metrics we currently use. Our core principles are now incorporated into our sustainable innovation policy.

In 2026, we will continue to further develop and integrate our technologies by executing our R&D roadmap. At the same time, we aim to also work more efficiently. To this end, we will more closely monitor R&D expenditure and the selection of development projects in 2026, including the consolidation of R&D knowledge within 2D Vision. We annually review specific actions related to sustainable innovation and integrate them into operating company activities. More information on differentiation through innovation can be found in the Strategy and performance section of this report. Due to the nature of these actions, they require significant capital expenditure (capex). In 2026, we aim for a slightly lower level of R&D expenditure and a lower percentage of R&D capitalized expenditure than in 2025. Other operating expenditure (opex) is not additional, since such initiatives are an integral part of our day-to-day expenses and R&D activities.

Sustainable innovation			
	Annual target	**2025**	2024
Turnover from innovations (in million)		€299.3	€301.4
Innovation as percentage of turnover	>10%	17.0%	17.6%
Turnover linked to SDGs (percentage)	>70%	75.3%	71.6%
Number of live patents		1,591	1,422
Total R&D spend (in million)		€88.3	€80.7
R&D capitalized (in million)		€45.6	€46.5
R&D capitalized as percentage of total R&D spend		51.6%	57.5%

Social information

Our workforce (S1)

Introduction

Working together with talented and qualified people is vital to achieving our mission of developing best-in-class Smart Technologies. We strongly believe that a diverse workforce will strengthen our defined strategy and further our success. Therefore, promoting and safeguarding the diversity of our organization is one of our key priorities.

TKH has a decentralized structure, an open business culture, and a high level of entrepreneurship, tied together by short lines of communication. Our organization is also characterized by delegated authority, trust, and transparency. A key component of our strategy is our strong, diverse workforce of talented people, with the passion and drive to make things happen.

We also want to ensure that we have a safe workplace that attracts top talent to our organization. Being a responsible employer is an important commitment that we take seriously. TKH offers an inspiring, safe, and healthy work environment for our workforce, and we are constantly striving to improve it. Our priority is always to make sure that all our employees return home safely at the end of each workday.

Both diversity and safety also contribute to our financial performance. A lack of diversity can result in employees not feeling valued, respected, and supported. In turn, this can lead to a negative reputation, which impacts employee and organizational performance, and therefore costs. Health and safety incidents can negatively impact employees by increasing their risk of illness, injury, and death. This can lead to lower morale, increased absentee-ism, and decreased productivity.

Our people

Our own workforce consists of both employees and non-employees. Non-employees are not on the payroll, and include interns, trainees, stagiaires, and other temporary workers hired for short periods of time. Most of these workers are recruited from employment agencies and are considered self-employed. In Dutch, they are known as "uitzendkrachten."

We have identified potential material negative impacts on the overall health and wellbeing of our own workforce. These impacts apply to all members of our own workforce and are not related to individual incidents. Therefore, our policies to manage material impacts, risks, and opportunities apply to all members of our own workforce. We have no operations that are at significant risk of forced, child, or compulsory labor, whether due to the nature of our activities or the countries and geographic areas in which we operate. However, production activities may be at greater risk due to health and safety issues. TKH employs people with disabilities and/or who are disadvantaged in the labor market. We acknowledge that these people are particularly vulnerable. We did not identify any material impacts on workers that could result from transition plans aimed at reducing negative environmental impacts and achieving climate-neutral operations. There are no material positive impacts.

Our policies
Code of Conduct
We have included provisions regarding the respect and protection of human rights in our Code of Conduct for our employees. Our policy is based on the UN Guiding Principles on Business and Human Rights and we do not tolerate any human rights violations. We use the OECD Guidelines and ILO Declaration on Fundamental Principles and Rights at Work as a reference framework to enable us to quickly identify potential risks. Since 2024, we have endorsed the guidelines provided in the UN Global Compact. In the event of human rights violations, we investigate and implement ways to remediate impacts. We also review our existing policies and consider additional measures to prevent such violations from happening again in the future.

Discrimination
At TKH, we have a strict policy of equal treatment for all our employees, regardless of race, nationality, ethnic background, color, age, religion, gender, sexual orientation, political opinion, or disability. Through our Code of Conduct, we aim to prevent, mitigate, and address discrimination once it is detected. Violations can be reported through our internal procedures. We have established a recruitment process for new employees that focuses on identifying potential candidates who possess the necessary skills and profile for a given job function. We do not differentiate between the base salaries of male and female employees and apply market-based remuneration. However, there may be differences between countries, depending on local market practices, as well as tax and social security structures. Our remuneration policy is based on job requirements and the individual's skills and experience.

Enhancing inclusion
In our recruitment process, we are committed to providing a suitable work environment for people with disabilities and/or those facing disadvantages in the labor market. TKH also creates work experience opportunities for those who are long-term unemployed or returning to the labor market.

Engaging with our workforce
Engaging with employees
We gain insight into the perspectives of our own workforce – including those who may be particularly vulnerable – via direct engagements, meetings with Works Councils, employee satisfaction surveys, and annual performance reviews. The Executive Board maintains direct contact with employees throughout the organization by attending employee presentations, participating in project meetings, or taking part in informal gatherings. In addition, at least one regular Supervisory Board meeting is held annually at the location of a TKH operating company. These company visits allow the Supervisory Board to meet with local management and employees and gain a better understanding of TKH's activities, technological developments, and organizational capacity. The Supervisory Board is updated on local developments and possible challenges faced by local management. Company visits, presentations, demonstrations, and guided tours are always part of the program. Particular attention is also paid to the local company culture.

Employee interests are represented at the operating company level by the local Works Councils, and at the TKH group level by the Central Works Council. These councils ensure ongoing employee representation under the terms of the Works Councils Act (or "Wet op de Ondernemings-raden" in Dutch). This year, the Executive Board and the Central Works Council held four informal meetings. The CEO attended on behalf of the Executive Board, as the most senior TKH executive with operational responsibility for ensuring engagement and incorporating the outcomes of these meetings into TKH's approach.

Social information

Our workforce (S1)
- Diversity (S1-9)
- Health and safety (S1-14)

Workers in the value chain (S2)
- Child forced labor, and health and safety

Consumers and/or end-users (S4)
- Privacy (cybersecurity)

Topics discussed included performance on non-financial KPIs compared to the targets. These KPIs include sustainability-related matters such as diversity and health and safety. To strengthen the ties between the various Works Councils of our Dutch operating companies and to promote the exchange of knowledge and experience, we hold an annual Works Council day. TKH considers consultation with the Central Works Council and other Works Councils to be important and values an open dialogue. We believe that an active approach to employee representation helps us remain vigilant.

Process for remediating negative impacts and channels to raise concerns

We believe in the importance of measuring good employment practices and the effectiveness of engaging with our own workforce. We assess important aspects through employee satisfaction surveys and performance reviews. These surveys and review meetings provide valuable insights into our employees' motivation, satisfaction, and expectations. We identify areas for improvement through these surveys and meetings, and these areas are included in the relevant operating company's HR plans. We also conduct follow-up surveys which measure the effects of improvements made in response to initial findings. Some operating companies have conducted satisfaction surveys focusing on company-specific topics. Based on the results of these surveys, we evaluate where our working methods and policies need to be amended and develop a robust action plan.

In 2025, as part of our CMD 2028 targets, we raised our target score for the employee satisfaction survey from >7.8 to >8.0 because our performance in 2024 equaled the original target. Our 2025 employee satisfaction score was 7.8, based on surveys conducted from 2022 to 2025 among 3,713 employees. This represents 57% of our total employee headcount as of December 31, 2025. Although this employee satisfaction score is equal to that of 2024, it has increased compared to previous years, demonstrating the effectiveness of the measures and action plans we have implemented.

We conduct annual performance interviews to discuss employee performance, opportunities for further development, possible organizational improvements, and employee expectations. In 2025, 74% of all employees received a performance review, compared to 63% in 2024. The remaining employees who did not undergo a performance review were not eligible for various reasons, such as having recently been hired or not yet completing a one-year period of employment with TKH.

At TKH, we are committed to an open culture in which employees can discuss any concerns, problems, or abuses openly. We encourage our employees to report such matters to their direct manager or supervisor. Employees can report matters confidentially, and they will not suffer any detriment for doing so. We have also established a whistleblower procedure to provide employees with a clear course of action when they wish to raise issues or concerns. This procedure is for reporting possible criminal offenses or violations of the law, such as bribery, disclosure of confidential information, dishonesty, and unethical behavior, including discrimination, sexual harassment, and bullying. It also covers tax-related issues.

TKH has implemented specific measures to prevent any form of retaliation, and remains vigilant in safeguarding the anonymity and protection of whistleblowers. Reports are reviewed and investigated by the local confidential officer and/or the Group Compliance Officer. Depending on the topic, an external researcher may be appointed to ensure independence and objectivity. If deemed necessary, disciplinary and corrective measures are taken. We track and monitor the issues raised by ensuring that all

Central Works Council
- Olaf Karsten (VMI), *Chairman*
- Gerard Roolvink (TKF), *Secretary*
- Jan Jaap Derksen (VMI)
- Maurice Fliescher (Intronics)
- Onno Verkerk (TKH Security)
- Huseyin Ilhan (TKF Telecom)
- Sebastiaan Dijkman (TKF Subsea)
- Louis Scholten (TKF Energy)

received reports are recorded, investigated, and closed. We evaluate the effectiveness of the procedure by engaging with our own workforce through employee surveys and performance reviews. TKH promotes awareness of the whistleblower procedure through internal training and various communication channels, such as shared folders. In the event of violations or incidents, we investigate and implement possibilities to remediate the impact on own workforce. We also review existing policies and other measures to prevent this from happening again.

More information can be found in Business conduct policies and corporate culture.

Our people: key figures
The total number of employees (head count) as of December 31, 2025, was 6,538. The total average number of employees (head count), during 2025 was 6,615. The total number of full-time equivalent (FTE) employees was 6,304 and aligns with the FTE number in note 22 of the consolidated financial statements. A total of 853 employees left TKH in 2025. The employee turnover rate was 12.8%. We calculate this based on the number of employees who left TKH in 2025 divided by the number

of employees as of December 31, 2024. Employees who left the company includes stagiaires and interns which were on the payroll. In the year under review, 111 FTEs were employees with disadvantages in the labor market, compared to 125 FTEs in 2024.

The tables include head count of employees at the end of the reporting period (December 31, 2025). HR data is obtained every quarter. This data is derived from the HR accounts held by TKH's operating companies. The table showing employees per country (>10% of employees) and region is based on the location of the operating company with which the employee is contracted. An employee's nationality or actual place of work or residence is irrelevant for this breakdown.

Policy name	Key contents
Code of Conduct	• Describes how we act as a company, how we make ethical decisions, and how we deal with different dilemmas within our company. • Applicable for all operating companies. • Managing directors of operating companies are responsible for implementation. • OECD Guidelines used as a reference framework, in addition to the guidelines provided in the UN Global Compact. • Published on our website and should be read and signed by each employee.
Whistleblower procedure	• Procedure for raising issues or concerns, such as a possible criminal offenses or violations of the law, violations of TKH's internal policies and/or procedures, bribery, disclosure of confidential information, dishonesty, unethical behavior, etc. • Applicable for all employees and third parties. • Managing directors of operating companies are responsible for implementation. • Based on the EU Whistleblower Directive 2019/1937. • Provided to managing directors, confidential officers, and available to all functions with access to the Cognos reporting system.

Employees by region

	2025	2024
Netherlands	2,390	2,375
Germany	1,074	1,153
Europe (other)	1,455	1,475
China	717	762
Asia (other)	89	86
North America	546	565
Other	267	249
Total	**6,538**	**6,665**

Employees by type and region

	2025				2024			
	Permanent employees	Temporary employees	Non-guaranteed	Total	Permanent employees	Temporary employees	Non-guaranteed	Total
Netherlands	2,059	248	83	2,390	2,014	266	95	2,375
Germany	1,022	46	6	1,074	1,069	73	11	1,153
Europe (other)	1,378	77	0	1,455	1,371	95	9	1,475
China	525	192	0	717	524	238	0	762
Asia (other)	86	3	0	89	82	4	0	86
North America	537	9	0	546	559	4	2	565
Other	252	9	6	267	215	25	9	249
Total	**5,859**	**584**	**95**	**6,538**	**5,834**	**705**	**126**	**6,665**

Employees by gender

	2025	2024
Male	4,938	5,095
Female	1,600	1,569
Other	0	1
Total	**6,538**	**6,665**

Employees by type and gender

	2025				2024			
	Male	Female	Other	Total	Male	Female	Other	Total
Permanent employees	4,466	1,393		5,859	4,476	1,358		5,834
Temporary employees	411	173		584	535	170		705
Non-guaranteed hours	61	34		95	84	41	1	126
Total	**4,938**	**1,600**	**0**	**6,538**	**5,095**	**1,569**	**1**	**6,665**

Diversity (S1-9)

Our approach and policies

A diverse workforce can contribute a variety of perspectives, skills, and experiences, that can lead to increased creativity, innovation, and problem-solving at TKH. Diversity can also contribute to a more inclusive and equitable workplace, where all employees feel valued, respected, and supported. However, if the topic of diversity is not managed properly, there could be a potential negative impact on the overall health and wellbeing of our own workforce. To advance the positive impacts and mitigate the potential negative ones, we aim to ensure an open culture whereby employees can openly discuss any concerns, problems, or instances of abuse. We have also integrated diversity into our HR policies, including those concerning recruitment, development, and retention of women in our workforce. TKH is an international group of companies with a workforce that consists of employees from many different nationalities. In such an international environment, we take a broad view of diversity. Our diversity practices focus on a variety of abilities, skills, and nationalities. We employ a mix of men and women of different ages. The current age structure results in a manageable level of staff turnover due to retirement.

We developed targeted programs to raise awareness of diversity and better integrate it into our organization. For example, we have programs for middle and senior management that aim to achieve gender parity in job roles and consultation structures.

Diversity metrics

We monitor KPIs to measure the effectiveness of our diversity initiatives. We set an ambitious diversity target in 2021 to increase the proportion of female employees in executive and senior management roles to at least 25% by 2030. This target was determined based on the 2020 figure of 16.8%, as well as through benchmarking with other technical companies and engagement with various stakeholders. Operating companies are responsible for improving the gender balance within their own organizations, and the Executive Board closely monitors progress.

The executive and senior management positions (top management) are defined as follows:
- Executive management: statutory management director level (reporting directly to the Executive Board).
- Senior management: includes managers who are members of the operating company's management team and are responsible for specific business units or departments (e.g., finance, human resources, sales, marketing, legal, R&D, QHSE, supply chain, and operations).

In 2025, the proportion of women in our total workforce increased slightly, from 23.6% in 2024 to 24.5%. The male-to-female ratio remained relatively high, reflecting the gender composition of the available labor market. However, more women are now choosing technical and technology-related careers, so we can continue to target and recruit more women for positions in our organization. The proportion of female executive and senior management employees decreased from 21.6% in 2024 to 20.5% in 2025.

The Executive Board, Management Board, and Supervisory Board aim to be diverse in terms of age, gender, background, expertise, occupational experience, and nationality, while accounting for the statutory requirements. In terms of gender diversity, the Supervisory Board

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Diversity

Value chain	Time horizon
(O) Own operations	(S) Short-term
	(M) Medium-term
	(L) Long-term

Negative impact
- A lack of diversity could have a potential negative impact on the overall health, wellbeing, and performance of our own workforce.

Risks
- A lack of diversity can result in employees feeling not valued, respected, and supported, resulting in negative reputation, impacting performance of employees and organization and therefore costs.

is composed of at least one-third female members and one-third male members. The Executive Board consists of three members, all of whom are male. The Management Board consists of six members, five of whom are male and one of whom is female. TKH will strive to ensure that new appointments to the Executive Board, Management Board, and Supervisory Board are made with the aim of having of at least one-third female and one-third male members.

Actions

In the year under review, we expanded our diversity program, and we will continue to do so in the coming years in order to meet our ambitious target of achieving 25% female representation in executive and senior management roles by 2030. To this end, we have initiated specific programs to recruit women, including a trainee program for young women. Through this program, female employees have the opportunity to work in different technical and technological positions, combined with a specific development program to develop their other skills, including management and personal development skills. We have also established specific working groups to promote women within our organizations. Through these efforts, we aim to increase the inflow and through-put of female employees at TKH.

In order to recruit new female talent, TKH maintains close contact with business schools and universities. We are in contact with educational institutions that provide job-specific or management training courses. We offer internships, graduation projects, and short courses to attract potential talent at an early stage. In addition, we use targeted programs to attract more female students with limited or lower levels of education – such as those in vocational training – to give them an opportunity to improve their skills in practice, and to spark their interest in a possible job in our organization.

Employees by function and gender

	2025				2024			
	Male	Female	Other	Total	Male	Female	Other	Total
Supervisory Board	2	3		5	2	3		5
Percentage	40.0%	60.0%		100.0%	40.0%	60.0%		100.0%
Target % Supervisory Board		33.3%				33.3%		
Executive Board	3	0		3	3	0		3
Percentage	100.0%	0.0%		100.0%	100.0%	0.0%		100.0%
Target % Executive Board		33.3%				33.3%		
Management Board	5	1		6	5	1		6
Percentage	83.3%	16.7%		100.0%	83.3%	16.7%		100.0%
Target % Management Board		33.3%				33.3%		
Executive and senior management	295	76		371	279	77		356
Percentage	79.5%	20.5%		100.0%	78.4%	21.6%		100.0%
Target % executive/senior management by 2030		25.0%				25.0%		
Total	4,938	1,600	0	6,538	5,095	1,569	1	6,665
Percentage	75.5%	24.5%	0.0%	100.0%	76.4%	23.6%	0.0%	100.0%

Number of employees by age

|	2025				2024			
	Male	Female	Other	Total	Male	Female	Other	Total
Under 30 years old	776	222		998	820	232	1	1,053
Percentage of employees under 30 years old	15.7%	13.9%		15.3%	16.1%	14.8%	100.0%	15.8%
Between 30 and 50 years old	2,612	911		3,523	2,730	894		3,624
Percentage of employees 30 and 50 years old	52.9%	56.9%		53.9%	53.6%	57.0%		54.4%
Over 50 years old	1,550	467		2,017	1,545	443		1,988
Percentage of employees over 50 years old	31.4%	29.2%		30.8%	30.3%	28.2%		29.8%
Total	4,938	1,600	0	6,538	5,095	1,569	1	6,665

This kind of recruitment is a high-priority area for TKH. There is an increasing shortage of qualified female personnel, particularly in technical and technological positions. It will become more challenging to fill such positions in the coming years. However, we have seen that the positioning of our operating companies under the TKH brand has positively impacted our ability to attract new employees. Employer branding is increasingly being used to reach and interest future talent. When recruiting external (female) candidates, we increasingly use referral recruitment, i.e., we ask our current employees to recommend new colleagues. This method increases our chances of finding a good match because our employees can accurately assess a potential candidate's suitability for the position and their fit with the organization. When capacity became available due to reduced demand or other constraints, employees were (in some cases temporarily) reassigned to fill other positions, where possible.

In 2026, we will continue with targeted programs to attract more female students. Also, we will strengthen our development programs to improve skills – including management and personal development skills – to enable women to be promoted to senior and executive positions. We review measures on an annual basis to remedy any negative impact on our own workforce related to diversity. These actions are revisited every year and integrated in our activities at operating company level. Due to the nature of these actions, the resources needed are opex-related and do not require any significant capex. These operating expenses are also not additional, since these initiatives are an integral part of our day-to-day expenses and HR activities.

Employees by gender 2025

75.5%   24.5%
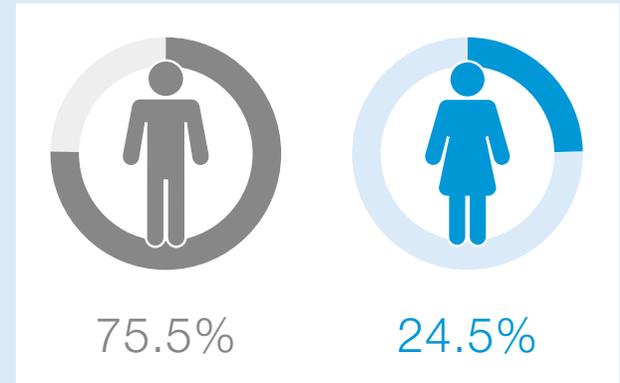
Executive and senior management by gender 2025

79.5%   20.5%
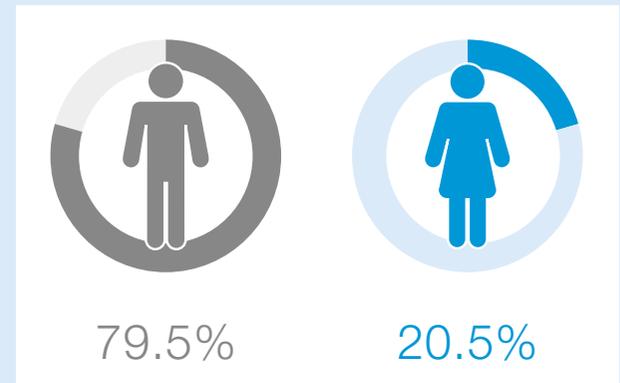
Health and safety (S1-14)

Our approach and policies

Inadequate health and safety measures can negatively impact employees, increasing their risk of illness, injury, and death. These potential consequences can also affect our organization, resulting in lower morale, increased absenteeism, and decreased productivity. For these reasons, safety management – encompassing awareness and performance – is a top priority at TKH. Our efforts in this area include preventing accidents and ensuring a professional safety culture exists at all our work locations and sites. We aim to promote transparency around accidents and near-misses to help our employees recognize potentially hazardous situations and can respond quickly and effectively.

We have implemented a health and safety policy, a safety management system, and health and safety awareness programs within all of our operating companies. In addition, we measure the effectiveness of these initiatives through targets and KPIs to manage actual negative impacts. Through our health and safety policies at our manufacturing companies, we acknowledge our responsibility for protecting the health and safety of our employees. It covers all aspects of the work environment, including physical conditions, working hours, workload, ergonomics, psychosocial factors, and clear work instructions on machine safety. We take strict measures to ensure that employees comply with requirements such as wearing safety shoes and protective clothing. We also encourage employees to alert each other to situations that could lead to dangerous incidents. The primary goal of our health and safety policy is to prevent health problems and work-related accidents.

Safety is crucial for our operating production companies. Due to the nature of their work, our manufacturing companies are certified under the ISO 45001 standard. This ISO standard covers requirements for an occupational health and safety (OH&S) management system, enabling the management of OH&S risks and the improvement of performance. To demonstrate our commitment to safety, we establish specific, measurable performance targets for safety indicators, including work-related injuries that result in lost time and ill health. We aim to identify, assess, and take appropriate preventive measures against risks. We continued to focus on health and safety awareness programs at our production facilities. We conduct regular risk assessments to identify potential safety risks. In some cases, this has resulted in the relocation of machinery or material storage to eliminate the risk. Employees performing activities with a higher safety risk must first complete a special safety

Policy name	Key contents
Health, safety, and environmental (HSE) policy (at operating company level)	• Describes how the operating company deals with health and safety issues, including safety instructions and procedures. • Applicable for all production sites, and if relevant for other locations. • Managing director of the operating company is responsible for implementation. • Based on ISO 14001/45001 standard. • Published on the intranet of the operating companies, and part of local procedures/handbooks.

course. As part of an ongoing safety learning program, we ask our employees safety-related questions on a weekly basis. The goal is to raise awareness of important health and safety topics.

Health and safety metrics

We are firmly committed to achieving zero recordable accidents, and our goal is to create a culture of safety that is ingrained in everything we do. For this reason, we thoroughly analyze each accident and share the lessons learned across the group to avoid similar incidents from happening in other locations. Additionally, we encourage every employee to speak up if they see or experience something unsafe or that could be improved.

52.8% of our own workers are covered by our health and safety management system, which is based on recognized standards. This percentage is calculated based on the total number of our own workers and includes both production sites and office locations. In 2025, 100% of our own workforce at our production sites was covered by the ISO 45001 standard, the international standard for occupational health and safety (OH&S) management systems.

In 2025, there were 102 recordable work-related accidents for our own workforce. The Lost Time Injury Frequency Rate (LTIFR) improved significantly in 2025 to 0.41, compared to 0.67 in 2024, and is below the newly set target of 0.70. In 2025, we adjusted our LTIFR target from <1.0 to <0.7, to demonstrate the importance of safety and our commitment to improving it. TKH defines its Lost Time Injury Frequency Rate (LTIFR) as the number of incidents resulting in at least one day's absence from work, with no possibility of any replacement, per million hours worked. Reportable incidents are based on actual occurrences and are never extrapolated or estimated. Despite a range of measures and an open safety culture, there is an inherent risk of under-reporting accidents, because accidents are self-reported in most cases.

Reported hours are measured, calculated, or estimated. The absolute number of serious accidents reported includes all employees on TKH's payroll, excluding third-party contractor employees. Our LTIFR is reported at the group level and is not specified by region or gender.

The occurrence of accidents confirms the need for continuous training and focus on safety issues within our organization and among our suppliers. Since 2024, our cable production company has obtained the Safety Culture Ladder certification (level 3), in addition to ISO 45001 certification. This will further support the implementation and monitoring of health and safety measurements to mitigate the risk of incidents resulting in work-related injuries. In 2025, the illness rate was 4.11%, slightly above the previous year's rate of 3.97% and slightly above the maximum target rate of 4.0%. Flu-related illnesses had the greatest impact on the small increase of the illness rate.

Actions

In 2026, we will continue implementing safety awareness programs to reduce the number of incidents that occur. We review our existing health and safety program annually, as well as measures to remedy any negative health and safety-related impact on our own workforce. Actions related to our own workforce are revisited every year and integrated into activities at operating company level. Due to the nature of these actions, the necessary resources are opex related and do not require significant capex. These expenses are not additional, as these initiatives are an integral part of our day-to-day expenses and HR activities.

Health and safety metrics (own employees)	Annual target	2025	2024
Percentage of own workers who are covered by health and safety management system		52.8%	51.6%
Number of fatalities as result of work-related injuries and work-related ill health	0	0	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0	0	0
Number of recordable work-related accidents		102	114
Rate of recordable work-related accidents		9.2	9.6
Lost time injury frequency rate (LTIFR) – no replacement work possible (TKH KPI)	<0.70	0.41	0.67

Workers in the value chain (S2)

Introduction

At TKH, we have a diverse technology portfolio spanning various business segments and geographical areas. With suppliers located around the world, we indirectly impact workers throughout our value chain.

Based on our double materiality assessment, we have identified health and safety (working conditions) and child/forced labor (work-related rights) as material topics. Our business may have a potential negative impact on workers in copper mines, which form part of the value chain of our Smart Connectivity systems business segment. Neglecting health and safety can negatively impact workers in the value chain by exposing them to dangerous conditions and increasing the risk of injury or illness. Suppliers in the upstream copper value chain that do not uphold high standards of working conditions and labor rights can pose a reputational risk to TKH, which could lead to financial losses. There are no material positive impacts.

Our approach and policies

To manage potential negative impacts, we have implemented a Code of Supply. We perform desktop reviews and on-site assessments of our strategic tier-1 suppliers (with an annual purchase volume of more than €1 million) and measure effectiveness through targets and KPIs. By signing our Code of Supply, our strategic tier-1 suppliers agree to respect and comply with the fundamental rights granted to all employees under applicable national statutes. Furthermore, we expect our strategic tier-1 suppliers to fully recognize the labor standards issued by the International Labour Organization (ILO), and to take into account the applicable laws and regulations in different countries and at different sites.

This includes, but is not limited to, the following subjects:
- Employment should be freely chosen in accordance with the Universal Declaration of Human Rights of the United Nations.
- We expect our suppliers to prohibit and refrain from any kind of human trafficking, forced labor, compulsory labor, or child labor within their organization.
- We expect that our suppliers promote equal opportunities and equal treatment.
- We expect our suppliers to prohibit any form of discrimination when recruiting, promoting, or selecting employees for basic or advanced training programs. No employee within our suppliers' organizations may be discriminated against based on gender, age, ethnicity, nationality, sexual orientation, disability, union membership, political affiliation, or religious conviction.
- We expect our suppliers to respect employee's rights with regard to collective bargaining and freedom of association.
- We expect our suppliers to fully comply with applicable national statutes on working time.
- We expect our suppliers' employees to receive compensation in line with applicable national statutes.
- We expect our suppliers to ensure a safe working environment and therefore to fully comply with applicable national statutes governing health and safety at work.
- Our suppliers are expected to establish and maintain an appropriate occupational health and safety management system that meets the requirements of ISO 45001 or the national equivalent.
- We expect our suppliers to protect the health and safety of employees and contract labor and minimize any adverse work conditions.
- We expect our suppliers to take all necessary actions to ensure the safety of consumers. They will ensure that

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Social information

Child forced labor, and health and safety

Value chain	Time horizon
(U) Upstream	(M) Medium-term
	(L) Long-term

Negative impact
- Bad working conditions, incidents, and violations of work-related rights, could have a potential negative impact on the overall health and wellbeing of workers in the value chain (copper mines).

Risks
- Suppliers in the upstream copper value chain who do not respect working conditions and labor rights, can pose a reputational risk, which could lead to financial losses.

Policy name	Key contents
Code of Supply	• Describes how we expect our strategic suppliers to act, including criteria on environmental, social, and governance (ESG) topics. • Applicable for all suppliers. • Managing directors of operating companies are responsible for implementation. • Based on labor standards issued by the International Labour Organization (ILO). • Published on our website and should be read and signed by each strategic supplier (those with an annual purchase volume >€1 million).

their products are not made with hazardous substances as defined in the EU Directive on the Restriction of Hazardous Substances.

Value chain of copper

Copper is an important raw material for our cable production companies, which are part of the our Smart Connectivity systems business segment. The copper industry is global, spanning from mines in South America to refineries in Asia. The copper supply chain has several inherent risks, including health and safety (working conditions) and child/forced labor (work-related rights). We are at the end of the value chain, with tier 1, 2, and 3 suppliers in the upstream value chain. We purchase semi-fabricated copper products, such as copper wire, from our tier-1 suppliers. Our tier-2 suppliers are companies that smelt and refine copper purchased from tier-3 suppliers, which are copper mining companies.

Since 2023, our largest cable production company TKF participates in the International Responsible Business Conduct (IRBC) agreement for the Renewable Energy Sector. While the renewable energy sector has achieved great progress on environmental and societal issues, including climate change, there are still numerous obstacles to overcome. As a prominent player in the cable production and telecom industry in the Netherlands, TKF understands the vital importance of sustainable practices and responsible behavior in an ever-evolving world. TKF

has a responsibility as a supplier of subsea cables for offshore wind energy to bring the industry expertise to the forefront and acknowledge the hurdles faced by our company and many others involved in the renewable energy value chain. By participating in this agreement, TKF is committed to collaborating with our stakeholders, as well as all others participating in the renewable energy agreement. We aim to identify and mitigate our own (including suppliers) risks and impacts on both society and the environment. We are also in continuous conversation with our main copper suppliers regarding a responsible supply chain. Our largest supplier in terms of purchase volume is part of The Copper Mark industry initiative. The Copper Mark is an initiative that requires a review of the sustainability standards at copper production sites including mines, smelters, and refineries. The Copper Mark covers the 32 sustainability criteria set out in the Responsible Minerals Initiative's (RMI) Risk Readiness Assessment and incorporates all major environmental, social and governance issues, such as child labor and occupational safety. The Copper Mark is also aligned with the United Nations Sustainable Development Goals (SDGs).

In 2025, we performed a value chain assessment at our largest cable production company TKF in collaboration with one of our customers. Jointly conducting value chain research offers short- and long-term value for all parties involved. Early identification and management of risks helps avoid future liabilities, legal issues, and disruptions

Value chain of copper
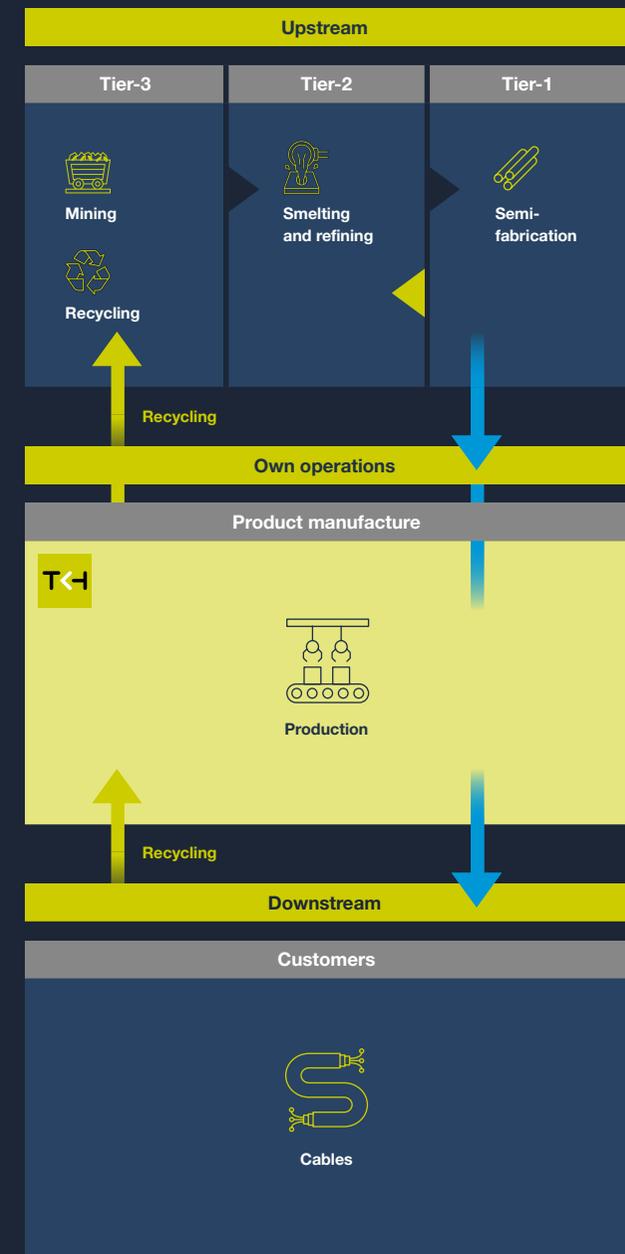
to the value chain. Taking responsibility seriously and acting ethically will have a positive impact on people, society and the environment. The risk assessment includes social-related risk per county, focusing on forced labor & human trafficking, discrimination & gender, child labor, corruption, and government influence. Furthermore the environmental, health & safety risks per raw material and value chain position is included. This part of the assessment is focused on climate & energy, biodiversity & deforestation, air pollution soil & groundwater contamination. Through this assessment we covered 71.1% of our copper usage in 2025 (based on weight). In 2026, we will further enhance and extend the risk assessment. We will also engage with suppliers classified as high risk to manage the identified potential risks, and to discuss the mitigation actions. In addition, we monitor whether our suppliers are certified by the Copper Mark, the internationally recognized assurance framework for responsible copper production supply chains.

Engaging with workers in the value chain

We do not engage directly with workers in the value chain. Consequently, they are not directly involved in setting targets either. We manage relationships with suppliers via meetings. We also perform desktop and on-site supplier assessments of our strategic suppliers to obtain information on the working conditions of value chain workers. Purchase departments within our operating companies are responsible for ensuring that engagement takes place, under the managing director's supervision. A full description of how we manage supplier relationships can be found in the Management of relationship with suppliers section and in the Due diligence process paragraph below. The human rights section of these supplier assessments includes questions on child labor, forced and compulsory labor, working hours, minimum wages, freedom of association, discrimination, and harassment. TKH is committed to an open culture in which people can

Code of Supply

	Annual target	2025	2024
% of strategic suppliers that signed the Code of Supply	>90%	95.9%	89.4%
% of strategic suppliers that signed the Code of Supply and received a desktop assessment		69.3%	54.7%
% of strategic suppliers that signed the Code of Supply and received an on-site assessment		46.4%	31.7%

openly discuss any concerns, problems, or abuses. External parties, such as suppliers or workers in the value chain, can report issues, either directly to the operating company via a complaint procedure, or directly to TKH. The whistleblower procedure establishes a clear course of action for employees or third parties who wish to raise issues or concerns, such as a possible criminal offense or violation of the law, bribery, disclosure of confidential information, dishonesty, or unethical behavior, such as discrimination, sexual harassment, or bullying.

At TKH we are committed to protecting workers in the value chain from retaliation. Reports made in accordance with the established procedure will not negatively affect workers in the value chain. Every complaint or report is investigated through the local complaint procedures. Reports received by TKH are reviewed and investigated by the Group Compliance Officer. If violations are found, ways to mitigate their impact on workers in the value chain will be investigated and implemented. If a supplier does not respond adequately, the business relationship with that supplier will be reevaluated. Existing policies and other measures to prevent this in the future will also be reviewed. In 2025, no severe human rights issues and incidents have been reported.

We are also in continuous conversation with our main copper suppliers regarding a responsible supply chain. This is important because through our tier-1 suppliers we source raw materials from around the world. The countries of origin for the copper supply includes regions that could pose risks regarding compliance with human rights related sustainability standards. Therefore, TKH values long-term business relationships with companies in the copper supply chain. This strategy is crucial for fulfilling the growing global demand for responsibly produced copper. Primary raw materials such as copper will also be needed in the future to satisfy the growing needs for metals for the green transition.

Due diligence process

We have implemented proactive measures to mitigate harm to workers in the value chain. As part of the onboarding process for new suppliers, we conduct a high-level preliminary screening, followed by direct engagement with suppliers via our Code of Supply and assessments. We expect our strategic suppliers to sign the Code of Supply, after which they undergo desktop and on-site assessments based on our self-assessment checklist. Strategic suppliers are suppliers with an annual purchase volume exceeding €1 million in the reporting year.

Tier-1 copper suppliers

	Target 2030	2025	2024
% of tier-1 copper suppliers certified by The Copper Mark (based on purchased kg)	>80%	54.9%	59.0%
% of tier-1 copper supplier assessed (2025 risk management assessment – based on purchased kg)	100%	71.1%	78.2%

The assessments we have conducted with our suppliers have not revealed any material violations of human rights in our value chain. If violations are found, the business relationship with the supplier concerned will be reevaluated.

More information is included in the Management of relationship with suppliers section.

In 2025, we assessed 71.1% of the tier-1 copper suppliers of our largest cable production site using our newly developed, comprehensive risk assessment (see value chain of copper, based on purchased kilograms). Our largest supplier in terms of purchase volume is part of "The Copper Mark" industry initiative. The Copper Mark is the leading, internationally recognized assurance framework for responsible copper production supply chains. The Copper Mark covers the 32 sustainability criteria set out in the Responsible Minerals Initiative (RMI)'s Risk Readiness Assessment, and incorporates all major environmental, social, and governance (ESG) issues, such as child labor and occupational safety. The Copper Mark is also aligned with the United Nations Sustainable Development Goals (SDGs). Our target is to have at least 80% of our copper suppliers certified by The Copper Mark by 2030. In 2025, 54.9% of our tier-1 suppliers (based on purchased kilograms) were certified by The Copper Mark.

Actions

In 2025, we reviewed whether it is necessary to develop a supplemental policy for workers in the value chain, in addition to existing policies. We decided to first complete the new 2025 risk assessment, to identify all relevant risks in the value chain. In 2026, we will further enhance and extend the risk assessment. We will also engage with suppliers classified as high risk to manage the identified potential risks, and to discuss the mitigation actions. Actions related to workers in the value chain are reviewed every year and incorporated into activities at operating company level. The necessary resources are opex-related and do not require significant capex. These operating expenses are not additional, since these initiatives are an integral part of our day-to-day expenses and procurement activities.

Code of Supply

We aim for

>90%

Signing of Code of Supply by our strategic suppliers

Year	Percentage
2025	95.9%
2024	89.4%
2023	91.9%
2022	91.9%
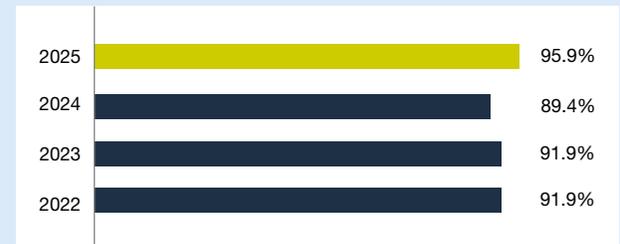
Consumers and/or end-users (S4)

Introduction

At TKH, we possess a wide range of technologies in our portfolio, and we operate in different business segments and geographical areas with customers worldwide. All our sales transactions are business-to-business (B2B), and as a result, we have an indirect impact on consumers and end users.

Based on our double materiality assessment, we identified privacy (cybersecurity) as a material topic for our business. Data leaks, cyber incidents involving GDPR-sensitive data, and the loss of business-sensitive information could have a potential negative impact on consumers' rights to data protection. Perceived risks of data leaks could lead to decreased sales, contract terminations, or reputational damage for TKH.

Data protection is also relevant for our products that store customer data, such as portfolio and customer production data stored in our tire building machines and vision systems. Therefore, this topic covers the privacy and security of the products and services we sell as well as the cybersecurity of our organization. Inadequate protection of customer data could lead to legal violations, fines, penalties, and a loss of trust in TKH. There are no material positive impacts.

Our approach and policies

We do not have a specific policy for consumers and/or end-users, nor are they directly involved in target setting. Our current policies do not include mechanisms or processes for monitoring compliance with the UNGC, ILO Declaration, or OECD Guidelines, nor do they include measures for remedying any negative impact on human rights. We will review the necessity of developing a specific policy for consumers and/or end users. We have included provisions regarding respect for and protection of human rights in our Code of Conduct. Based on the UN Guiding Principles on Business and Human Rights, our Code of Conduct does not tolerate any human rights violations. We use the OECD Guidelines and ILO Declaration on Fundamental Principles and Rights at Work as reference frameworks.

Cybersecurity relates to the risk of breaching the availability, confidentiality, and integrity of data (including IP). It also includes cyberattacks that compromise data (including IP) to disrupt business operations and infrastructure. Important elements of our approach to managing this issue include our decentralized IT landscape, use of multiple enterprise resource planning (ERP) systems, continuity of production sites, protection of developed technologies (IP protection), and adherence to data protection legislation, including the GDPR. To mitigate potential negative impacts, we have implemented an IT and security policy, and perform IT audits and penetration testing. We measure effectiveness through targets and KPIs, and we guide our operating companies to implement effective cybersecurity measures.

The IT and security policy covers important topics such as business continuity, operational IT controls, and guidelines on secure software development. IT audits are conducted at operating company level, and action plans are implemented to address identified vulnerabilities in IT systems. As a result, cybersecurity and cyber risks are treated as high-priority topics, and awareness of potential risks has increased throughout the organization. We communicate with our workforce about important cybersecurity issues through a regular newsletter.

Social information

Privacy (cybersecurity)

Value chain	Time horizon
O Own operations	**S** Short-term
D Downstream	**M** Medium-term

Negative impact

- Data leaks or cyber incidents involving GDPR-sensitive data, and loss of business sensitive information, could have a potential negative impact on the right of data protection.

Risks

- Privacy can be a financial risk. If customer data is not adequately protected it could lead to violation of laws, fines and penalties and loss of trust.

We perform penetration tests at select operating companies to evaluate their resilience against digital attacks, identify potential vulnerabilities, and assess their potential impact. These tests aim to help us identify potential vulnerabilities in our IT infrastructure, implement secure processes and effective controls, and enable a culture of safety and integrity, without material incidents.

In 2025, we placed more emphasis on the EU NIS2 Directive, which EU member states are partly transposing into national law. In addition, we began conducting assessments to implement the EU Cyber Resilience Act (CRA), which will impose reporting obligations regarding vulnerabilities and incidents starting in late 2026 and require full product compliance beginning in 2027. Cybersecurity is a recurring agenda item in Executive Board and Audit Committee meetings, and IT & Security is one of the Internal Audit team's immediate focus areas.

The General Data Protection Regulation (GDPR) is the primary European legislation concerning the protection of private data, and it imposes strict rules on the use and storage of personal data. One of the GDPR's requirements is to establish a processing register that shows what personal data is used or stored, where it is stored, and its purpose. The establishment of this register aims to provide insight into and control over an organization's data processing and related privacy controls. In response, we have drawn up and implemented an internal privacy policy within TKH. In collaboration with the internal Legal Advisor (who is also the Data Privacy Officer), the Internal Audit team ensures the proper application of GDPR legislation within our organization.

These policies and procedures collectively reflect our strong commitment to respecting the human rights of consumers and end users.

Policy name	Key contents
IT and security policy	• Guidance on IT controls and information security, including security breach/incident reporting and intellectual property protection, amongst other things. • Applicable for all operating companies. • Managing directors of our operating companies are responsible for implementation. • Based on ISO 27001:2022 controls. • Provided to managing directors and the teams responsible for each operating company's IT and security.
Privacy policy	• Describes how we act as a company on privacy-related topics and how we want to protect personal employee data within our company. • Applicable for all operating companies. • Managing directors of our operating companies are responsible for implementation. • Based on the EU's GDPR. • Provided to managing directors and available to all business functions that have access to the Cognos reporting system.

Engaging with consumers and end-users

We measure, monitor, and evaluate customer satisfaction by conducting comprehensive surveys every four years. These surveys cover predefined topics and provide the opportunity for customers to voice other concerns, such as those related to privacy or data protection. Based on the survey results, we can take specific action to address any data privacy issues that arise. The operating company's managing director is responsible for executing the survey and the implementing defined actions.

At TKH, we are committed to fostering an open culture in which people can discuss concerns, problems, or abuses without fear of retaliation. Customers and other external parties can report issues to a particular operating company via the complaint procedure, or directly to TKH. We have established a whistleblower procedure to provide a clear course of action for employees or third parties who wish to raise issues or concerns. We fully investigate every complaint or report that we receive. Complaints reported to operating companies are investigated through the relevant local complaint procedures. We report on two KPIs related to this topic as part of our sustainability reporting: the number of received complaints and the number of complaints settled within five working days. Reports received by TKH are reviewed and investigated by the Group Compliance Officer. Depending on the topic, we may appoint an external researcher to ensure independence and objectivity. If deemed necessary, disciplinary and corrective measures are taken. We do not specifically assess whether our consumers and/or end-users are aware of or trust these structures or processes for raising their concerns or needs. More information is included in the section Business conduct section.

Data leaks and cyber incidents require immediate corrective action to prevent escalation. Where an incident involves a GDPR breach that presents a risk to the affected individuals, we immediately inform the customer, and the incident is reported to the relevant local authority and the affected individuals. The perspectives of affected individuals do not influence the management of actual GDPR incidents. However, with respect to potential impacts, individuals may contact the data controller (our customers) to exercise their GDPR rights and we will comply with such requests where applicable.

We have established procedures to manage and mitigate system failure or downtime if a project experiences such issues. We act immediately to stop the incident and communicate with the affected customer, keeping them updated on the restoration of normal operations.

The engagements have not revealed any material human rights violations. If violations do occur, the business relationship will be reconsidered. In addition, we will investigate and implement ways to remediate the impact on consumers and end users. Existing policies and other measures will be reviewed to prevent this from happening again.

More information is included in the Business conduct policies and corporate culture section.

Consumers and/or end-users metrics

We continuously train our employees to detect phishing attempts via email. To raise awareness and train detection skills, we regularly send fake phishing emails to employees. If they miss the signs of phishing and make a mistake, we inform them of the signs they should have noticed in the fake email.

Several minor and non-material security incidents occurred within our own operations during the year under review. These incidents reinforce the need to remain vigilant to IT security risks. In 2025, TKH experienced no cybersecurity incidents within its own operations that had a direct financial impact exceeding €100k. We address consumer and end-user topics continuously through ISO 27001 because part of our operating companies are ISO 27001 certified. The ISO 27001 standard provides security requirements that mitigate the risk of cybersecurity incidents and their potential impact. At the end of 2025, we updated our IT and security policy, which will be implemented in 2026. We will also continue conducting

Customers and end-users			
	Target	**2025**	2024
Number of reported cybersecurity incidents within our own operations with direct financial impact on TKH of >€100k	0	0	1
Customer satisfaction survey score (CMD 2028 target)	>8.5	8.6	8.6

internal audits to identify areas for improvement. Further information about IT security can be found in the Risk management section.

We measure, monitor, and evaluate customer satisfaction through surveys conducted every four years. In 2025, as part of our CMD 2028 targets, we adjusted our customer satisfaction survey score target from >7.8 to >8.5 because our performance in 2024 exceeded the original target. Our average customer satisfaction survey score for 2025 was 8.6, compared to 8.6 in 2024. The reported customer satisfaction score (on a scale of one to ten) is based on the outcome of the most recent surveys, conducted by an external research company. Each year, several operating companies conduct the survey. Each survey reflects the customer base of the respective operating company. The 2025 customer satisfaction score reflects survey results from the period 2022-2025 and is based on the weighted average of all responses from customers of selected operating companies during this period. For project-driven operating companies, we employ qualitative surveys and interviews to gain deeper insights.

We aim to provide an even better customer experience through training and skills management and process standardization, as well as by improving our availability, information systems, and 24-hour service.

Actions

In 2025, we reviewed whether it is necessary to develop a supplemental policy for consumers and/or end-users in addition to the existing policies. We concluded that an additional policy is not necessary, because the existing policies including (updated) grieving mechanism will sufficiently cover the relevant aspects. At the end of 2025, we updated our IT and security policy, which will be implemented in 2026. In the next year, we will focus on the implementation of the EU Cyber Resilience Act (CRA), which could impact our business operation s and processes towards our end customers.

We did not identify any specific actions related to our own practices regarding product design, marketing, or sales. We also did not identify whether collaborative action with other relevant industry parties is required. We review actions related to consumers annually and integrate findings into our activities at operating company level. Due to the nature of these actions, the necessary resources are opex-related and do not require any significant capex. These operating expenditures are also not additional, since these initiatives are an integral part of our day-to-day expenses and sales activities.

Governance information

Business conduct (G1)

Introduction

As a global technology company with decentralized operations in 34 countries, which interacts with a large number of business partners and suppliers, TKH depends on transparency, trust, ethical business conduct, and compliance throughout its organization and value chains. Compliance with applicable laws and regulations and TKH's policies, procedures, and guidelines can help mitigate a range of risks, including those associated with fraud, corruption, bribery, unfair competition, export violations, and sanctions.

Failure to comply with applicable regulations and expectations for responsible business conduct can result in loss of license to operate and could expose TKH to investigations and criminal and civil sanctions such as fines and penalties. It can also materially impact financial results. Since the defined targets are derived from compliance requirements, key stakeholders are not directly involved in the target-setting process. The company has procedures in place related to fraud, bribery, or material non-compliance issues, specifically related to accounting, internal controls, and auditing matters. Fraud and non-compliance are also key areas of focus during Audit Committee meetings and the audit by the external auditor.

Inadequate management of supplier relationships could jeopardize the adequate inflow of important (raw) materials. Global economic, market, and geopolitical developments could influence the execution of the strategy and the financial position and results of TKH. Examples are the Russia-Ukraine war and economic and political confrontations between world powers (such as trade tariffs and the availability and price of energy), the erosion of trade agreements, and the impact of (global) inflation. In this context, the monitoring of supplier dependency is also important.

More information on human rights in the value chain can be found in the Social information section.

Role of administrative, management, and supervisory bodies

The Executive Board, led by the CEO, holds ultimate responsibility for defining, implementing, and monitoring business conduct policies across the organization. This includes ensuring governance policies are aligned with strategic objectives, regulatory requirements, and ethical business practices.

To ensure effective oversight of business conduct, TKH has established clear procedures and accountability mechanisms, covering the following areas:

- Policy development: Governance policies are developed by the Executive Board, reviewed by the Supervisory Board, and formalized in internal procedures.
- Implementation and monitoring: The Director of Sustainability, reporting to the CEO, is responsible for operational enforcement of compliance beyond reporting obligations.
- Risk management and internal controls: The Internal Audit Department assesses governance risks related to business conduct, ensuring controls are in place to mitigate potential ethical and compliance risks.
- Training & awareness: Board members and senior management undergo training on corporate ethics, business conduct, and compliance. Where no formal program exists, action plans will be developed to address this gap.

The Supervisory Board ensures that the Executive Board not only monitors governance and sustainability but also actively enforces ethical business practices and compliance frameworks, intervening when necessary to uphold integrity standards. Beyond overseeing sustainability reporting, the Audit Committee ensures continuous improvement of governance policies, monitors the effectiveness of governance policies and internal controls, and assesses compliance with business conduct requirements to safeguard ethical integrity. Both boards have expertise in corporate governance, risk management, compliance, and sustainability, ensuring effective oversight of business conduct. Members have backgrounds in finance, law, ESG compliance, and general business ethics, supporting informed decision-making and strategic alignment with regulatory and ethical standards.

Business conduct (G1)
- Corporate culture (G1-1)
- Management of relationship with suppliers (G1-2)
- Corruption and bribery (G1-3 and G1-4)

Entity-specific
- AI and algorithm ethics

Corporate culture (G1-1)

TKH conducts its business according to the principles of honesty, integrity, accountability, and transparency. We are committed to complying with relevant laws and regulations. These core values define the culture and behaviors that we strive to uphold and continuously embed throughout TKH. All employees are expected to be aware of the core values that underpin our actions and our risk profile, and to take responsibility for any potential risks. They are also expected to act in accordance with TKH's Code of Conduct. This Code of Conduct is fundamental to everything we do and describes how we act as a company, how we make ethical decisions, and how we deal with different dilemmas within our company. Additional policies have been implemented in relation to the principles included in the Code of Conduct, including:
- rules and guidelines for decision-making, and approval procedures and authorization levels for the management of our operating companies;
- an Internal Control Framework (ICF), which is used to analyze and evaluate the strategic, operational (including sustainability), financial, and compliance risks for its operating companies;
- various rules of conduct for employees, customers, and suppliers, including a whistleblower procedure; and
- guidelines for internal control procedures, an IT security policy, a treasury policy, and a financial and non-financial (including sustainability) reporting manual.

More information can be found in the Risk management section.

Code of Conduct
We have a Code of Conduct in place to ensure that every employee acts in accordance with TKH's guidelines. The Code of Conduct uses the OECD Guidelines as a reference framework, in addition to the guidelines provided in the UN Global Compact, which is endorsed by TKH. Our Code of Conduct defines the way we live our core principles every day. It covers various topics related to the principles of honesty, integrity, and transparency, including anti-bribery and anti-corruption, honest business conduct, conflicts of interest, health and safety, and human rights. Clear guidelines, operational control, and a zero-tolerance policy regarding matters of principle, such as fraud, bribery, and corruption, ensure that all work is carried out in accordance with the appropriate principles and agreements.

Each employee working for TKH receives the Code of Conduct and needs to sign the Code of Conduct as proof of having read and understood what it requires from them. The managers of our operating companies are responsible for implementing the Code of Conduct in their organizations. The content of the Code of Conduct is included in internal training programs. The Code of Conduct has been signed by 99.3% (2024: 98.9%) of all employees. The annual target of 100% has not been achieved, partly due to a longer-than-expected lead time for new employees to sign the Code. We are in close contact with the operating companies, and we are establishing clear rules to eliminate such delays as soon as possible. The Internal Audit team plays an important

Corporate culture

Value chain	Time horizon
Ⓞ Own operations	Ⓢ Short-term
	Ⓜ Medium-term
	Ⓛ Long-term

Negative impact
- Absence of good corporate culture can potentially have a negative impact as a result of a lack of accountability, unethical behavior, and inadequate response to environmental and social challenges.

Risks
- Failing to address the potential negative impact can result in regulatory fines, legal penalties, and reputational damage.

Code of Conduct			
	Annual target	**2025**	2024
% of total employees that signed the Code of Conduct	100.0%	99.3%	98.9%

role in monitoring the effectiveness of the Code of Conduct. It works closely with TKH's Compliance Officer and Legal Advisor.

Policy name	Key contents
Code of Conduct	• Describes how we act as a company, how we make ethical decisions, and how we deal with different dilemmas within our company. • Applicable for all operating companies. • Operating company managing directors are responsible for implementation. • The OECD Guidelines are used as a reference framework, in addition to the UN Global Compact guidelines. • Published on our website, and should be read and signed by all employees.
Whistleblower procedure	• Procedure to raise issues or concerns, such as a possible criminal offense or violation of the law, a violation of TKH's internal policies and/or procedures, the giving or receiving of a bribe, the disclosure of confidential information, and dishonesty or unethical behavior, among others. • Applicable for all employees and third parties. • Operating company managing directors are responsible for implementation. • Based on the EU Whistleblower Directive 2019/1937. • Provided to managing directors and confidential officers, and available for all functions that have access to the Cognos reporting system.
Internal Control Framework	• Describes how we act as a company, how we make ethical decisions, and how we deal with different potential dilemmas within our company. • Applicable for all operating companies, except for companies classified as small (<20 FTEs). • Operating company managing directors are responsible for implementation. • Based on the COSO 2017 framework. • An ICF per process (e.g., sales, procurement) is included in reporting forms in the Cognos reporting system, and is available for all functions that have access to the system.
Code of Supply	• Describes how we expect our strategic suppliers to act, including criteria on ESG topics. • Applicable for all suppliers. • Operating company managing directors are responsible for implementation. • Based on labor standards issued by the International Labor Organization (ILO). • Published on our website and should be read and signed by each strategic supplier (annual purchase volume >€1 million).
Internal control procedures	• Guidance on specific internal control procedures, addressing adequate segregation of duties, adequate security of valuable and movable assets, monthly reviews of operating performance, and reporting to TKH, among others. • Applicable for all operating companies. • Operating company managing directors are responsible for implementation. • Based on general internal control standards and the COSO 2017 framework. • Provided to managing directors and available for all functions having access to the Cognos reporting system.

Internal reports and whistleblower procedure

TKH is committed to a culture where employees can openly discuss any concerns, problems, or (suspected) violations of the Code of Conduct. Employees can report any misconduct or (suspected) violations through an internal reporting procedure. Depending on the situation, the report can be made to the direct supervisor, HR, or local management.

In addition, a whistleblower procedure provides a clear course of action for employees who wish to raise issues or concerns related to ethical conduct. Our whistleblower policy is described in detail in previous chapters.

In 2025, no reports were received through the whistleblower procedure. Also, no violations of the Code of Conduct were reported through the internal reporting procedure. There are no incidents reported related to bribery, corruption, discrimination or harassment. We believe it is important to promote an open and transparent culture and to assess matters in employee satisfaction surveys.

Actions related to the procedures are part of our annual business plan and are revisited every year. Due to the nature of the actions, the resources needed for these actions are opex-related and do not require any significant capex. The opex-related resources are also not additional, since these initiatives are an integral part of our day-to-day expenses and HR activities.

Policy name	Key contents
IT and security policy	• Guidance on IT controls and information security, including security breach/incident reporting and intellectual property protection, among others. • Applicable for all operating companies. • Operating company managing directors are responsible for implementation. • Based on ISO 27001:2022 controls. • Provided to the managing directors and IT/security leads of each operating company.
Financial Reporting Manual	• Guidance on financial reporting, addressing accounting principles and valuation methods for balance sheet and profit and loss accounts, including guidance on reporting through our Cognos financial reporting system. • Applicable for all operating companies. • Operating company managing directors are responsible for implementation. • Based on the IFRS Standards. • Provided to managing directors and available for all functions with access to the Cognos reporting system.

Actions

In 2025, we updated the whistleblower procedure. The updated procedure will be implemented in early 2026, together with a new online platform through which (anonymous) reports can be submitted. Once the implementation has been completed, a new training program for staff receiving and managing whistleblower reports (confidential officers) will be introduced. Actions related to business conduct are revisited annually and integrated into the activities at the operating company level. Due to the nature of the actions, the resources needed for these actions are opex-related and do not require any significant capex. The opex-related resources are also not additional, since these initiatives are an integral part of our day-to-day expenses and (HR) activities.

Internal reports and whistleblower			
	Annual target	**2025**	2024
Number of reports through internal reporting procedure	all	0	3
Number of reports through whistleblower procedure	all	0	0

Code of Conduct

We aim for

100%

Signing of Code of Conduct by our employees

2025	99.3%
2024	98.9%
2023	96.5%
2022	97.7%

Management of relationship with suppliers (G1-2)

We expect our suppliers to adopt a zero-tolerance policy on issues that are material to us. Our principles and requirements are set out in our Code of Supply, which covers environmental, social, and governance topics such as human rights, environmental impact (such as policies, environmental management systems, and pollution prevention), occupational health and safety, compliance with law and regulations (including related to corruption and bribery), and ethical behavior. This set of environmental, social, and governance topics is part of our supplier selection criteria. In the case that the criteria are not met by the supplier, the business relationship will be reconsidered. We expect our strategic suppliers (suppliers with an annual purchase volume of more than €1 million) to sign the Code of Supply. This is followed by a desktop assessment and an on-site assessment.

The Code of Supply has been signed by 95.9% (2024: 89.4%) of all suppliers in scope. The annual target of 90% has been achieved, despite a longer lead time for new suppliers to sign the Code. We are in close contact with the suppliers, and we are establishing clear rules to eliminate such delays as soon as possible. To verify the items stipulated in the Code of Supply, our ambition and goal is to conduct a desktop assessment of the supplier in question within two years of signing the Code of Supply and the on-site assessment within five years after signing the Code of Supply. Internal Audit has included the

auditing of processes related to the Code of Supply in its work program.

We have included provisions regarding the respect and protection of human rights in both our Code of Conduct and our Code of Supply. Our policy does not tolerate any violation of human rights. We use the OECD Guidelines as a reference framework to enable us to adequately identify potential risks. The OECD Guidelines refer to the Universal Declaration of Human Rights, which states that all parties in society, including companies, have an obligation to respect and protect human rights. In addition, the guidelines provided in the UN Global Compact are endorsed by TKH.

As part of the assessment process that we carry out with suppliers as part of our Code of Supply, we ask suppliers about their human rights record and discuss potential risk areas such as discrimination, the right to social security, and the risk of child labor in the value chain. The assessments carried out with suppliers have not revealed any violations of human rights. In the case of violations, the business relationship will be reconsidered. Privacy is an important human rights principle. People must be able to live in freedom without excessive surveillance or disclosure of their private lives. The Dutch Privacy Act, including the EU General Data Protection Regulation (GDPR), gives people more rights – and organizations more obligations

Code of Supply	Annual target	2025	2024
% of strategic suppliers that signed the Code of Supply	>90%	95.9%	89.4%
% of strategic suppliers that signed the Code of Supply and received a desktop assessment		69.3%	54.7%
% of strategic suppliers that signed the Code of Supply and received an on-site assessment		46.4%	31.7%

– meaning the careful handling of personal data is essential. Internal Audit covers human rights as part of its auditing activities and asks our managers about their compliance with human rights and whether any potential human rights conflicts could arise, especially in the value chains in which we operate.

The optimization of our (regional) portfolio and local manufacturing footprint also contributes to the mitigation of supplier risks. Situations where important raw materials such as copper, aluminum, steel, plastics, and technical (electronic) components have long delivery times, are unavailable, or are only available in limited quantities can put pressure on our profit margins. The same is true of price increases related to raw materials. To mitigate these risks, we increase our inventory of critical raw materials and components where applicable. At the same time, we try to redesign products as much as possible to increase the use of alternative materials and components with better availability/pricing, in addition to the use of alternative suppliers. Finally, we have developed cooperation pro-grams between operating companies to discuss develop-ments, trends, and risks, and to leverage buying power and knowledge within the group and business segments.

Actions

On an annual basis, we review our existing policies related to the management of suppliers, including the Code of Supply and connected self-assessment. We will also evaluate whether additional programs are required to further increase the number of suppliers that must sign the Code of Supply and receive a desktop assessment or an on-site assessment. Actions related to the management of relationships with suppliers are revisited every year and integrated into activities at the operating company level. Due to the nature of the actions, the resources needed for these actions are opex-related and do not require any significant capex. The opex-related resources are also not additional, since these initiatives are an integral part of our day-to-day expenses and procurement activities.

Dektop assessment strategic suppliers

We aim to conduct a desktop assessment

<2 years

We aim to conduct a desktop assessment of the strategic supplier within 2 years of sigining the Code of Supply
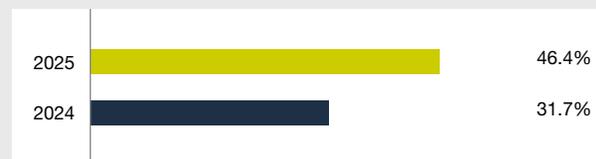
2025 — 69.3%
2024 — 54.7%

On-site assessment strategic suppliers

We aim to conduct an on-site assessment

<5 years

We aim to conduct an on-site assessment of the strategic supplier within 5 years of sigining the Code of Supply

2025 — 46.4%
2024 — 31.7%

Corruption and bribery (G1-3 and G1-4)

We are committed to conducting our business fairly, transparently, and with integrity, while applying high ethical and legal standards. We do not approve of any form of corruption and bribery, or of any other form of unethical business practice. We have a Code of Conduct in place, covering various topics, including anti-corruption and anti-bribery. TKH has endorsed the ten principles of the United Nations Global Compact in the areas of human rights, labor, environment, and anti-corruption, which are aligned with the United Nations Convention against Corruption. We are committed to not only avoiding bribery, extortion, and other forms of corruption but also to proactively developing policies and concrete programs to address corruption internally and within our most important supply chains.

As part of our TKH Manual, we have a set of internal guidelines and procedures related to anti-corruption or anti-bribery, focusing on internal control measures, management responsibilities, and authorization requirements. In addition, we have internal guidelines and checklists on compliance with sanctions and export regulations for transactions with customers. Through the TKH Code of Supply, we make our strategic suppliers aware of our expectations for them to follow our business ethics and confirm this by signing the Code of Supply. Compliance with this code is verified during supplier audits. As described under Business conduct policies, any violation of our anti-corruption or anti-bribery rules and procedures can be reported through our whistleblower or internal reporting procedure and is investigated by the Group Compliance Officer and/or an independent team, separate from the chain of management. Each report is submitted to the Executive Board and Supervisory Board through the Audit Committee.

TKH has embedded its risk management policy at all levels of the organization. This involves an Internal Control Framework (ICF), which is used to analyze and evaluate the strategic, operational (including sustainability), financial, and compliance risks for its operating companies (including potential corruption and bribery risks). TKH's risk management policy reflects the organization's size and decentralized structure. The implementation of the components of this risk management policy is assessed and monitored by Internal Audit. An open, transparent culture with sufficient critical capacity is a prerequisite for an organization to properly manage risks, responsibilities, and competencies. TKH considers a suitable risk management model to be an important tool for creating sustainable long-term value, and a continuous focus on risk awareness is a key element of TKH's culture. The pursuit of a balanced risk profile is embedded in this culture through short lines of communication and is supported through the close monitoring of agreed-upon objectives using a comprehensive key performance indicator (KPI) dashboard.

More information can be found in the Risk management and the Management of relationship with suppliers sections.

The company's internal risk management and control system is also an ongoing focus for the Audit Committee of the Supervisory Board. Topics such as non-compliance with laws and regulations, specifically (commission) payments to third-party agents and non-routine transactions in high-risk countries, are frequently discussed. At least once a year, the Audit Committee discusses the company's fraud risk assessment, including inherent fraud risks, identified significant risks, and other risks and focus

Governance information

Corruption and bribery

Value chain

Ⓞ Own operations

Time horizon

Ⓢ Short-term
Ⓜ Medium-term
Ⓛ Long-term

Negative impact

- Not preventing the spread of unethical and illegal practice could have a potential negative impact on societal well-being.

Risks

- Corruption and bribery can result in a lack of transparency and accountability, leading to erosion of public trust and damage to TKH's reputation.

areas, including corruption and bribery. Internal Audit performs audit activities to gain a clearer picture of the potential risks of fraud, non-compliance, corruption, and bribery, and reviews internal control measures related to these risks. Fraud and non-compliance are also areas of attention during the audit of our financial statements by the external auditor. Based on the internal fraud risk assessments performed, we have identified a potential and inherent corruption/fraud risk in the value chain of our business segment Smart Manufacturing systems due to the use of third-party agents in serving a proportion of our end customers. We have implemented various measures to mitigate the risk, such as guidelines and template contracts to govern the working relationships with agents and intermediaries. We also provide training to our third-party agents to ensure that every agent acts in accordance with TKH's guidelines.

As part of our internal training program, we organized several physical and online meetings to address important topics related to fraud, corruption, and bribery. Our efforts specifically focus on functions at risk of corruption and bribery, which include procurement, sales, legal, financial administration, and senior and executive management. In addition, our operating companies have implemented company-specific training programs focusing on the most relevant corruption and bribery risks for their business, for example, related to commission payments to third-party agents. In 2025, we launched a group-wide e-learning platform for training programs. The new training program for functions at risk of corruption and bribery will be launched in 2026 to help our employees act in accordance with our anti-corruption and anti-bribery rules and procedures.To enhance governance competencies, board members participate in regular training sessions on various topics. Several topics have been covered across the in-depth sessions, including double materiality, cybersecurity, and sustainability regulations. This helps ensure continuous learning and adaptation to evolving governance challenges. Members of the Executive Board and Supervisory Board will also participate in the new training program for functions at risk of corruption and bribery.

In 2025, no confirmed incidents of corruption or bribery were reported, and there were no convictions for the breach of such laws (annual target: no incidents or fines). In addition, there were no instances of employees being dismissed or disciplined for corrupt practices during the year. Any incident of corruption or bribery is assessed to determine if additional internal control measures or other actions are needed. Each incident is investigated by the Group Compliance Officer. Depending on the topic, an external researcher may be appointed to ensure independence and objectivity in the investigation. If deemed necessary, disciplinary and corrective measures are taken. Each incident is reported to the Executive Board and Supervisory Board through the Audit Committee.

Actions
In 2025, we completed the introduction of a group-wide e-learning platform for all employees. In 2026, we will introduce a new training program for functions at risk of corruption and bribery, including members of supervisory bodies. Actions related to anti-corruption and anti-bribery are revisited every year and integrated into the activities at the operating company level. Due to the nature of the actions, the resources needed for these actions are opex-related and do not require any significant capex. The opex-related resources are also not additional, since these initiatives are an integral part of our day-to-day expenses and (HR) activities.

Anti-corruption and anti-bribery training

	Annual target	2025	2024
% of at risk employees covered by anti-corruption and anti-bribery training	>90%	36.7%	27.5%

Incidents of corruption and bribery

	Annual target	2025	2024
Number of convictions for breach of anti-corruption and anti-bribery laws	0	0	0
Total fines for convictions for breach of anti-corruption and anti-bribery laws	€0	€0	€0

AI and algorithm ethics (entity-specific material topic)

Introduction

In line with the outcomes of the DMA process, artificial intelligence (AI) and algorithm ethics has been identified as an entity-specific material topic because AI is an important part of TKH's business strategy and R&D roadmap.

Implementing AI is not just a question of efficiency and streamlining laborious tasks. Thanks to machine learning and deep learning, AI applications can learn from data and results in near real-time, analyzing new information from many sources and adapting accordingly, with a level of accuracy that is invaluable to business. This ability to self-learn and self-optimize means AI continually compounds the business benefits it generates. In this way, AI helps our businesses to adapt at speed, with a regular stream of insights to drive innovation and competitive advantage – a major asset in a business landscape defined by near-constant disruption. When scaled, AI can become a key enabler of our strategic priorities.

At the same time, the use of AI systems must not go beyond what is necessary to achieve a legitimate aim. Therefore, risk assessment should be used to classify AI algorithm systems to prevent harms that may result from such uses, such as unjustified actions, bias, discrimination, or breach of privacy (AI ethics). Non-compliance with AI algorithm ethics could lead to the breach of laws, fines and penalties, reputational damage, and loss of trust. In addition, the use of AI tools within our own operations could lead to leakage of business-sensitive information such as intellectual property.

Use of AI tools

The input of confidential or sensitive information into an AI tool could result in the disclosure of such information to third parties. Similarly, the input of personal identifiable information can lead to breaches of privacy laws. Therefore, in order to mitigate these risks, we developed an AI Tools policy in 2024. The purpose of this policy is to establish guidelines for the appropriate and ethical use of AI within TKH, including the use of generative AI and algorithmic AI tools, to ensure that AI technology is used to enhance productivity, efficiency, and decision-making while complying with applicable laws and respecting

Policy name	Key contents
AI Tools policy	• Provides guidelines for the appropriate and ethical use of AI within TKH, including the use of Generative AI and Algorithmic AI tools. • Applicable for all employees and contractors. • Operating company managing directors are responsible for implementation. • Based on the EU AI Act 2024/1689 and the TKH IT security policy. • Published on our intranet and distributed to all operating company managing directors, and their management teams.

privacy, confidentiality, and data security. This Policy applies to all employees and to all (independent) contractors who perform services for TKH. Interests of key stakeholders in setting the policy are not considered specifically, as the policy is based on the EU AI Act 2024/1689 and the TKH IT security policy.

As a general principle, it is not permitted to use any AI tools unless they have been approved for use by the internal AI Tooling Committee. It is never allowed to use TKH-AI tools for non-work-related purposes, illegal activities, spamming, or any other unsolicited advertising. No AI user may use AI tools for the selection or recruitment of employees or job candidates, for placing targeted job advertisements, or for screening or filtering applications. All users must at all times comply with the Code of Conduct and the IT & Security Policy issued by the relevant operating company when using AI tools. A (suspected) violation can be reported through the internal reporting procedure. Implementation at the operating company level will also be monitored by internal audit. Violations of the policy may result in disciplinary action for employees or, in the case of a contractor (independent or not), termination of the contract.

Classification of AI systems

It is important to define AI ethics as a set of guiding principles that stakeholders (from engineers to government officials) use to ensure AI technology is developed and used responsibly. This means taking a safe, secure, humane, and environmentally responsible approach to AI. To ensure this, we follow the European Union's AI Act as a guiding principle. The Act divides applications of AI into three risk categories. First, applications and systems that create an unacceptable risk, such as government-run social scoring of a certain type, are banned. Second, high-risk applications, such as CV-scanning tools that rank job applicants, are subject to specific legal requirements. Finally, applications that are not explicitly banned or listed as high-risk are largely left unregulated.

The AI Act entered into force on August 1, 2024. The law has a phased entry into force across a number of milestone dates, starting in February 2025 (Prohibited Systems), with full and final applicability in August 2026. TKH started the process of implementation by establishing an AI Ethics committee in the second half of 2024. The committee includes members with legal, AI, and compliance knowledge and is responsible for developing policies and supervising the risk assessments performed by the operating companies. A self-assessment procedure has been developed, under which each AI system needs to be assessed by, among others, the classification of the AI system, its scope, and its general purpose. Our target is to have no AI systems classified as unacceptable and to have a complete register of algorithms in H1 2026. The classification of AI systems contributes to providing the necessary level of insight in compliance with the AI Act, and can also be compared with other companies using AI systems.

Actions

In 2025, we implemented a training program to ensure employees and contractors have sufficient knowledge about AI systems and the AI Act. We also updated our IT security policy to reflect the most recent developments, e.g., related to new laws and regulations. This amended policy will be implemented in 2026. As an ongoing action we review mechanisms and processes for monitoring compliance with the AI Tools Policy. In H1 2026, we want to complete the classification of AI systems.

Actions related to AI are revisited every year and integrated into activities at the operating company level, where the operating company has AI tools or is developing AI systems. Due to the nature of the actions, the resources needed for these actions are opex-related and do not require any significant capex. The opex-related resources are also not additional, since these initiatives are an integral part of our day-to-day expenses and AI activities.

Appendices

GHG metrics details

Scope 1

Our scope 1 emissions derive from fuel for leased and owned cars, fuel for buildings, and gas for building heating. The basis for scope 1 emissions is activity data, which in turn are based mostly on meter readings, invoices, and data provided by suppliers. All emission factors are reviewed annually and updated if necessary. For scope 1, TKH calculates the energy use and the related CO_2 emissions, using emission factors from co2emissiefactoren.nl. TKH uses tank-to-wheel emission factors.

Scope 2

Our scope 2 accounts for electricity consumption at our production sites and offices.

Location-based emissions

Emissions are calculated by using a country-specific emission factor for electricity for the energy grid. This method reflects the energy mix within the specific country of consumption and does not consider any purchase of renewable energy or credits. To calculate GHG emissions, the Ecoinvent 3.11 dataset market for electricity, medium voltage has been used.

Market-based emissions

Emissions are calculated by taking a specific emission factor which an organization uses for its purchased electricity. Renewable energy purchases and green certificates are considered when accounting for indirect GHG emissions using the market-based approach. To calculate the residual GHG emissions, a country-specific emission factors for electricity (residual mix) has been

used. The Ecoinvent 3.11 dataset electricity, medium voltage, residual mix has been used. For the countries where this dataset is not available, the location-based dataset market for electricity, medium voltage of Ecoinvent has been used.

Scope 3

Scope 3 emissions are the indirect GHG emissions attributed to an organization's value chain. Our scope 3 calculation includes our material operations, covering approximately 97% of turnover.

1 purchased goods

The GHG emissions associated with the purchase of goods are calculated based on the average-data method, using material weight per material type, multiplied by a matching emission factor from the Ecoinvent 3.11 database (LCIA method IPCC 2021 GWP100). In 2024, 56.2% of reported emissions were calculated using CE Delft's asset tool 2024v2.2 and Ecoinvent 3.9.1. As of 2025, this has been replaced by the average-data method to ensure consistency in calculation methodology. 7.5% of the reported emissions is based on the spend-based method. The costs per material per operating company has been corrected for inflation in the relevant country of spend using inflation rates from IMF2025, and converted from local currency to EUR, multiplied by the corresponding spend-based emission factor from Exiobase (2019). In 2025, approximately 91% of total materials are covered in the scope 3 category 1 calculation (purchased goods).

1 purchased services

GHG emissions associated with the purchase of services are calculated based on the spend-based method, using the direct cost associated with a specific type, multiplied by a matching emission factor from Exiobase (2019) adjusted for inflation and currency.

2 capital goods

GHG emissions associated with the additions to tangible assets, are calculated as the amount of capitalized cost per type of investment (land, buildings, machinery installations, and other equipment), multiplied by a matching spend-based emission factor from Exiobase (2019) adjusted for inflation and currency.

3 fuel- and energy-related activities

GHG emissions related to fuel- and energy-related activities not accounted for in scope 1 or scope 2, comprise indirect emissions associated with the production of purchased fuels, gas and electricity. The GHG scope 3 emissions from electricity consumption are calculated using the scope 3 country emission factors from the Ecoinvent 3.11 dataset market for electricity, medium voltage. For the other energy sources, the WTT emission factors from co2emissiefactoren.nl are used.

4 upstream transportation and distribution

The GHG emissions are calculated based on the average-data (distance-based) method, using distance, weight, and method of transportation per shipment (road, rail, water, and air), multiplied by a matching emission factor from the Defra 2025 database. In case the exact

distance cannot be derived from our systems, we have assumed the distance between the capitals of the countries or regions. In case the exact weight cannot be derived from our systems, we have assumed an estimated weight per material based on the total weight. 16.6% of the reported emissions is based on the spend-based method. The transportation costs per operating company has been corrected for inflation in the relevant country of spend using inflation rates from IMF2025, and converted from local currency to EUR, multiplied by the corresponding spend-based emission factor from Exiobase (2019).

5 waste generated in operations

GHG emissions of waste generated in own operations refers to the emissions resulting from the disposal and treatment of waste produced by a company's operations. The GHG emissions are calculated using actual waste data per operating company. The following material categories are used: copper, plastics (PVC, XLPE, PE), other plastics, steel, aluminum, wood, paper and board, electronics, hazardous materials, and other materials. For each category the waste treatment has been reported being recycling, incineration, landfill or unknown. In case the waste treatment is uncertain, the treatment is reported under unknow. This means that highest waste treatment emission factor is used for that particular material category. We applied the assumption that the majority of copper, aluminum, and steel waste will be recycled. The GHG emissions are calculated using the material-specific waste emission factors from the Ecoinvent 3.11 database multiplied by the weight of waste per material (LCIA

method IPCC 2021 GWP100). For the category other materials we used the median of the emission factors applied for the other material categories.

6 business travel

GHG emissions associated with the business travel activities are calculated as the amount of kms per travel category (air short-haul, air medium-haul, air long-haul, rail, bus, and car) multiplied by the travel-specific emission factors from the Ecoinvent 3.11 database.

7 employee commuting

GHG emissions related to employee commuting are linked to the indirect emissions generated from the transportation of employees between their homes and their place of work. The emissions are calculated as the amount of kms per commuting category (car, public transport, and other) multiplied by the commuting-specific emission factors from the Ecoinvent 3.11 database. Emissions have been calculated based on a combination of activity data and estimations. Estimations are for example based on answers to a survey with questions regarding the means of transportation and type, and average weekly days spent working in the office. These average commuting weeks have then been multiplied by the number of employees of the particular operating company.

9 downstream transportation

The GHG emissions are calculated based on the average-data (distance-based) method, using distance, weight, and method of transportation per shipment (road,

rail, water, and air), multiplied by a matching emission factor from the Defra 2025 database. In case the exact distance cannot be derived from our systems, we have assumed the distance between the capitals of the countries. In case the exact weight cannot be derived from our systems, we have assumed an estimated weight per material based on the total weight. 2.2% of the reported emissions is based on the spend-based method. The transportation costs per operating company has been corrected for inflation in the relevant country of spend using inflation rates from IMF2025, and converted from local currency to EUR, multiplied by the corresponding spend-based emission factor from Exiobase (2019).

11 use of sold products

GHG emissions of the use of sold products refers to the direct and indirect emissions resulting from the use of our products during their life time. Direct emissions are resulting from products that directly consume energy (electricity) during use, for example our vision systems or tire building machines. Our cables, for example energy and communication cables, together with accessories, transport electricity between two locations. During this transport, part of the energy is lost, as the passage of the electric current through the conductor produces heat, known as Joule effect. This energy loss is not related to a direct consumption of energy by the cable, but due to the inherent resistivity of the conductive material when electricity is transmitted through the conductor. Therefore, these emissions resulting from energy losses are considered as indirect emissions within category 11 of scope 3.

The GHG emissions are calculated based on the average-data method, using the number of products sold, the estimated energy use per product or group of products, and the expected lifetime, multiplied by the country-specific emission factors from the Ecoinvent 3.11 database (LCIA method IPCC 2021 GWP100). We assumed that the area in which the use phase takes place is equal to our customer's location. In case the exact energy usage of our product cannot be derived from our systems or other sources, we used estimates or general available sources. In 2024, 75% of reported emissions were calculated using CE Delft's asset tool 2024v2.2 and Ecoinvent 3.9.1. As of 2025, this has been replaced by the average-data method to ensure consistency in calculation methodology. For this part, representing 77% of reported 2025 emissions, we used the emission factor from co2emissiefactoren.nl to align with CE Delft's methodology, which is industry standard for cable production-related companies.

12 end-of-life treatment of sold products
GHG emissions of end-of-life treatment of sold products refers to the emissions resulting from the disposal and treatment of our product at the end of their lifetime. The GHG emissions are calculated using material weight waste data per operating company. The following material categories are used: copper, plastics, other plastics, steel, aluminum, wood, paper and board, electronics, lenses, fibre, hazardous materials, and other materials. For each category the waste treatment has been reported being recycling, incineration, landfill or unknown. In case the waste treatment is uncertain, the treatment is reported under unknow. This means that that highest waste treatment emission factor is used for that particular material category. We applied the assumption that copper, aluminum, and steel waste will be 100% recycled. The GHG emissions are calculated using the material-specific waste emission factors from the Ecoinvent 3.11 database multiplied by the weight per material (LCIA method IPCC 2021 GWP100). For the category other materials we used the median of the emission factors applied for the other material categories.

Other sustainability-related topics (not material)

The general, environmental, social, and governance sections of the sustainability statements contain the disclosures of the most significant sustainability topics, based on the ESRS materiality approach. The paragraph below contains other sustainability-related topics that are considered to be relevant but not material.

Facilitating training and education
Education and training are an indispensable part of maintaining our knowledge base, and our employees are encouraged to develop in the direction of their choice. We provide training budgets to further develop our employees' skills and enhance their employability. We organize internal training, with the help of external experts, so that it is as close as possible to TKH's normal practice. New employees go through introduction programs, including product training. In collaboration with Nyenrode Business University in Breukelen, the Netherlands, a Management Development (MD) program has been developed for those identified as having high potential for accelerated career advancement.

Candidates are nominated by the management teams of the operating companies based on predetermined selection criteria. The Executive Board plays a proactive role in the MD program. Through this MD program, selected candidates gain in-depth knowledge of topics such as strategy and leadership, business development and value creation, business processes and sustainability, and also work on business cases to put this into practice. In 2025, significantly more hours were spent on training and other courses than in the years before 2024. The number of FTEs increased in 2024 and 2025, resulting in more training hours. Our new production facilities, in particular, require training and education before operators can begin work. In 2025, we spent an average of 39 hours per FTE on training (2024: 42 hours per FTE), well above our target of 16 hours per FTE.

Collective bargaining and social protection
Depending on the sector, for the majority of Dutch employees, we adhere to the social conditions of employment as set out in a collective labor agreement (28.1% of total employees). Agreement-related rules are implemented in those operating companies where there is no collective labor agreement. We apply a similar policy to foreign operating companies, in line with local laws and regulations. TKH ensures that such agreements are correctly drafted and observed, particularly regarding periods of notice, restraint-of-trade and non-compete clauses, and profit-sharing arrangements, and that the statutory notice periods and other provisions are observed. In the case of acquisition opportunities, the salary structure of the target company is one of the subjects examined during the due diligence process.

Political influence and lobbying activities
TKH and its companies are neither involved in political activities in the respective countries or regions where they operate, nor do they try to influence political decision-making by paying financial or in-kind political contributions to any potential beneficiary, nor do they undertake direct lobbying activities. Some operating companies are members of local industry or trade associations, business coalitions, and other organizations that are dedicated to important industry-related topics or work on standardization.

TKH has a global policy in place around corporate gifts and sponsorships. It states that we should not promise, offer, give, or authorize anything of value, directly or through others, with the intent to improperly influence or reward a business decision. Any corporate gifts that are given or received must therefore remain within reasonable limits, but their value must in any case not exceed €100 and may never be accepted in the form of money. All business transactions entered into on behalf of TKH must be properly recorded in accordance with the appropriate procedures and will be available for inspection and verification.

Taxes
Tax is an integral part of our business strategy. The tax strategy is regularly discussed with and signed off by the Executive Board. Bodies such as the OECD provide guidelines on international tax matters, which TKH follows. This is reflected, for example, in TKH's tax position, which shows that taxes are paid where there is significant economic activity and value creation. For TKH, this is one of the relevant elements in the context of a fair-share tax contribution. Our tax policy is aligned with our organizational values. TKH focuses on compliance with applicable tax laws, regulations, and ethical standards in the countries in which we operate, and we pay our taxes in accordance with the letter and the spirit of tax laws and regulations. TKH's tax department is guided by TKH's values, does not engage in aggressive tax planning (including tax havens as defined by the OECD), and seeks to limit tax risks. The tax department has global responsibility for the tax position of TKH Group, particularly in relation to corporate income tax, restructuring, transfer pricing and international tax matters. In carrying out this task, the long-term considerations and interests of TKH's various stakeholders are taken into account.

Tax systems around the world and their application are becoming increasingly complex. To keep abreast of these developments and comply with them, we provide our tax department with continuous training, and internal training modules are regularly organized for selected departments of the various TKH operating companies, focusing on technical and other tax issues, including tax dilemmas. We continuously invest in technologies to improve data management, and thus the overall quality of direct and indirect tax compliance, control, and reporting. We strongly believe in the benefits that technology can offer in providing earlier access to tax-relevant data, particularly as the legal and regulatory environment is rapidly evolving and tax authorities are increasingly embracing digitalization. In recent years, the Tax Function has evolved from a manually oriented function to a more data-driven, digitally-enabled one and this evolution continues year on year.

Working together with tax authorities

We strive to build strong, mutually respectful relationships with the tax authorities based on transparency and trust. We therefore believe in an open and constructive dialogue, both with the Dutch tax authorities and those in other countries. Our relationship with the authorities is based on trust, mutual understanding, and transparency. It provides an opportunity to discuss potential tax uncertainties and keep each other informed of developments and their tax implications, thereby giving companies more certainty about their tax position, improving the quality of tax returns and ensuring that double taxation is avoided.

As of 2024, TKH has been selected for Individual Customer Management, which is being applied to the hundred largest and most complex organizations in the Netherlands, such as multinationals and listed companies. In this respect, TKH actively cooperates with the Dutch Tax and Customs Administration to share the potential tax impact of new initiatives with them, and, if necessary, to embed them in a ruling. This ensures that the tax classification of new initiatives is in line with TKH's tax policy and meets the expectations of the Dutch Tax authorities. It also ensures that activities are taxed only once at a generally accepted tax rate where the business is conducted.

International tax developments

TKH submits an annual Country-by-Country (CbC) report to the Dutch Tax and Customs Administration. This report is made available through the appropriate channels to the tax authorities of the countries in which TKH operates. As from financial year 2025, TKH will also publish a public Country-by-Country report, following the EU directive on this topic. This report will be published separately in 2026 on TKH's website. In addition, TKH is subject to the so-called Mandatory Disclosure Rules (DAC6), which require TKH, and its advisors involved, to report selected cross-border tax arrangements. During the period under review, two reportable arrangements were disclosed. TKH is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted in the Netherlands effective as from 31 December 2023 for financial years starting on or after this date (e.g. financial year 2024). Under the legislation, the group is liable to pay a top-up tax for the difference between their (GloBE) effective tax rate per jurisdiction and the 15% minimum rate. In this context, the group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

TKH has assessed the impact of Pillar Two on its financial position, whereby the initial focus is on the Transitional CbCR Safe Harbour rules. The Transitional CbCR Safe Harbour rules are a short-term measure to exclude a group's operations in lower-risk countries from the compliance obligation of preparing full Pillar Two calculations. Last year, based on the safe harbour assessment, two jurisdictions had an effective tax rate lower than 15% and consequently fell out of the Transitional CbCR Safe Harbour rules. Based on a more detailed assessment it was determined that this will not lead to any top-up tax under the full Pillar Two computations.

For the current year, three additionalcountries are expected tofall out of the Transitional CbCR Safe Harbour rules. Together with the jurisdictions that fell out last year, which are not able to invoke the Transitional CbCR Safe Harbour anymore due to the so-called "once-out-always-out" approach, there are in totalfive jurisdictions that are not able to invoke the Transitional CbCR Safe Harbour in 2025. These jurisdictions have been assessed in more detail. Pursuant to the assessment performed, these jurisdictions are not expected to result in any (material) impact on the financial position of the group.

EU taxonomy disclosure

TKH's reporting on EU taxonomy activities follows Regulation EU 2020/852 of the European Parliament and of the Council supplemented with Commission Delegated Regulation (EU) 2021/2139, Commission Delegated Regulation (EU) 2023/2485, Commission Delegated Regulation (EU) 2023/2486 and Commission Delegated Regulation (EU) 2022/1214. The EU Taxonomy Regulation is intended to serve as a standardized and mandatory classification system to determine which economic activities can be considered environmentally sustainable, and it requires companies to report on how and to what extent their activities are associated with such taxonomy-eligible activities. There are still uncertainties about the interpretation of the Taxonomy Regulation and the comprehensive and detailed framework is still in development. The Commission Delegated Regulation (EU) 2026/73 has not been used, and is applicable from January 1, 2026. This Regulation is amending Delegated Regulation (EU) 2021/2178 as regards the simplification of the content and presentation of information to be disclosed concerning environmentally sustainable activities and Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 as regards simplification of certain technical screening criteria for determining whether economic activities cause no significant harm to environmental objectives.

The EU Taxonomy Regulation provides certain conditions for taxonomy alignment. The relevant activity must substantially contribute to one or more of the following six environmental objectives, while not significantly harming any of the others.

There are six environmental objectives under the EU Taxonomy:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

The Delegated Acts adopted under the EU Taxonomy Regulation provide technical screening criteria that must also be met to conclude on taxonomy alignment, while also doing no significant harm to the remaining objectives and meeting minimum standards on human rights and labor standards. For an economic activity to be considered environmentally sustainable under the EU Taxonomy, it must be determined whether it is taxonomy eligible and whether it is taxonomy aligned, and the proportion in the total turnover, capex and opex.

EU Taxonomy turnover
Based on our assessment we concluded that only a very limited proportion of our turnover-generating activities should be included. The Taxonomy-eligible but not Taxonomy-aligned turnover was 0.3% in 2025 and related to 8.1 data processing, hosting, and related activities. Because we do not meet the requirements of the EU Directive on Data Centre Energy Efficiency the technical screening criteria are not met. As a result this activity is considered to be eligible but not aligned. The remaining turnover is non-eligible (99.7%). The turnover is calculated based on the "total turnover" according to the consolidated statement of profit and loss (refer to note 22 of the consolidated financial statements). The total value of TKH's turnover amounts to €1,761.2 million.

EU Taxonomy capex
We also assessed our capital expenditure. The reportable Taxonomy-eligible but not aligned capital expenditures in 2025 were 2.9% of the total capital expenditure in 2025 and related to 6.5 Transport by motorbikes, passenger cars and light commercial vehicles (1.6%), 7.7 Acquisition and ownership of buildings (1.0%), and 8.1 data processing, hosting, and related activities (0.3%). Because we do not meet the requirements, the technical screening criteria are not met. As a result, this activity is considered to be eligible but not aligned. The remaining capex is non-eligible (97.1%). The capital expenditure was determined based on the 2025 additions to property, plant and equipment, intangible assets, and additions to right-of-use assets, excluding any re-assessments and excluding goodwill (refer to note 3 intangible assets and goodwill, note 4 property, plant and equipment, and note 5 right-of-use assets of the consolidated financial statements). The total value of TKH's capex amounts to €144.6 million.

EU Taxonomy opex
The Taxonomy-eligible but not aligned operational expenditures in 2025 were 9.0% and related to 7.7 Acquisition and ownership of buildings (8.2%) and 8.1 data processing, hosting, and related activities (0.8%). Not eligible operational expenditures were 91.0%. Operating expenses per the EU Taxonomy definition covers direct non-capitalized costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plants, and equipment. This differs from the definition of operating expenses in our financial statements. We used the following general ledger accounts in the operational expenditures assessment: R&D expenses,

building maintenance, repair/maintenance, short-term leases, low-value leases, cost of machinery, cost of warehousing and furniture, and cost of manufacturing and housing. These costs are included in the other operating expenses (refer to note 25 of the consolidated financial statements). The total value of TKH's opex amounts to €62.9 million.

Our EU taxonomy accounting policy includes references to the related line items in the consolidated financial statements, to avoid double counting between the various reporting categories and objectives. We will continue to monitor legislative developments and adapt our disclosures as necessary. We have no economic activities related to nuclear energy and fossil gas.

EU Taxonomy turnover table

Economic activities	Code	Absolute turnover	Proportion of turnover, 2025	Substantial contribution criteria						Do no significant harm criteria						Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, 2024	Category enabling activity	Category transitional activity
				Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems				
		€ million	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	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)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which enabling																			
Of which transitional																			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
• Data processing, hosting and related activities	8.1	5	0.3%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		5	0.3%														0.3%		
Turnover of Taxonomy-eligible activities (A.1 + A.2)		5	0.3%														0.3%		
B. Taxonomy non-eligible activities																			
Turnover of Taxonomy non-eligible activities (B)		1,756	99.7%														99.7%		
Total (A+B)		**1,761**	**100.0%**														**100.0%**		

Nuclear and fossil gas related activities

Nuclear energy related activities	YES/NO
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	YES/NO
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

EU Taxonomy capex table

Economic activities	Code	Absolute capex (€ million)	Proportion of capex, 2025 (%)	Substantial contribution criteria — Climate change mitigation (Y;N;N/EL)	Climate change adaption (Y;N;N/EL)	Water and marine resources (Y;N;N/EL)	Circular economy (Y;N;N/EL)	Pollution (Y;N;N/EL)	Biodiversity and ecosystems (Y;N;N/EL)	Do no significant harm — Climate change mitigation (Y/N)	Climate change adaption (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) capex, 2024 (%)	Category enabling activity (E)	Category transitional activity (T)
A. Taxonomy eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which enabling																			
Of which transitional																			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
• Transport by motorbikes, passenger cars and light commercial vehicles	6.5	2	1.6%	N	N/EL	N/EL	N/EL	N/EL	N/EL								1.2%		
• Acquisition and ownership of buildings	7.7	1	1.0%	N	N/EL	N/EL	N/EL	N/EL	N/EL								4.4%		
• Data processing, hosting and related activities	8.1	1	0.3%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4	2.9%														6.4%		
Capex of Taxonomy-eligible activities (A.1 + A.2)		4	2.9%														6.4%		
B. Taxonomy non-eligible activities																			
Capex of Taxonomy non-eligible activities (B)		141	97.1%														93.6%		
Total (A+B)		**145**	**100.0%**														**100.0%**		

EU Taxonomy opex table

Economic activities	Code	Absolute opex (€ million)	Proportion of opex, 2025 (%)	Substantial contribution criteria — Climate change mitigation (Y;N;N/EL)	Climate change adaption (Y;N;N/EL)	Water and marine resources (Y;N;N/EL)	Circular economy (Y;N;N/EL)	Pollution (Y;N;N/EL)	Biodiversity and ecosystems (Y;N;N/EL)	Do no significant harm — Climate change mitigation (Y/N)	Climate change adaption (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (%)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) opex, 2024 (E)	Category enabling activity (T)	Category transitional activity (T)
A. Taxonomy eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which enabling																			
Of which transitional																			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
• Acquisition and ownership of buildings	7.7	5	8.2%	N	N/EL	N/EL	N/EL	N/EL	N/EL								8.4%		
• Data processing, hosting and related activities	8.1	1	0.8%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		6	9.0%														0.0%		
Opex of Taxonomy-eligible activities (A.1 + A.2)		6	9.0%														8.4%		
B. Taxonomy non-eligible activities																			
Opex of Taxonomy non-eligible activities (B)		57	91.0%														91.6%		
Total (A+B)		**63**	**100.0%**														**100.0%**		

Datapoints derived from other EU regulation

The table below outlines the datapoints derived from other EU legislation as listed in ESRS 2 Appendix B. It indicates where these datapoints can be found in our report and identifies which data points are assessed as not-material or not-relevant.

not-material: information not material to reporting
not-relevant: information not relevant to our own operations or value chain

Datapoints derived from other EU regulation					
Disclosure Requirement and related datapoint	**SFDR (1) reference**	**Pillar 3 (2) reference**	**Benchmark Regulation (3) reference**	**EU Climate Law (4) reference**	**pages/reference**
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		84
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		84
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				86
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		not-relevant
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		not-relevant
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not-relevant
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not-relevant
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	98-103
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		98
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		98

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	pages/reference
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				103
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				103
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				103
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		102
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		102
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	not-relevant
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		not-relevant
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			not-relevant
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			not-relevant
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		not-relevant

Datapoints derived from other EU regulation

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	pages/reference
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				104-105
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				106-107
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				106
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				not-relevant
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				107
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				107
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				not-relevant
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				not-relevant
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				not-relevant
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				not-relevant
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				not-relevant
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				not-relevant
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				110
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				110
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				not-relevant
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				not-relevant

Datapoints derived from other EU regulation

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	pages/reference
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				115-118
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		115-118
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				115-118
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				122-123
SRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				116-117
ESRS S1-14 Number of fatalities and number and rate of work- related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		123
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				phased-in
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		not-material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				not-material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				not-material
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		not-material
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				124-127
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				124-127
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				124-127
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		124-127

Datapoints derived from other EU regulation

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	pages/reference
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		124-127
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				124-127
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				not-material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not-material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				not-material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				128-130
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		128-130
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				130
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				131-135
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				135
ESRS G1-4 Fines for violation of anti- corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		139
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				138-139

1 Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).
2 Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).
3 Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
4 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).
5 Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).
6 Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324,19.12.2022, p. 1).
7 Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).