SEMPERIT
EXPERIENCE FOR TOMORROW

200 years

ANNUAL REPORT 2024

FACTS & FIGURES

LISTING ON THE VIENNA STOCK EXCHANGE SINCE
1890

AROUND
4,000
EMPLOYEES

200
YEARS
OF LEADING MARKET POSITION

16
PRODUCTION SITES WORLDWIDE

EBITDA 2024
84.9
MILLION

€

REVENUE 2024
676.6
MILLION

EQUITY RATIO AS OF 12/31/2024 %
47.2

GLOBAL PLAYER SINCE 1824

Semperit is one of the world's leading developers and manufacturers of products made from form-stable but elastic plastics known as elastomers. The company's diverse portfolio includes hydraulic and industrial hoses, conveyor belts, handrails for escalators, and precision parts made from liquid silicone. Today, the Semperit Group operates 16 plants worldwide from its headquarters in Vienna and distributes its products through a global sales network in more than 100 countries, with a focus on Europe, Asia, North and South America, and Australia.

Two powerful divisions

Two specialized divisions are responsible for production and sales: Semperit Industrial Applications focuses on the efficient mass production of products for industrial applications, while the innovation- and technology-driven Semperit Engineered Applications division develops and manufactures customized technical solutions for attractive niche markets.

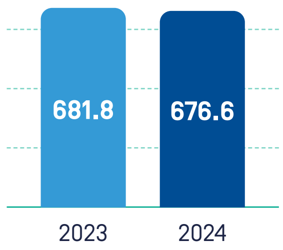
Leading the way in research and development

A high level of expertise in the field of rubber compounds and outstanding innovative power form the common basis of Semperit's two divisions. Since the company's foundation in 1824, its research activities have promoted the development of elastomer applications, driving the entire industry forward more than many competitors.

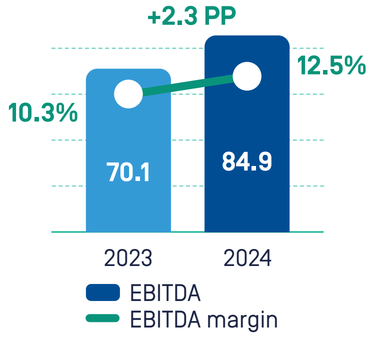
You can find out more about Semperit's divisions and products starting on page 26.

KEY FIGURES

REVENUE
in EUR million



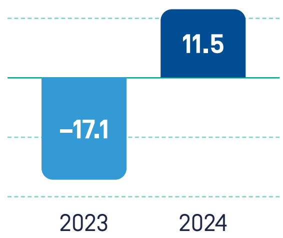
EBITDA in EUR million
EBITDA MARGIN



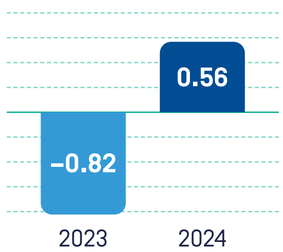
Reinforced position

In 2024, the Semperit Group not only stood its ground in a challenging economic environment but strengthened its position even further. EBITDA increased significantly to EUR 84.9 million and earnings after taxes clearly turned positive. With revenue remaining almost stable at EUR 676.6 million, Semperit improved its EBITDA margin by 2.3 percentage points to 12.5%, mainly due to the cost-cutting program initiated in 2023.

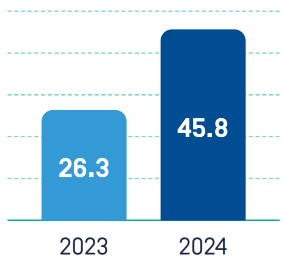
EARNINGS
AFTER TAXES
in EUR million



EARNINGS PER SHARE
in EUR



FREE CASH FLOW[1]
in EUR million



[1] before the sale of companies

Key performance figures

in EUR million	2024	Change	2023	2022	2021	2020	2019
Revenue	676.6	–0.8%	681.8	779.8	601.8	927.6	840.6
EBITDA	84.9	21.1%	70.1	100.5	54.0	208.6	67.8
EBITDA margin	12.5%	+2.3 PP	10.3%	12.9%	9.0%	22.5%	8.1%
EBIT	35.0	3.0%	34.0	62.1	25.2	237.8	–16.5
EBIT margin	5.2%	+0.2 PP	5.0%	8.0%	4.2%	25.6%	–2.0%
Earnings after tax	11.5	n/a	–17.1	–5.6	247.5	194.6	–44.9
Earnings per share (EPS)[1], in EUR	0.56	n/a	–0.82	–0.27	11.99	9.06	–2.5
Return on equity	2.7%	+6.7 PP	–4.0%	–1.1%	45.7%	58.0%	–16.3

Balance sheet key figures

in EUR million	2024	Change	2023	2022	2021	2020	2019
Total assets	912.9	–2.7%	937.9	842.9	958.6	764.4	701.8
Equity	430.9	1.3%	425.3	518.2	540.1	332.3	273.4
Equity ratio	47.2%	+1.9 PP	45.3%	61.5%	56.3%	43.5%	39.0%
Net Financial Debt	103.3	–10.3%	115.2	–54.2	–144.5	22.1	73.3
Additions to intangible assets and property, plant and equipment[2]	62.4	–77.5%	277.0	37.6	34.6	28.5	31.4

Cashflow key figures

in EUR million	2024	Change	2023	2022	2021	2020	2019
Gross cash flow	74.7	n/a	24.4	30.5	323.4	193.7	46.7
Free cash flow before the sale of companies	45.8	74.4%	26.3	–2.8	-	-	-
Cash investments for intangible assets and property, plant and equipment (CAPEX)	64.6	16.1%	55.6	54.5	47.9	26.4	31.9
Cash and cash equivalents	126.0	11.8%	112.7	106.6	235.5	145.0	141.4

Sector and segment key figures

in EUR million	2024	Change	2023	2022	2021	2020	2019
SIA + SEA							
Revenue	676.6	–0.8%	681.8	734.0	556.1	478.4	547.2
EBITDA	100.3	3.0%	97.3	125.2	82.1	76.6	87.5
EBIT	52.0	–17.3%	63.0	95.9	56.8	32.4	60.9
SIA							
Revenue	293.5	–11.3%	330.8	450.2	341.9	268.4	305.3
EBITDA	52.2	11.4%	46.9	88.0	59.2	48.9	54.4
EBIT	31.3	5.2%	29.7	67.9	42.1	32.7	36.7
SEA							
Revenue	383.0	9.1%	351.0	283.8	214.1	210.1	242.0
EBITDA	48.1	–4.8%	50.5	37.2	22.9	27.7	33.0
EBIT	20.8	–37.5%	33.2	28.1	14.7	–0.2	24.2

Note: Rounding differences in the totalling of rounded amounts and percentages may arise from the use of automatic data processing.
The years 2021-2024 take into account the changes to the group structure as a consequence of the sale of the medical business. 2019-2020, are historical, unchanged values.
1 Earnings per share are only attributable to the core shareholders of Semperit AG Holding.
2 Excluding right-of-use in accordance with IFRS 16.

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Where we encounter Semperit in everyday life

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"... have kept our promises despite headwinds from the market."

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FOREWORD

Welcome to our Integrated Annual Report!

Today more than ever, sustainability is a central component of corporate responsibility. The Semperit Group actively embraces this responsibility and is committed to transparent, future-oriented reporting. After seven sustainability reports, in which we provided information beyond financial reporting in recent years, we are now publishing our first Integrated Annual Report for 2024. In this report, we aim to offer comprehensive insights into our business activities and our financial and non-financial performance to all our stakeholders, and show how we meet our environmental, social and governance commitments.

We do this not only out of regulatory necessity, but also because we firmly believe that sustainability is fundamental to the long-term success of our company. Our Sustainability Statement has been prepared based on the Corporate Sustainability Reporting Directive (CSRD) under the European Sustainability Reporting Standards (ESRS) and includes all the key information on our strategies and goals, as well as our measures and initiatives for managing ESG impacts, risks and opportunities. It reflects not only our internal concepts and activities, but also the impact of our business activities along our value chain – from our suppliers and production sites to our customers.

At the time this Sustainability Statement was prepared, the transposition of the corresponding EU directive into Austrian law had not yet been completed. Nevertheless, we decided to report voluntarily in accordance with the ESRS and have also had this report voluntarily audited by the auditor with limited assurance.

For us, sustainable business means creating long-term value and acting responsibly. We would like to thank our employees, business partners and stakeholders for their trust and support.

HIGHLIGHTS 2024

200.semperitgroup.com

200 years of Semperit

In 2024, the Semperit Group celebrated its 200th anniversary under the motto “200 Years Semperit – Experience for Tomorrow”. The anniversary was celebrated with numerous events for employees, shareholders and customers. On a dedicated website, the company provides exciting insights into its eventful history and also dares to take a look or two into the future.

Sale of the medical business

In June, Semperit completed the sale of its medical business and thus finally discontinued the production of medical gloves. This marks a further important step in the company’s strategy of focusing exclusively on growth in its core business of industrial applications.

Stronger group structure with two divisions

The new group structure introduced in mid-2023, with the two new divisions Semperit Industrial Applications (SIA) and Semperit Engineered Applications (SEA) at its core, is proving successful and strengthening the Semperit Group both externally and internally.

Ambitious growth targets

Semperit will continue its profitable growth in the coming years. On the occasion of the publication of the half-year results for 2024, the Executive Board presented the Group’s medium-term targets until 2026. Accordingly, the Semperit Group’s EBITDA is expected to grow by more than 50% to around EUR 120 million.

Manfred Stanek will be the new CEO

In September 2024, the Supervisory Board appointed Manfred Stanek as the new CEO of Semperit AG Holding. He will take over the responsibilities from Karl Haider on April 1, 2025, whose mandate as a member of the Executive Board will end at his own request on March 31, 2025. Manfred Stanek has many years of experience as a successful industry manager with a focus on sales, operations and strategic business development. Together with the proven management team, he aims to further expand Semperit's leading market position as a provider of first-class elastomer products.

Guidance exceeded

Semperit exceeded its ambitious guidance, which projected an increase in the Group's EBITDA to EUR 80 million in 2024. And it did so despite headwinds from the market. Through strict cost discipline and efficiency improvements, Semperit improved its EBITDA to around EUR 85 million.

Investments in further growth

Semperit is preparing for further growth by investing in new production space. At the Czech site in Odry, hose production capacity is set to increase by approximately 24 million meters in the medium term, from the current level of around 100 million meters. At the site in Thalheim, Austria, the production halls for manufacturing liquid silicone parts have already been expanded by around 11,000 square meters. Production in the new areas will be ramped up successively over the coming years. This means that Semperit is optimally equipped for both the current economic phase and the next upturn.

"… HAVE KEPT OUR PROMISES DESPITE HEADWINDS FROM THE MARKET."

A conversation with the members of the Semperit Group's Executive Board, Karl Haider (CEO), Helmut Sorger (CFO), Gerfried Eder (CIO) and the designated CEO Manfred Stanek, on developments in the 2024 financial year, strategic settings of the course and future prospects for Semperit.

Mr. Haider, at the beginning of 2024, you predicted a persistently difficult market environment, for which Semperit would be well prepared. How did it turn out in the end?

Karl Haider: As expected, it was a rather challenging year, but we achieved a very decent result. We have thus successfully continued Semperit's proud and eventful 200-year history as a global pioneer and solution provider for elastomers. Earlier than expected, we were able to complete the sale of the medical business and hand over the remaining surgical glove production and packaging operations to Harps Global, the Southeast Asian buyer of our entire medical business, at the end of June 2024. Semperit has thus fully withdrawn from the glove business, and we are focusing 100 percent on implementing our strategy as a specialist for elastomer products for industrial customers. The integration of Rico is progressing well, and our structure with two strong divisions, introduced in 2023, has proven itself.

“The Semperit Group was able to achieve a decent result in a challenging year and to take important strategic steps for further growth.”

Karl Haider, CEO until March 31, 2025

We have therefore achieved all milestones and kept our promises despite headwinds from the market. The Semperit Group has a very solid foundation on which Manfred Stanek can continue to build as CEO from the beginning of April, together with Helmut Sorger and Gerfried Eder.

Manfred Stanek: I am very much looking forward to that. With these strategic steps, the focus on industrial elastomers and coverage of the entire value chain in the liquid silicone sector, Semperit is very well and competitively positioned. This was one of the most important reasons why I decided to join Semperit. And, of course, the strategic challenge of further driving growth from this strong foundation and returning the Group to a revenue level of over one billion euros as soon as possible.

Revenue for 2024, the starting point for these plans, is around EUR 680 million. What do the other key figures look like?

Helmut Sorger: Here, too, we delivered on our promises. With revenue remaining stable, we increased EBITDA by more than 21% to around EUR 85 million, thereby exceeding our guidance of around EUR 80 million. The EBITDA margin improved by 2.3 percentage points to 12.5%. Operating EBITDA, i.e., before the effects on earnings of our major digitalization project OneERP, came to EUR 86.3 million. One important factor in the improvements was that we already responded very early on – in 2023 – and launched a cost-cutting program. We literally counted every euro to counter the market environment and increase our efficiency. In total, the savings amount to more than EUR 18 million.

Gerfried Eder: These cost-saving measures have significantly supported our margins. And the optimized fixed costs will also further strengthen operational efficiency as soon as the cyclical upturn begins. Overall, these results for 2024 underscore the effectiveness of our strategy and divisional structure. In mid-2023, we repositioned the Semperit Group and formed two powerful divisions, SIA and SEA, which combine the specific strengths of our business and focus purely on elastomer products and solutions for industrial customers. Our expertise in rubber compounds and our innovation power, which build on 200 years of experience, as well as our daily efforts to achieve sales excellence and customer proximity as one of the leading suppliers worldwide, form the common basis for this strategy.

Let's stay with the two divisions for a moment. They follow partly different cycles. What did the development look like in 2024?

Gerfried Eder: Semperit Industrial Applications, or SIA for short, where we combine our large-volume business with hoses and profiles, was still affected by the economic downturn in 2024, as expected. The business of OEMs, for example in the fields of construction or agricultural machinery, in which our hoses are used, is still weak due to the economic situation. The same applies to the demand for profiles, which correlates with the construction industry, which is also still weak. As a result, the SIA division's revenue fell by 11% year on year, but thanks to the savings and efficiency enhancements, we were able to significantly increase profitability. EBITDA rose by 11% to around EUR 52 million, and the margin improved by 3.6 percentage points to 17.8%. This clearly shows that we are very good at managing cyclical phases and focusing on the things we can influence, which include working capital, inventory reduction, tight receivables management and keeping calm in terms of pricing. We have successfully implemented this strategy while increasing our efficiency for the next upturn.

Karl Haider: In the Semperit Engineered Applications division, or SEA, where we are strongly innovation- and technology-driven and which includes our handrails, railway products, mountain applications, conveyor belts and liquid silicone components, we increased revenue by 9%. This was mainly due to the full-year consolidation of Rico. The Form business unit performed stably, and Belting, our conveyor belt business, was below the strong level of the previous year, as expected. However, the megatrends for this area, such as electrification and urbanization, remain intact. Overall, the division's EBITDA was just below the comparable figure at around EUR 48 million. In both Belting and mold manufacturing for liquid silicone components, we saw that some customers postponed projects due to the economic situation. Overall, the early savings also supported margins at SEA.

“Semperit has a strong foundation for further growth. In the medium term, I see its revenue target at over a billion euros.”

Manfred Stanek, CEO
from April 1, 2025

“We literally counted every euro to counter the market environment and increase our efficiency.”

Helmut Sorger, CFO

What is the CFO pleased about, besides cost savings?

Helmut Sorger: On the one hand, the fact that the entire team lives the high cost discipline every day; it is part of our daily business. Wherever we see an opportunity to reduce fixed costs, we will seize it. On the other hand, my goal is to support the business in the best possible way in terms of cash generation and investment. My main focus is on free cash flow to finance growth and distributions to shareholders. And here we made very good progress in 2024. We generated around EUR 46 million of free cash flow from our operating result, or EUR 52 million taking into account the sale of the remaining medical business. Of this total, just under EUR 30 million was invested in growth. And we want to distribute around EUR 10 million as a dividend. We will therefore propose a stable dividend of EUR 0.50 per share for the 2024 financial year at the Annual General Meeting.

I am particularly pleased with the success of our working capital management over the last year and a half. It shows that we are managing our resources very efficiently. We have less capital tied up in inventories and receivables, which gives us more financial flexibility. This efficiency enables us to respond more quickly to market changes and improve our liquidity, which ultimately leads to a stronger financial position and better growth opportunities for our company.

Interest rates are dropping. How will this affect your debt?

Helmut Sorger: We will continue to act very conservatively here, but in line with our business. Semperit has a strong balance sheet with an equity ratio that has climbed to over 47% and a low leverage ratio of 1.2x net debt to EBITDA. This is an excellent value and, with liquid funds of EUR 126 million and additional reserves from bank loans, gives us sufficient flexibility for further growth.

Where did the growth investments of around EUR 30 million go in 2024?

Gerfried Eder: For one thing, to our site in the Czech town of Odry. We are investing in expanding the capacity of our hose production, which is already Europe's largest hose factory. This is a multi-year investment with a total volume of around EUR 100 million, which will create additional capacity of up to 24 million meters of hydraulic hose per year by 2030. Around EUR 45 million have already been invested. This will ensure that we have no bottlenecks in the next upturn. With this expansion, we are setting new standards in terms of automation, digitalization and sustainability. The new production plant requires neither oil nor gas as an energy source, and the electricity demand will be covered by its own photovoltaic system in the future. Short supply chains are another advantage.

Karl Haider: In the liquid silicone sector, we invested in expanding capacity at Rico in Austria, thereby laying the foundation for further growth. The production expansion in Thalheim was completed in 2024. In addition to another office building, this primarily involves three production halls that are gradually filled with machines. In the USA, the production area at Rico doubled in size in 2024, and possible expansions are currently under review in Switzerland. Over the next few years, this will result in space for a significant capacity increase of more than 100 machines at the three liquid silicone sites in Austria, Switzerland and the USA.

Semperit has production sites in Europe, Asia and the USA. How do you assess the increasing protectionist measures resulting from the new US tariff policy?

Helmut Sorger: Naturally, these announcements are causing uncertainty in the markets, and we will have to wait for the details. However, with our own production sites in Europe, Asia and North America, we believe we are well positioned overall. The USA is an attractive industrial location and a promising market for our products. We are also meeting this challenge with local production at our sites in the USA.

"We have managed the current economic cycle well and are now excellently positioned for the next upturn."

Gerfried Eder, CIO

“With the expansion of our hose production in Odry, we are setting new standards in automation, digitalization and sustainability.”

Gerfried Eder, CIO

“Our innovation pipeline is very well stocked with highly attractive products for a range of applications.”

Karl Haider, CEO

Semperit has repeatedly scored with innovations in its 200-year history, driving not only the company but also the entire industry forward. What does the current situation look like?

Karl Haider: Our innovation pipeline is well stocked with products for a range of applications for which we can build on our long-standing know-how. One example is our hybrid handrail, which combines the bending properties and thus the durability of rubber with the glossy surface of plastic. Particularly customers in Asia prefer the shiny, shimmering surface. Or our Track Belt: high-quality rubber belts for the tracks of snow groomers. In developing this product, we benefited from our experience in conveyor belts and mountain applications, which include our ski foils and cable car upper rings. Our heavy-duty rubber-metal-bonded components, which are used for fine grinding processes in mineral processing in mining, for example for copper, iron ore, gold or silver, are also very promising. These components make a significant contribution to optimizing mining processes and thus support the energy transition. Weighing over 500 kilograms, they are among the heaviest components we manufacture using compression molding.

Speaking of energy transition: where does Semperit stand in implementing its sustainability goals to be achieved by 2030?

Karl Haider: In the environmental area, we are focusing on reducing energy, waste and emissions at all our sites and consistently continued to do so in 2024. In addition, improving our key figures in health protection and occupational safety is the highest priority. Starting in 2024, we have also placed another focus on diversity and inclusion and set ourselves specific targets for increasing the proportion of women overall and in leadership. This is rounded off by a comprehensive screening of our supply chain and an increasing proportion of suppliers who are audited according to ESG criteria and standards. In the past year, we made good progress in all areas, except for energy reduction. Here, we saw a slight year-on-year increase per product unit, which is mainly due to the demand-related decline in production and the resulting proportionally higher energy consumption.

In the financial area, Semperit has published medium-term targets until 2026. What is the outlook?

Helmut Sorger: At present, we do not yet see any signs of a market recovery. However, a market recovery beginning in individual regions in the second half of 2025 is not unlikely. Furthermore, the cost measures will be continued. Our medium-term target for 2026, i.e., operating EBITDA of around EUR 120 million, remains unchanged – provided the market supports it.

"Cost discipline has long been part of our daily business at Semperit. Wherever we see an opportunity to reduce fixed costs, we will seize it."

Helmut Sorger, CFO

EXPERIENCE FOR TOMORROW

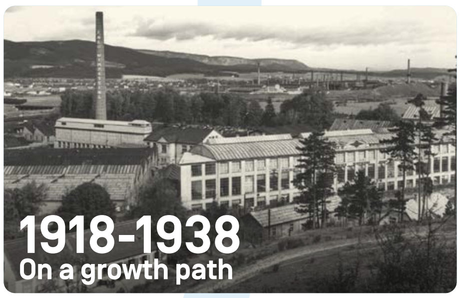
Semperit's impressive success story is based on its exceptional innovative power and constant willingness to change. These attributes make the company a reliable partner in a world that never stands still. And not just since yesterday, but since 1824.

Johann Nepomuk Reithoffer's factory in Wimpassing in 1852

In 1824, tailor Johann Nepomuk Reithoffer lays the foundations for today's company with his patent for waterproof fabrics. The first European factory for rubber products is established in Wimpassing, Lower Austria.

The Semperit share is one of the oldest stocks listed on the Vienna Stock Exchange.

The merger of several rubber companies makes Semperit the largest rubber goods producer in the Austro-Hungarian Monarchy. Semperit goes public on the Vienna Stock Exchange in 1890.



In 1929, tire manufacturing is Semperit's largest production branch.

Before the economic crisis of the 1930s, Semperit is the second largest industrial Group in Austria, with nine factories and 9,000 employees.

CEO Franz Josef Messner in conversation with employees

During the Second World War, Semperit becomes part of the Nazi war economy and employs forced laborers. At the same time, CEO Franz Josef Messner is committed to providing social benefits for his workers. He is an active resistance fighter against the Nazi regime and is executed in the last days of the war in 1945.

Semperit's new headquarters in Vienna is a symbol of an ambitious company that has long been a flagship of Austrian industrial history.

Semperit is setting new standards with modern production facilities, and its investments in European companies are giving the Group a decisive boost in its internationalization. In 1965, the Semperit Group exports goods to 100 countries around the world.

Semperit repositions itself and focuses its product range on gloves, tubes, molded goods and conveyor belts.

After the collapse of the tire business due to the oil crisis in the 1970s, Semperit sells its tire division in 1985 and initiates a successful restructuring process. The takeover of a conveyor belt plant near Paris in 1988 makes Semperit the largest supplier of textile conveyor belts in Europe.

From 1989, Semperit protective gloves for the global market are manufactured in Thailand.

Under Rainer Zellner's leadership, the Group becomes the cost leader in many areas and pursues a course of international growth. Semperit is one of the first Austrian companies to have production facilities in Asia.

With the new research and development center in Wimpassing, Semperit once again strengthens its position as an innovation leader.

The acquisition of Europe's largest hose factory in Odry, Czech Republic, marks the beginning of a phase of intensive internationalization in 1998. Semperit expands into Poland, where it takes over the conveyor belt factory Bełchatów. At the turn of the millennium, the company is represented on three continents with 20 production sites and 6,000 employees.

With the expansion of its hose production in Odry, Semperit strengthens its position as a global market leader for hydraulic hoses.

Semperit implements the largest investment program in the company's history and expands its production capacities on a global scale due to high demand.

With the acquisition of the Rico Group, Semperit expands its expertise to include liquid silicone and mold making for attractive markets, particularly North America.

The acquisition of the Rico Group, a global technology leader in liquid silicone and mold making, strengthens Semperit's industrial core business.

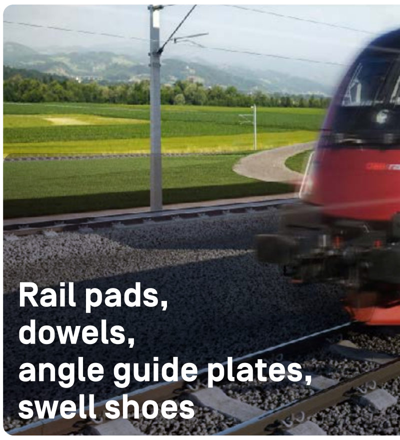
Investments in future growth: capacity expansion at the hose factory in Odry

Semperit finalizes its divestment of the glove segment and focuses on industrial products with its two divisions, SIA and SEA.

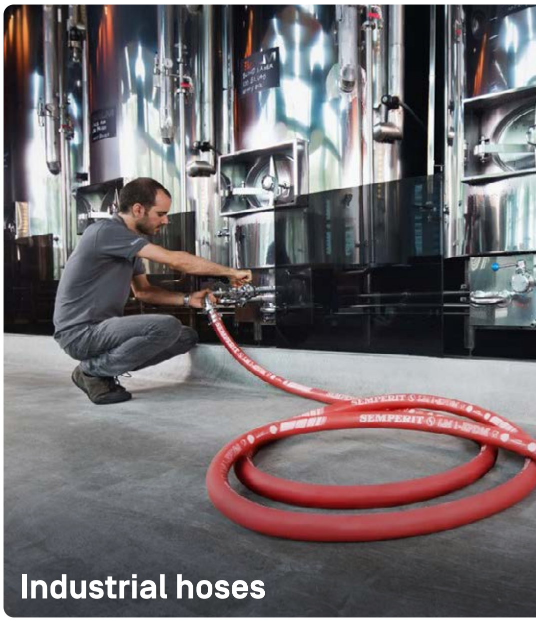
You can find out more about 200 years of Semperit on the anniversary website **200.semperitgroup.com**

SEMPERIT INSIDE

You encounter Semperit products in everyday life more often than you think: they are in espresso machines, in shower heads, in the subway and in cars. They also fulfill important functions in buildings, hospitals and many other areas. Whether in inconspicuous details or central systems – innovations from Semperit increase comfort, safety and efficiency and shape our everyday lives in a surprisingly diverse way.



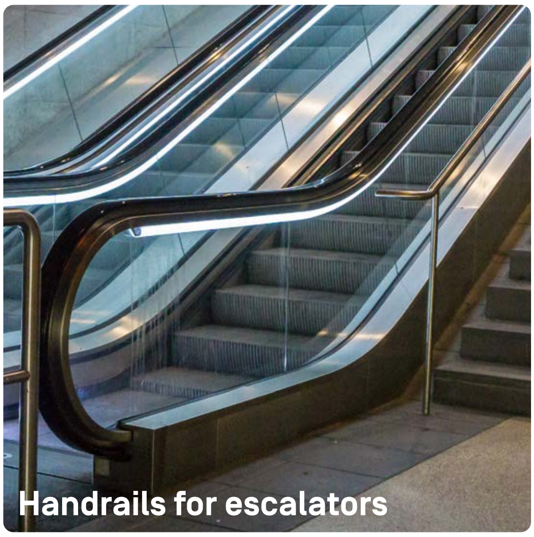
Rail pads, dowels, angle guide plates, swell shoes



Industrial hoses

Silicone mats for shower heads

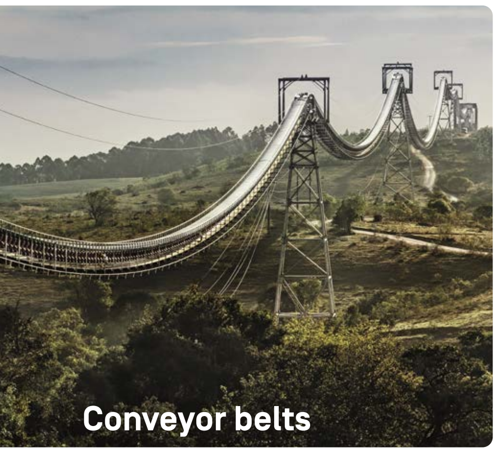
Silicone components for coffee machines



Handrails for escalators

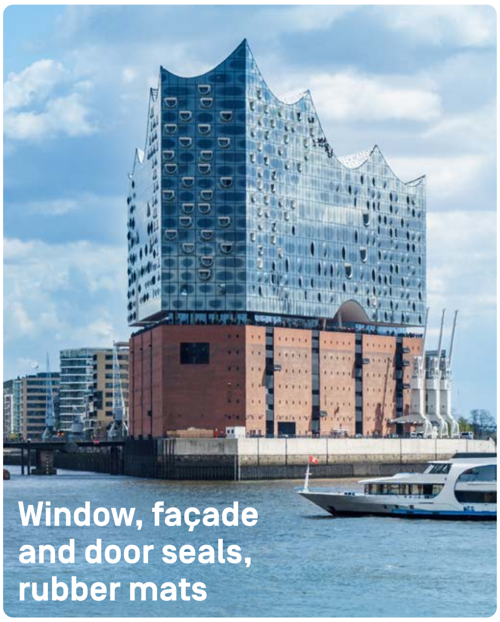
One in three escalator handrails worldwide comes from Semperit. Among other locations, the company has production sites in Shanghai, where it operates the world's largest handrail factory.

Safety seals



Conveyor belts

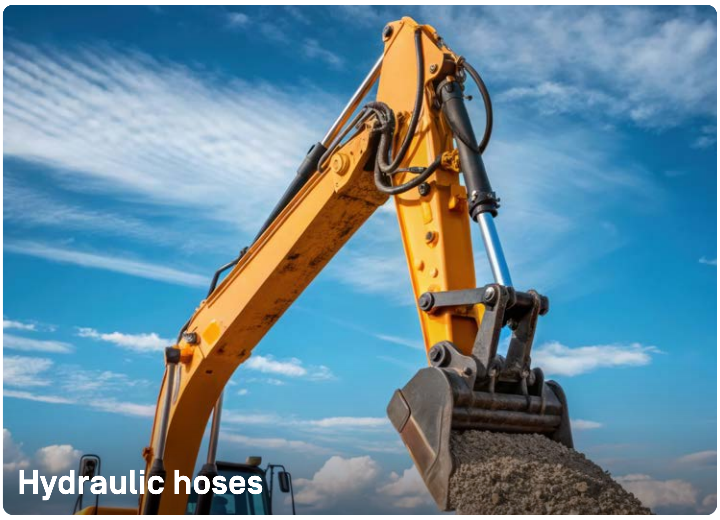
Semperit's Flying Belt transports up to 1,500 tonnes of limestone per hour at heights of up to 36 meters in Brazil.



Window, façade and door seals, rubber mats

The seals for the more than 1,000 curved glass panels of the Elbphilharmonie Concert Hall were manufactured by Semperit.

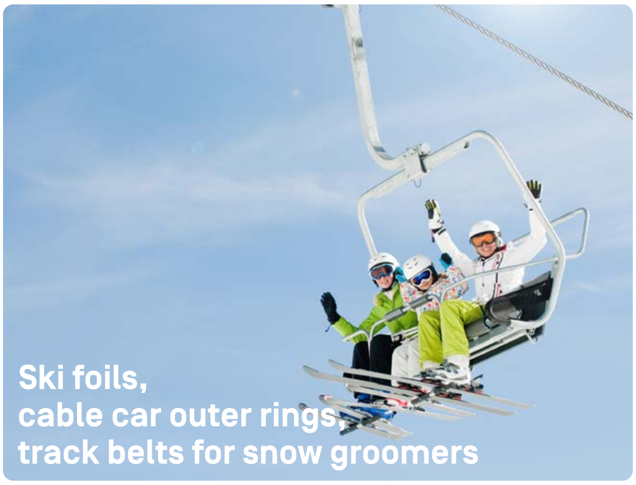
Baby pacifiers, bottle teats



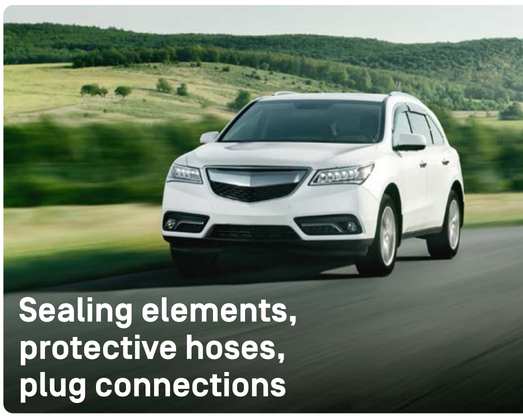
Hydraulic hoses

Healthcare products

Semperit's industrial hoses are used in a wide variety of areas – from the food industry to fire engines and wind turbines.



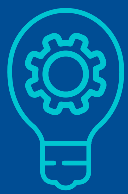
Ski foils,
cable car outer rings,
track belts for snow groomers



Sealing elements,
protective hoses,
plug connections

Semperit supplies around 80% of all European automotive manufacturers (Tier 1 and OEMs) with silicone parts.

EQUITY STORY



TECHNOLOGICAL LEADERSHIP

based on innovative power and highly qualified personnel

REGIONAL INDEPENDENCE

through quality leadership in all global markets

STRONG INDUSTRIAL PARTNER

with solutions for systemically important industrial applications

SIGNIFICANT COMPETITIVE ADVANTAGES

through top quality and cost leadership

ATTRACTIVE DIVIDEND POLICY

with the goal of distributing 50% of the profit after taxes

TARGETED STRATEGY

with the goal of above-average market growth

ORIENTATION TOWARDS THE FUTURE

with clearly defined ESG goals

GROWTH AND RESPONSIBILITY

In its corporate strategy, Semperit combines a focused growth strategy with ambitious sustainability goals. Innovative power forms the basis for both directions. In this way, the company is committed to both economic success and ecological and social concerns.

ECONOMIC SUCCESS ON FOUR PILLARS

Megatrends such as climate change, demographic development, urbanization, mobility and electrification are major challenges for the world. As a leading global provider of innovative and sustainable elastomer solutions, Semperit proactively addresses these challenges and regards them as an opportunity for the positive economic development of the company.

1. EXPANDING THE LEADING MARKET POSITION

With its elastomer products for industrial applications, Semperit is already one of the world's leading market players. Based on strong brands, a customer-oriented approach and a globally diversified distribution network, the company intends to further expand its market position in the future.

2. SECURING TECHNOLOGICAL ADVANTAGE

For many years, Semperit has held an excellent position in the global market for synthetic and natural rubber applications. The basis for this is the Group's clear technological advantage, which it has achieved through continuous innovation. With the acquisition of the Rico Group in 2023, the company expanded its portfolio to include liquid silicone, a product segment with high growth potential.

3. FURTHER STRENGTHENING THE ROBUST BUSINESS MODEL

Semperit has a diversified portfolio for a broad customer base and numerous industries. A highly efficient organization with two powerful divisions not only ensures the highest product quality and best service for customers but also offers cost advantages with customized technical solutions.

4. CONTINUOUS ORGANIZATIONAL OPTIMIZATION

The basis for Semperit's long-term economic success is an efficient organizational structure. The combination of a global powerhouse and local know-how, as well as lean management structures and the pursuit of operational excellence, ensure competitive solutions.

SUSTAINABILITY GOALS 2030

Semperit is aware that long-term economic success is only possible based on sustainable corporate activity. That is why we have explicitly committed to six of the United Nations' 17 SDGs and aligned our sustainability strategy with the principles of the UN Global Compact since 2020. Taking 2023 as the base year, we have set ourselves clearly measurable targets in all three areas of ESG – environmental, social and governance – by 2030 and formulated specific measures to achieve them.

Environment

Target achievement 2024

ENERGY AND EMISSIONS

TARGETS

- Energy consumption: –5% per product unit by 2030
- Emissions: –10% per product unit by 2030

MEASURES

- Increasing energy efficiency and reducing energy consumption
- Using energy from renewable sources
- Expanding our own production of electricity

Energy consumption per product unit
+3.9%

Emissions (Scope 1 and Scope 2) per product unit
–2.1%

Proportion of energy from renewable sources
15.6%

Consumption of self-generated electricity from photovoltaics
+2.1 PP
to 3.0% with 4,051 MWh

CIRCULAR ECONOMY

TARGET

- Waste: –7% per product unit by 2030

MEASURES

- Increasing the efficiency of material use
- Reducing waste and scrap
- Increasing the proportion of recycled and sustainable raw materials
- Increasing the use of in-process and post-industrial recycling

Waste per product unit
–9.1%

Proportion of recycled and/or bio-based raw materials used, including packaging
19.0%

ESG-Ratings

EcoVadis: Gold

Carbon Disclosure Project: Climate C, Forest C, Water C

Social

Target achievement 2024

OCCUPATIONAL SAFETY

TARGET

- Annual reduction in the accident rate in the company: –8% compared to the previous year

MEASURE

- Increased promotion of the vision of "zero incidents" as part of the "Focus on Safety Again" initiative

Accident rate
–37.6%

DIVERSITY AND INCLUSION

TARGETS

- Total proportion of women: +0.5 PP p. a.
- Women in leadership: +1 PP p. a.
- Women in senior leadership: +1 PP p. a.

MEASURES

- Creating an inclusive corporate culture for more diversity in the workforce by setting quantitative targets and specific measures to promote diversity in terms of gender and origin, as well as the inclusion of people with disabilities

Total proportion of women
+0.8 PP
to 24.5%

Women in leadership
+2.4 PP
to 15.2%

Women in senior leadership
+3.2 PP
to 14.3%

Governance

Target achievement 2024

SUPPLIER MANAGEMENT AND COMPLIANCE

TARGETS

- Share of expenditure in procurement volume for suppliers with an EcoVadis rating: 75% by 2030
- Violations of compliance-relevant laws: 0

MEASURES

- Working closely with suppliers to improve their ESG performance
- Prevention of violations of compliance and anti-corruption and anti-bribery policies in all business relationships through employee training, awareness raising and risk-oriented business partner checks of business partners, as well as a Group-wide whistleblowing system for reporting concerns regarding illegal behavior and violations of the Semperit Code of Conduct

Share of procurement volume with EcoVadis rating
+5 PP
to 47%

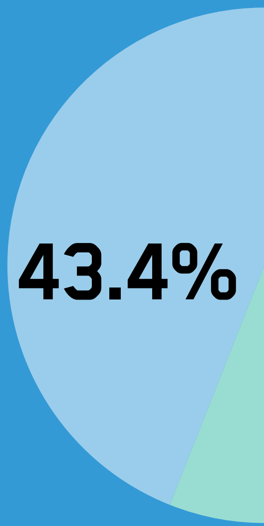
Violations of compliance-relevant laws
0

SEMPERIT INDUSTRIAL APPLICATIONS

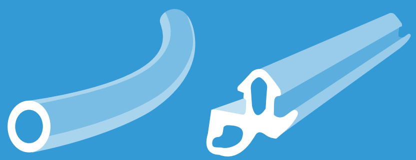
Highly efficient large-scale manufacturing of products for industrial applications

Business units

HOSES I PROFILES



Revenue share 2024



SIA

SITES[1]	COUNTRY	PRODUCTION	SALES	R&D	BUSINESS UNIT
Wimpassing	AT	●	●	●	Hoses
Odry	CZ	●	●	●	Hoses
Deggendorf	DE	●	●	●	Profiles
Hückelhoven	DE	●	●	●	Profiles
Seligenstadt	DE	●	●	●	Profiles
Waldböckelheim	DE		●		Hoses
Newnan, Georgia	US		●		Hoses
Newnan, Georgia	US	●	●		Profiles
Shanghai	CN	●	●		Hoses
Mumbai, New Delhi	IN		●		Hoses
Singapore	SG		●		Hoses
Hat Yai	TH	●			Hoses

[1] headquarters: Vienna

2024

293.5
EUR million
REVENUE

52.2
EUR million
EBITDA

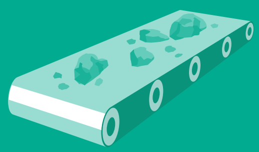
SEMPERIT ENGINEERED APPLICATIONS

56.6%

Customized technical elastomer solutions and high-end mold making

Business units

FORM I BELTING I LIQUID SILICONE RUBBER


2024

383.0
EUR million
REVENUE

48.1
EUR million
EBITDA

SEA

SITES[1]	COUNTRY	PRODUCTION	SALES	R&D	BUSINESS UNIT
Thalheim	AT	●	●	●	LSR
Vienna	AT		●		Belting
Wimpassing	AT	●	●	●	Form
Wimpassing	AT			●	Belting
Wolfhalden	CH	●	●	●	LSR
Odry	CZ	●			Form
Moers	DE		●		Belting
Béthune	FR		●		Belting
Sopron	HU	●		●	Form
Bełchatów	PL	●	●	●	Belting
Miramar, Florida	US	●	●		LSR
Winnipeg	CA		●		Belting
Querétaro	MX		●		Belting
Newnan, Georgia	US	●	●		Form
Newnan, Georgia	US		●		Belting
Shanghai	CN	●	●	●	Form
Jakarta	ID		●		Belting
Mumbai, Kolkata, Delhi, Chennai	IN		●		Belting
Roha	IN	●		●	Belting
Dubai	UAE		●		Belting
Thornton (NSW)	AU		●		Belting

[1] headquarters: Vienna

SIA SEMPERIT INDUSTRIAL APPLICATIONS

HOSES

HOSES

Semperit is one of the world's largest and most successful manufacturers of hydraulic and industrial hoses. The production sites in Austria, the Czech Republic, China and Thailand are all characterized by the highest quality standards.

PRODUCT PORTFOLIO

- HYDRAULIC HOSES FOR MACHINERY, MINING AND PLANT ENGINEERING, AND AGRICULTURAL MACHINERY
- INDUSTRIAL HOSES FOR MATERIAL TRANSPORT IN THE CONSTRUCTION, CHEMICAL AND FOOD INDUSTRIES

SEMPERIT INDUSTRIAL APPLICATIONS SIA

PROFILES

PRODUCT PORTFOLIO

- WINDOW AND DOOR GASKETS
- FAÇADE GASKETS
- GLAZING SEALS
- PIPE INSULATION
- EPDM GASKETS

PROFILES

With its Profiles business unit, Semperit is one of the most important European manufacturers of gaskets for construction elements and industry. The company has developed and produced seals with tailored geometries for more than 20,000 customers, thereby ensuring that countless buildings remain sealed over the long term. The business unit has production sites in Germany and the USA.

SEMPERIT ENGINEERED APPLICATIONS

SEA

FORM

PRODUCT PORTFOLIO

- HANDRAILS FOR ESCALATORS
- MOUNTAIN APPLICATIONS: SKI AND SNOWBOARD FOILS, CABLE CAR RINGS, TRACK BELTS AND DRIVE BELTS FOR SNOW GROOMERS
- ELASTOMER SHEETS FOR SEALING APPLICATIONS, AMONG OTHERS
- ENGINEERED SOLUTIONS: CUSTOMIZED PRODUCT SOLUTIONS WITH SEALING OR DAMPING FUNCTIONS, INCLUDING RAIL PADS FOR RAILROAD SUPERSTRUCTURES, PIPE SEALS AND LARGE MEMBRANES FOR FILTRATION PRESSES

FORM

With its Form business unit, Semperit is a leading manufacturer of molded and extruded articles made of polymers and plastics. Research and development, as well as mixing and mold manufacturing, are concentrated in Wimpassing, Austria. The production sites are located in Austria, Hungary, the Czech Republic, China and the USA.

SEMPERIT ENGINEERED APPLICATIONS SEA

BELTING

PRODUCT PORTFOLIO

- STEEL CABLE BELTS AND TEXTILE BELTS FOR HIGH-EFFICIENCY CONVEYING EVEN IN EXTREME CONDITIONS, SUCH AS IN THE MINING, STEEL AND CEMENT INDUSTRIES, IN POWER PLANTS AND IN BULK TERMINALS

BELTING

With its innovative power, experience and know-how, Semperit has positioned itself as a leading global provider of heavy-duty conveyor belts for raw material transport. The company supports its customers along the entire value chain – from the design of the conveyor belts to their production and maintenance. The production sites are located in Poland and India.

LIQUID SILICONE RUBBER

LIQUID SILICONE RUBBER

In this business unit, Semperit covers the entire value chain – from the development of prototypes and mold making to the large-scale production of customized products for industrial customers, including cleanroom production. Semperit is considered an international leader in the production of molds and in the manufacture of products using multi-component injection molding. The production sites are located in Austria, Switzerland and the USA.

PRODUCT PORTFOLIO

- SINGLE- AND MULTI-COMPONENT TOOLS (MANUFACTURE AND AUTOMATION) FOR PROCESSING SILICONE
- SILICONE COMPONENTS FOR APPLICATIONS IN MEDICAL TECHNOLOGY, MOBILITY, FOOD INDUSTRY, SANITARY PRODUCTS, ETC.

FINANCIAL YEAR 2024

Investor Relations

Performance of the Semperit share

In 2024, stock markets around the world posted strong gains in some cases, driven by innovations in the high-tech sector and key interest rate cuts. The ECB cut interest rates for the first time in eight years in June, followed by further cuts. The US Federal Reserve began cutting interest rates in September. Declining inflation rates made these interest rate cuts possible. Political events also had an impact on the year 2024, but overall, their influence on stock market developments was limited. The outcome of the US presidential election brought short-term joy to US stock market players, while European stocks suffered from fears of trade tariffs and erratic politics. Due to the still challenging economic situation, sentiment was more subdued for small and mid-cap companies as well as industrial companies. The Austrian lead index ATX increased by 6.6% year-on-year, while the German MDAX of medium-sized companies decreased by 5.7%. Since the beginning of 2025, the situation has changed and, against the backdrop of falling interest rates, European second-line stocks are performing better.

The Semperit share started 2024 with price gains and reached its annual high of EUR 15.56 on January 8. The year's low of EUR 10.24 was reached on July 29. The publication of the half-year figures and the medium-term targets in August provided positive momentum. The year-end price of 2024 was EUR 11.84 and thus 16.4% below the closing price of EUR 14.16 of the 2023 financial year. Taking into account the dividend payment, the total return was –12.9%. The start into the stock market year 2025 was very positive, with the Semperit share reaching a value of EUR 14.5 on March 10, 2025.

Market capitalization totaled EUR 244 million at the end of 2024 (EUR 291 million at the end of 2023). The average daily trading volume of Semperit shares in euros decreased accordingly, amounting to EUR 208 thousand with around 17,000 shares (2023: EUR 291 thousand with around 15,000 shares).

Dividend

The dividend policy of the Semperit Group basically aims at a distribution of around 50% of earnings after taxes – assuming continued successful performance with no unusual circumstances. In view of the good liquidity situation and the development of free cash flow (before sale of companies) in the past financial year, the Executive Board has decided to deviate from the dividend policy and will propose a dividend of EUR 0.50 per share at the Annual General Meeting. This means that a total of EUR 10.3 million is planned to be distributed. With a share price of EUR 11.84 at year-end 2024, this results in a dividend yield of 4.2%.

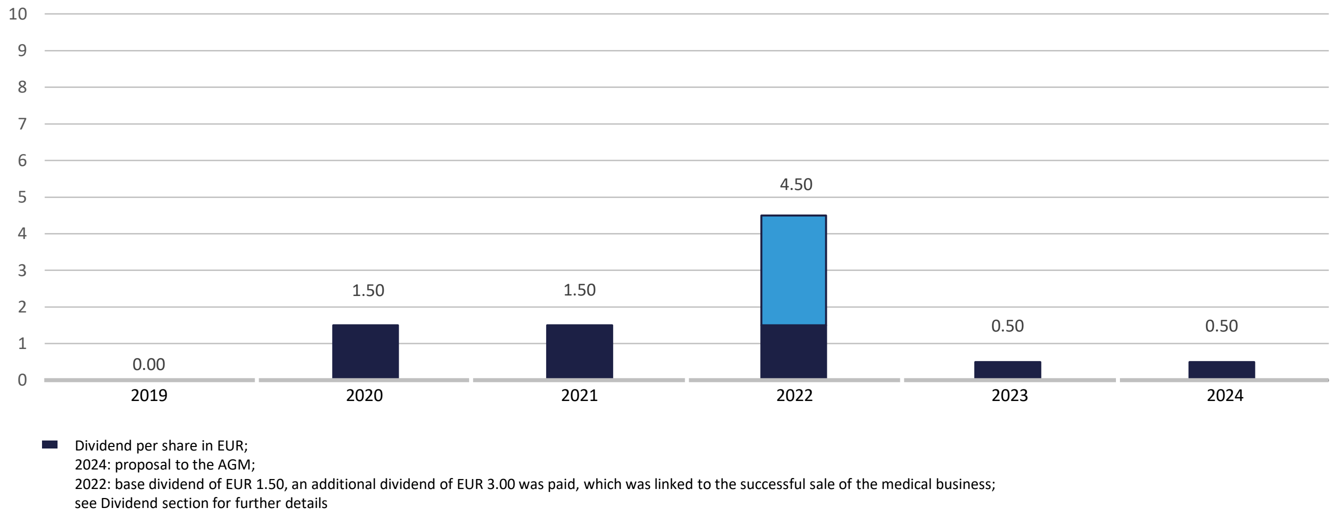
A dividend of EUR 0.50 per share was distributed for the 2023 financial year. Based on the closing price of EUR 14.16 in 2023, this corresponded to a dividend yield of 3.5%.

Semperit share at a glance

		01.01.2024 – 12.31.2024	Change	01.01.2023 – 12.31.2023
Price at balance sheet date	in EUR	11.84	–16.4%	14.16
Lowest price	in EUR	10.24	–24.7%	13.60
Highest price	in EUR	15.56	–42.6%	27.10
Market capitalization at balance sheet date	in EUR million	243.59	–16.4%	291.32
Number of shares issued	in units	20,573,434	–	20,573,434
Earnings per share[1]	in EUR	0.56	n.a.	–0.82
Dividend per share[2]	in EUR	0.50	–	0.50
Average trading volume/day[3]	in EUR thousand	207.7	–28.7%	291.2
Average traded shares/day[3]	in units	17,179	+18.2%	14,536

1 Attributable to the shareholders of Semperit AG Holding
2 2024: Proposal to the Annual General Meeting of EUR 0.50 per share. A dividend of EUR 0.50 per share for 2023 was paid out on April 30, 2024.
3 Single counting.

Dividend per share



Communication in the capital market

The Semperit Group intends to provide current and potential shareholders with a complete picture of the company's business performance through a transparent and prompt communications policy. The company relies on different ways of conveying information. This should enable an accurate valuation of Semperit shares on the markets and create a long-term relationship of trust with both shareholders and the general public.

Semperit actively seeks dialogue with capital market players and intensified this strategy again in 2024. For example, two information days for institutional and private investors were held at Rico in Thalheim in 2024. The program included presentations by the Semperit Executive Board and Rico management, as well as an extensive tour of the production facilities to show the entire value chain for liquid silicone components. Furthermore, a corporate governance roadshow was held for the first time.

As a result of the change in communication habits and in travel behavior after the pandemic, traditional activities such as roadshows have shifted more to digital forms of communication. In 2024, Semperit took part in numerous investor conferences, some of which were held online format, while others took place on site, for example in Munich, Warsaw, Zürs and Vienna. Moreover, numerous meetings, conference calls and video calls were arranged to best cater to the requests of individual investors expressing an interest.

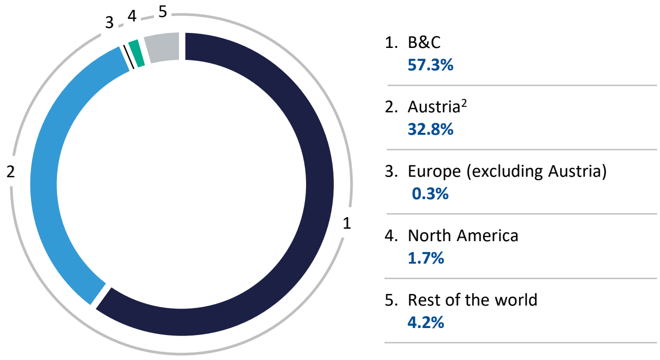
Equity research and the ongoing dialogue with analysts are also important elements of the company's communications with the financial market. Analysts from the following institutions reported on Semperit during the 2024 financial year: Baader Bank, Erste Bank, Kepler Cheuvreux, and Raiffeisen Bank International; from January 2025, Warburg Research was added to the group of analyst firms. Meetings with analysts took place regularly again in 2024.

In addition, the Investor Relations website also plays an important role in communication on the technical side. In addition to financial reports and presentations, there is a share chart tool that allows for comparisons to be made with indexes and selected shares and provides detailed information on the share and other topics relating to the financial market.

Shareholder structure

Semperit AG Holding is listed with 20,573,434 no-par value bearer shares in the Prime Market of the Vienna Stock Exchange. As of December 31, 2024, B&C Privatstiftung held a total of 57.25% of Semperit AG Holding, the majority of which (53.07%) via B&C KB Holding GmbH. B&C Privatstiftung is a private foundation, which was established under Austrian law with the mission of fostering Austrian entrepreneurship. Furthermore, Alain de Krassny (de Krassny GmbH) holds a total of 10.07% ac-cording to the notification dated January 12, 2023. The remaining shares are free float, with Austrian private investors accounting for the majority. The following chart shows the shareholder structure by geographic region according to shareholder identification which was made at the beginning of 2025.

Shareholder structure[1]



[1] Shareholder structure as of 31 January 2025, 3.8% unidentified free float not included in the chart
[2] Austria includes a total of 10.1% direct and indirect share held by Alain de Krassny

For further **information** on the company, the share and business development, please visit the **Investor Relations** website:
www.semperitgroup.com/investor-relations

Corporate Governance Report

As a publicly listed company that operates globally, Semperit AG Holding (Semperit) pursues a business strategy geared towards long-term and sustainable value creation and thus strives to achieve a high degree of transparency for all stakeholders. Transparency in reporting, the continuous development of an efficient system of corporate control, corporate governance that is aligned with the interests of the stakeholders and trusting cooperation between the Executive and Supervisory Boards and among employees form the basis for achieving the corporate goals. The applicable law, the Austrian Corporate Governance Code, the Articles of Association and the rules of procedure for the company's corporate bodies, as well as internal guidelines, provide the framework for this goal (see G1, Sustainability Statement).

Commitment to the Austrian Corporate Governance Code

The Austrian Corporate Governance Code is a regulatory framework for the management and monitoring of Austrian joint-stock companies. This code contains common international standards and significant related regulations in this context, stipulated in the Austrian Stock Corporation, Stock Exchange and Capital Market Acts. The Austrian Corporate Governance Code is based on the EU recommendations on the tasks of supervisory board members and on the remuneration of executive board members and supervisory board members as well as on the principles set out in the OECD Guidelines for Corporate Governance. The code is aimed at ensuring responsible management and supervision of individual companies and groups, with the goal of creating sustainable and long-lasting value. The code seeks to create a high level of transparency for all company stakeholders.

Companies voluntarily commit to compliance with the guidelines set out in the current version of the Austrian Corporate Governance Code as amended. The version of the Corporate Governance Code that is applicable to the 2024 financial year was published in January 2023 and can be found online at www.corporate-governance.at.

Statement on corporate governance

The Semperit Group hereby declares that it will voluntarily observe the Austrian Corporate Governance Code in its current version and that it also intends to observe the code in the future and justify any behavior to the contrary. Semperit AG Holding complies with all legally binding L-Rules (legal requirements). Unless otherwise declared, the C-Rules (comply or explain) are observed by the relevant bodies and the company.

Dual management structure

The dual management structure of Semperit AG Holding as a publicly listed stock corporation consists of an Executive Board and a Supervisory Board. Both bodies are strictly separated from each other in terms of personnel and functions and can therefore perform their different tasks independently. The Executive Board is responsible for independently managing the company, while the Supervisory Board is responsible for monitoring it.

Executive Board

Composition and function of the Executive Board

At the end of the 2024 financial year, the Executive Board consisted of three members: CEO Karl Haider, CFO Helmut Sorger and CIO Gerfried Eder. The Board has full responsibility for managing the company for the benefit of the business while considering the interests of shareholders and employees as well as the public interest.

The Executive Board's internal rules of procedure regulate the allocation of business responsibilities and the principles of cooperation between members of the Executive Board. Decisions of primary importance are taken by the Board as a whole. The Executive Board is solely responsible for all communications that have a significant impact on how the company is perceived by its stakeholders. Legally binding regulations, the Articles of Association, and the internal rules of procedure for the Executive Board and Supervisory Board laid down by the Supervisory Board form the basis for corporate management.

Karl Haider (m)[1]

Chief Executive Officer (CEO) since January 11, 2022; term of office ends on March 31, 2025.

Dr. Karl Haider, born in 1965, started his career as a chemical lab technician. He went on to study Technical Chemistry and Economics, eventually going on to complete his doctorate in Technical Chemistry at the Johannes Kepler University Linz (AT). Following his studies, he worked in sales and project management at the voestalpine group before being promoted to Board Member within the Stainless Steel Division. Prior to Semperit, Karl Haider held the position of Chief Commercial Officer at Tata Steel Europe, one of the world's largest steelmaking companies, where his previous roles included managing M&A transactions and acting as Director Operations Downstream. A highly regarded industry expert, he has gained extensive experience at major international industrial corporations throughout his career. In his previous functions, Karl Haider has also held a number of seats on Supervisory Boards at the respective group subsidiaries.

On June 10, 2024, Karl Haider informed the Chairman of the Supervisory Board that he was no longer available for an extension of his Executive Board mandate, which expires on March 31, 2025. On September 26, 2024, the Supervisory Board appointed Manfred Stanek as Chairman of the Executive Board of Semperit AG Holding. Stanek has been a member of the Executive Board since March 1, 2025, and will take over the role of CEO on April 1, 2025; his mandate runs until February 29, 2028.

Areas of responsibility: Semperit Engineered Applications Division, Communications & Capital Markets, Corporate Development, ESG, Human Resources, Investor Relations, Manufacturing & Engineering, Mixing Operations

Additional functions: Karl Haider has been a member of the Board of Directors of the Swiss Steel Group, based in Switzerland, since May 23, 2024.

Helmut Sorger (m)[1]

Member of the Executive Board since October 1, 2022, Chief Financial Officer (CFO); term of office ends on September 30, 2028.

Dr. Helmut Sorger was born in 1978 and holds a doctorate in social sciences and economics. He started his career as a research assistant and university lecturer at the Department for Quantitative Management at the Vienna University of Economics and Business. In 2007, he joined Wienerberger and took over as head of external reporting in the same year. In summer 2010, he moved to the USA and served as Director Finance and IT of General Shale Brick. In 2013, he returned to Vienna taking on responsibility as Head of Corporate Reporting of Wienerberger, assumed responsibility as CFO of the North America region for the American financial area of Wienerberger at the beginning of 2015 for the following seven years and supported the division's strategic reorientation and growth course through acquisitions and their rapid integration into the existing organization.

Areas of responsibility: Finance, Accounting, Tax, CISO, Compliance, Controlling, Internal Revision, Internal Audit, Legal, Risk Management & Assurance, Business Process Automation, Treasury

Additional functions: Currently, he does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C Rule 16 of the Austrian Code of Corporate Governance.

Gerfried Eder (m)[1]

Member of the Executive Board since July 1, 2023; CIO (Chief Industrial Officer); term of office ends on June 30, 2026.

Mag. Gerfried Eder, born in 1972, is responsible in his position for the Semperit Industrial Applications Division, which includes production, marketing and sales of hydraulic and industrial hoses as well as profiles.

Gerfried Eder studied business administration at the Vienna University of Economics and Business Administration and has held various management positions at Semperit since 2000. Prior to his appointment to the Executive Board, he was Managing Director of the Hydraulic and Industrial Hose Production Division with plants in the Czech Republic, Thailand, China, Austria, the USA, India and Singapore.

Areas of responsibility: Semperit Industrial Applications Division, Commercial Excellence, HSEQ, Research & Development, Supply Chain Management, Procurement

Additional functions: Currently, he does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C Rule 16 of the Austrian Corporate Governance Code.

[1] The members of the Executive Board do not belong to any minority; (m) stands for the gender 'male'.

Supervisory Board

At the end of the 2024 financial year, the Supervisory Board consisted of a total of nine members, of whom six were shareholder representatives elected by the Annual General Meeting and three were employee representatives delegated by the Central Works Council. According to the Articles of Association, at least two members of the Supervisory Board retire every year at the end of the Annual General Meeting. The resulting staggered terms of office for the shareholder representatives on the Supervisory Board enable a continuous exchange and adaptation of the Supervisory Board to possible changes in conditions through regular elections (see also Skills Matrix) and ensure increased accountability towards the shareholders.

The following changes were made to the Supervisory Board in the 2024 financial year: at the 135th Annual General Meeting on April 23, 2024, the number of members of the Supervisory Board was reduced from seven to six members elected by the Annual General Meeting within the limits set out in the Articles of Association. At the end of the Annual General Meeting, Claus Möhlenkamp resigned from the Supervisory Board at his own request. Herbert Ofner left the board on the employee representatives' side. Stephan Büttner was re-elected to the Supervisory Board until the Annual General Meeting that resolves on the discharge for the 2027 financial year. At the subsequent constituent meeting, Thomas Cord Prinzhorn was confirmed as Chairman and Stefan Fida as Deputy Chairman.

Composition of the Supervisory Board [1]

	Year of birth	First appointed to the Supervisory Board	Current term of office	Supervisory board positions in other listed companies
Shareholder representatives				
Thomas Cord Prinzhorn (m), Chairman[2]	1972	04.25.2023	Until the Annual General Meeting, resolving upon the 2025 financial year	Lenzing AG (Chairman)
Stefan Fida (m), Deputy Chairman[2]	1979	04.29.2014	Until the Annual General Meeting, resolving upon the 2024 financial year	Lenzing AG
Birgit Noggler (f), Member[2]	1974	05.08.2019	Until the Annual General Meeting, resolving upon the 2024 financial year	Raiffeisen Bank International AG, AMAG Austria Metall AG
Stephan Büttner (m), Member[2, 3, 4]	1973	04.27.2022	Until the Annual General Meeting, resolving upon the 2027 financial year	–
Klaus Friedrich Erkes (m), Member[2]	1958	05.23.2017	Until the Annual General Meeting, resolving upon the 2026 financial year	Simona AG (Chairman)
Marion Weissenberger-Eibl (f), Member[2, 3]	1966	04.25.2023	Until the Annual General Meeting, resolving upon the 2025 financial year	MTU Aero Engines AG
Employee representatives				**Works council function**
Monika Müller (f)	1964	04.27.2021	–	Chairwoman of the Works Council for white-collar workers, Vienna
Michael Schwiegelhofer (m)	1975	03.08.2017	–	Deputy Chairman of the Central Works Council of Semperit AG Holding, Chairman of the Works Council for blue-collar workers, Wimpassing, Chairman of the European Works Council
Markus Stocker (m)	1979	01.01.2017	–	Chairman of the Central Works Council of Semperit AG Holding, Chairman of the Works Council for white-collar workers, Wimpassing, Deputy Chairman of the European Works Council

[1] As of December 31, 2024.
[2] Have declared their independence to the Supervisory Board in accordance with C-Rule 53 of the Austrian Corporate Governance Code.
[3] No representation by a shareholder over 10% (C-Rule 54 of the Austrian Corporate Governance Code).
[4] Stephan Büttner is the Chairman of the Executive Board of the AGRANA Beteiligungs-AG.

Resigned members of the Supervisory Board

	Year of birth	First-time appointment	Term of office
Shareholder representative			
Claus Möhlenkamp (m), Member	1965	07.22.2020	Resigned from office as of 04.23.2024
Employee representative			
Herbert Ofner (m)	1966	04.27.2021	Resigned from office as of 04.23.2024

Working method and cooperation between the Executive Board and Supervisory Board

The Executive Board and Supervisory Board are committed to managing the company in accordance with the principles of good corporate governance. This management takes place in an open dialogue between the Executive Board and the Supervisory Board as well as within these corporate bodies to ensure its continuous development.

The Executive Board is responsible for all matters not assigned to the Annual General Meeting or the Supervisory Board of the company. In fulfilling these duties, it makes the necessary decisions, takes the necessary measures and is responsible for managing the business in the best interests of the company, taking into account the interests of shareholders and employees as well as the public interest.

At meetings held at least twice a month, the Executive Board discusses current business developments as well as other matters of a strategic, operational and financial nature. The Executive Board is regularly and comprehensively informed about the key financial figures and the performance of the individual divisions and companies in the monthly report. In addition, there is a continuous exchange of information among the Executive Board members and with the respective managers.

The Executive Board's rules of procedure also govern the Executive Board's ongoing reporting to the Supervisory Board and specify a catalog of those transactions and measures that, in addition to legal provisions, require the Supervisory Board' explicit authorization. The Supervisory Board monitors the management of the company and its representation by the Executive Board and supports it in managing the company, particularly in decisions of fundamental importance.

The strategic direction of the company is determined in close cooperation between the Executive Board and the Supervisory Board and is discussed in Supervisory Board meetings at regular intervals.

Effective work in Supervisory Board committees

In order to perform its advisory and control function efficiently, the Supervisory Board has formed committees to deal with specialist topics and prepare the Supervisory Board's resolutions. These are the Audit Committee, the Nominating and Remuneration Committee, the Strategy and ESG Committee and the Committee for Urgent Issues. At the Supervisory Board meeting on June 26, 2024, the former ESG Committee and the Strategy, Growth and Innovation Committee were combined to form the Strategy and ESG Committee to increase efficiency. The authority to make decisions and pass resolutions rests primarily in the hands of the entire Supervisory Board.

The committees are headed by proven experts. Thomas Cord Prinzhorn, Chairman of the Supervisory Board, chairs the Nominating and Remuneration Committee and the Strategy and ESG Committee. Due to his many years of experience in management and supervisory board functions, he has extensive relevant expertise and practical know-how in these areas. Birgit Noggler chairs the Audit Committee. She is an acknowledged financial expert and, thanks to her many years of management experience in large companies and as a Supervisory Board member of listed companies, she has relevant knowledge of accounting, auditing and risk management issues.

Meetings of the Supervisory Board and its committees in 2024

The **Supervisory Board** held five meetings and a total of twelve committee meetings in 2024. Overall attendance was 100%. The individual Supervisory Board meetings focused on monitoring Semperit's current business development, the cost reduction program and the integration of the Rico Group as well as various transactions requiring approval, the final conclusion of the sale of the medical business, and the digital transformation of Enterprise Resource Planning (ERP) as part of the OneERP project.

The **Audit Committee** performs its duties in accordance with Article 92 Section 4a of the Austrian Stock Corporation Act and Rule 40 of the Austrian Corporate Governance Code. In 2024, the Audit Committee held four meetings, focusing particularly on the preparation of the adoption of the annual and consolidated financial statements for 2023, monitoring the cost-cutting program, risk management, the internal control system, internal auditing, the compliance organization, IT security, and the preparation of the annual and consolidated financial statements and integrated reporting in accordance with CSRD for the 2024 financial year. In addition, there was continuous dialog with the auditors and discussion of the quarterly reports.

The **Nominating and Remuneration Committee** held five meetings. The main topics of the committee meetings were the performance assessment and the objectives of the members of the Executive Board as well as the succession plan for the Chairman of the Executive Board. As part of a structured nomination process and a defined requirements profile, the committee drew up a long and a short list with the help of a headhunter, conducted interviews with qualified candidates, and made preparations for the nomination of Manfred Stanek by the Supervisory Board. In the recruitment process, both internal and external candidates, who were evaluated based on the same criteria and qualification requirements, were considered. In addition, the potential and matters regarding succession of the second management level and initiatives for talent management in the company were discussed with the Executive Board. Furthermore, the update of the remuneration policy was developed with an even stronger focus on the long-term sustainable success of the company and the resulting increase in value for the shareholders. As part of the first Corporate Governance Roadshow, Thomas Cord Prinzhorn and Stefan Fida spoke with proxy advisors and institutional investors and provided information about the governance model, succession planning for Supervisory and Executive Board members, as well as the remuneration policy and its planned update.

The **Strategy, Growth and Innovation Committee** and the **ESG Committee** each held one meeting and were merged in June to form the **Strategy and ESG Committee**, which also met once. The three meetings focused on strategic initiatives and growth potential, preparation of the resolution on the Sustainability Report for the 2023 financial year, the planning and execution of CSRD implementation, and the examination of further ESG regulations, their effects on Semperit and their implementation.

The **Committee for Urgent Issues**, headed by Thomas Cord Prinzhorn, did not hold any meetings.

Composition of the Supervisory Board Committees [1]

Committee	Members
Nominating and Remuneration Committee	Thomas Cord Prinzhorn (Chairman) Stefan Fida Markus Stocker
Audit Committee	Birgit Noggler (Chairwoman, financial expert) Stephan Büttner Stefan Fida Thomas Cord Prinzhorn Markus Stocker Michael Schwiegelhofer
Strategy and ESG Committee (since 06.26.2024)	Thomas Cord Prinzhorn (Chairman) Klaus Friedrich Erkes Birgit Noggler Marion Weissenberger-Eibl Markus Stocker Michael Schwiegelhofer
Committee for Urgent Issues	Thomas Cord Prinzhorn (Chairman) Stefan Fida Markus Stocker

[1] As of December 31, 2024.

Attendance of shareholder representatives at the meetings

In 2024, the work of the Supervisory Board was again characterized by a very high level of attendance by the individual members of the Supervisory Board. 100% attendance was achieved at both the regular Supervisory Board meetings and the individual committee meetings.

	Supervisory Board (plenum)	Audit Committee	Nominating and Remuneration Committee	Strategy, Growth and Innovation Committee (until 06.26.2024)	ESG Committee (until 06.26.2024)	Strategy and ESG Committee (from 06.26.2024)	Total attendance
Shareholder representative	**Attendance/number of meetings (in %)**						
Thomas Cord Prinzhorn, Chairman	5/5 (100%)	4/4 (100%)	5/5 (100%)	1/1 (100%)	1/1 (100%)	1/1 (100%)	17/17 (100%)
Stefan Fida, Deputy Chairman	5/5 (100%)	4/4 (100%)	5/5 (100%)		1/1 (100%)		15/15 (100%)
Birgit Noggler, Member	5/5 (100%)	4/4 (100%)		1/1 (100%)	1/1 (100%)	1/1 (100%)	12/12 (100%)
Stephan Büttner, Member	5/5 (100%)	4/4 (100%)					9/9 (100%)
Klaus Friedrich Erkes, Member	5/5 (100%)			1/1 (100%)		1/1 (100%)	7/7 (100%)
Marion Weissenberger-Eibl, Member	5/5 (100%)			1/1 (100%)	1/1 (100%)	1/1 (100%)	8/8 (100%)
Claus Möhlenkamp, Member until 04.23.2024[1]	1/1 (100%)			1/1 (100%)			2/2 (100%)
Total attendance	31/31 (100%)	16/16 (100%)	10/10 (100%)	5/5 (100%)	4/4 (100%)	4/4 (100%)	70/70 (100%)

[1] On April 23, 2024, Claus Möhlenkamp resigned from the Supervisory Board and thus from the Strategy, Growth and Innovation Committee. He attended the relevant meetings up to the date of his resignation.

Self-evaluation of the Supervisory Board

Pursuant to C Rule 36 of the Austrian Corporate Governance Code, the Supervisory Board conducts a self-evaluation every year, which serves as a basis for continuous improvement. All members complete questionnaires on an annual basis, which are then discussed in a Supervisory Board meeting. Every three years, this is supplemented by one-on-one interviews with each Supervisory Board member, followed by a workshop to discuss the results and the next steps. The self-evaluation is headed by an external consultant with the support of a team of experts. In 2024, for example, self-evaluation covered the areas of organization and working methods, diversity and succession planning, committee work and training. Overall, the results were very positive, with improvements over previous years.

Guidelines for the independence of Supervisory Board members

The Supervisory Board adopted the guidelines for independence as per Appendix 1 of the Austrian Corporate Governance Code. According to this, all members of the Supervisory Board declared their independence from the company and its Executive Board. In addition, pursuant to C-Rule 54 of the Austrian Corporate Governance Code, the members Stephan Büttner and Marion Weissenberger-Eibl were not shareholders of the company with an investment of more than 10% each nor did they represent the interests of such shareholders in 2024.

Remuneration of the Executive and Supervisory Boards

This Corporate Governance Report does not contain any information about the remuneration of the Executive Board and the Supervisory Board. Please refer to the remuneration policy and the separate Remuneration Report for more information. Both documents are published on the company’s website. (www.semperitgroup.com/investor-relations/reports-presentations).

Directors and Officers (D&O) insurance

Directors and Officers (D&O) insurance has been taken out for the members of the Supervisory Board, the Executive Board and senior executives within the Group. The company bears the related costs. In case of damage, deductibles were agreed for the event that Executive Board members are found to be in breach of duty.

Shareholdings of members of the Executive and Supervisory Boards as of 31 December 2024

Members of the corporate bodies and persons closely related to them must report their own dealings in the company's financial instruments. The transaction reports (Directors' Dealings reports) are published at https://issuerinfo.oekb.at and on the Semperit website. The following is an overview of the shareholdings of the members of the corporate bodies as of 31 December 2024, as reported to the company:

Name	Number of shares (units)
Stefan Fida	5,800
Helmut Sorger	2,360
Markus Stocker	79

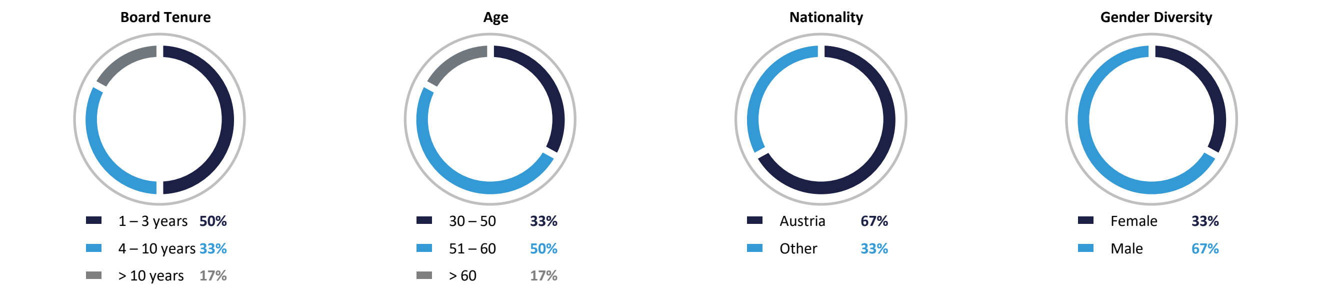
Success through diversity

The promotion of diversity and inclusion (D&I) is an essential part of Semperit's sustainability strategy. The vision for diversity and inclusion 2040 is to promote a collaborative and inclusive work culture in which all employees feel both valued and comfortable and are respected as individuals. The goal is to ensure fairness in all aspects. Semperit wants to support reducing unconscious bias and use the diversity in the workforce to its advantage in order to benefit from the experiences and perspectives of people with different cultural imprints and diverse backgrounds (for details see Sustainability Statement).

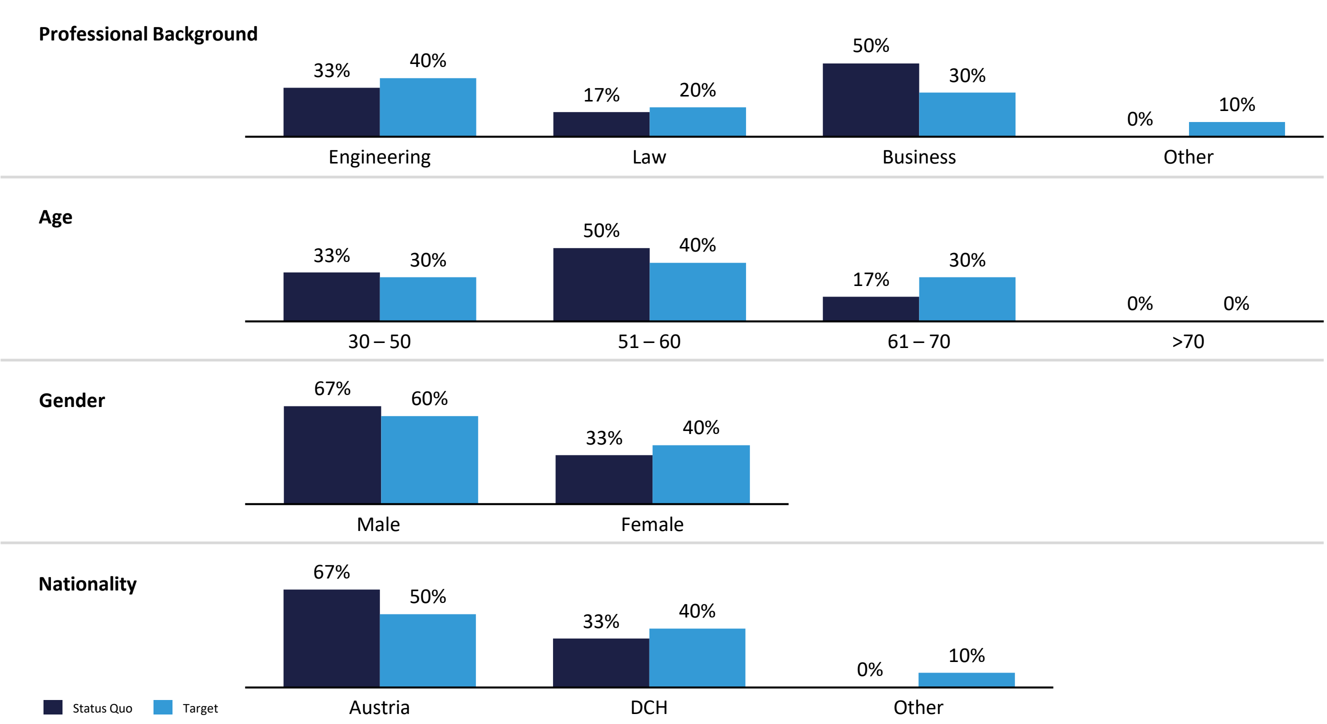
Respect, diversity and inclusion are integral and indispensable elements of the corporate culture and are always considered when filling vacancies. When proposals are made to the Annual General Meeting for filling Supervisory Board positions and when nominating Executive Board members, special importance is attached to expertise and diversity because this contributes significantly to the level of professionalism and efficiency delivered through the work of the Supervisory and Executive Boards. In addition to professional and personal qualifications, aspects such as age, ethnic origin, gender, education, and experience are also factored in. The written version of a diversity concept of the Supervisory Board was adopted on 1 February 2018 and updated in the 2021 financial year. Accordingly, targets set by the Chairman of the Supervisory Board for diversity on the board (shareholder representatives) are evaluated and tracked on the basis of several dimensions (see graphic below).

The shareholder representatives on the Supervisory Board are elected by the Annual General Meeting in accordance with the applicable legal provisions. Currently, the Supervisory Board is composed of two women among the shareholder representatives, which corresponds to a one-third share. Including employee representatives, the share is also one-third. This fully complies with the 30% gender quota, which has been mandatory since 2018.

Supervisory Board Diversity – Overview



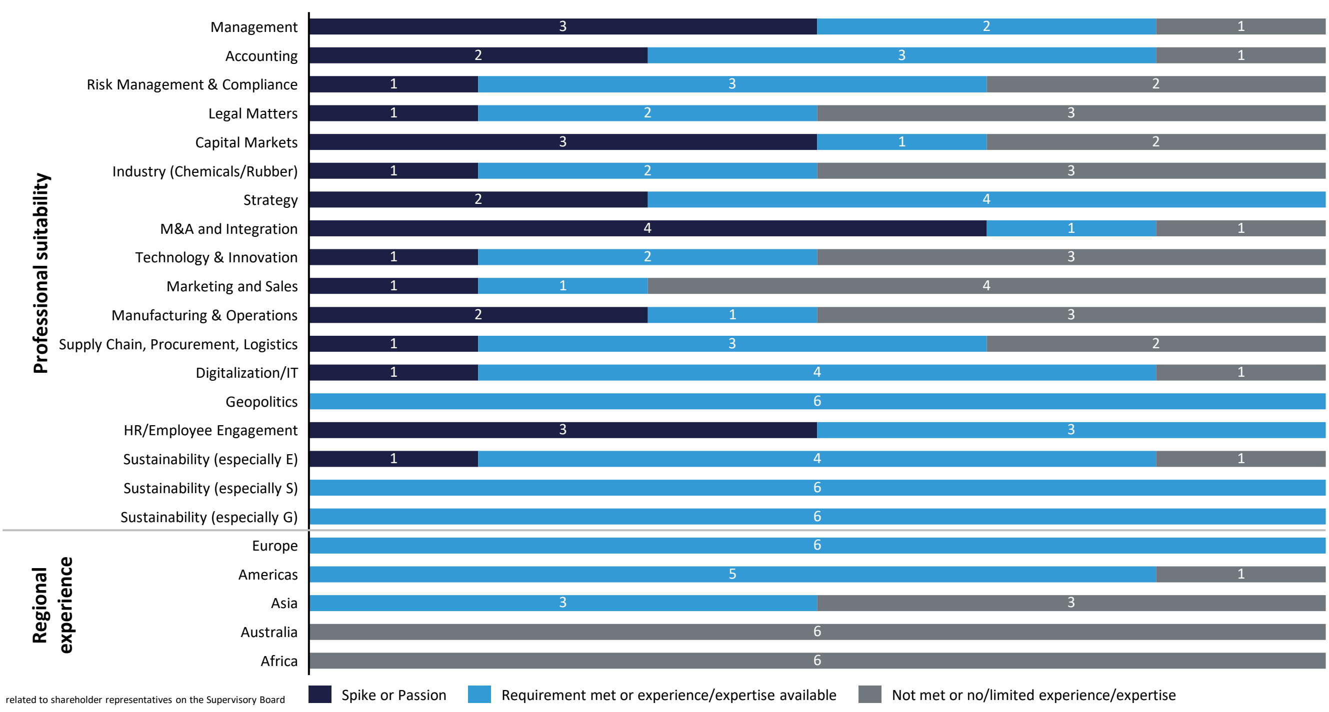
Supervisory Board Diversity – Tracking of Goals



Skills matrix reflects broad expertise

The Supervisory Board as a whole covers the entire spectrum of areas of expertise that are important for the Semperit Group, such as experience in industry, strategy, M&A, integration and finance. Knowledge in engineering, business administration and law, as well as expertise in digitalization, supply chains and ESG, are complemented by many years of management experience and competence.

Skills Matrix



Advancement of women

Semperit is committed to equal opportunities for all employees – regardless of age, gender, nationality, religion, skin color, or sexual orientation. A person’s skills and potential are what counts. The gradual increase in the proportion of women in the Semperit Group, which – typical for an industrial company – is lower than in other sectors, is a central goal. The measures to promote women include flexible working models in the form of flexitime and part-time work as well as special agreements for part-time parental leave.

In a gradual process, Semperit has been pursuing a balanced gender distribution at all hierarchy levels of the Group since 2023 and has defined annually increasing women’s quotas as a target until 2030. To simplify matters, Semperit refers to a women’s quota in this context, which, however, refers to all non-male genders (non-male gender target). The following targets were set with annual progression:

- 0.5 percentage points increase in the proportion of women across all hierarchy levels compared to the previous year.
- 1.0 percentage point increase in the proportion of women in management compared to the previous year (managers are defined as employees who have at least one direct report).
- 1.0 percentage points increase in the proportion of women in senior management compared to the previous year (senior managers are defined as managers at Job Grade 14 and above).

The proportion of non-male employees will thus be increased throughout the organization, with a clear focus on management functions. Semperit strives to be an attractive employer for all applicants and employees, regardless of gender and other diversity characteristics. These goals are also integrated into the variable salary agreements of the Executive Board (LTI) and those of the employees (STI) who fall under the Group Bonus Policy and should thus support the continuous increase in the proportion of women (see also Sustainability Statement).

At Semperit, as a traditional industrial company with a technical focus, the proportion of women increased to 24.5% group-wide in the 2024 financial year (2023: 23.7%). Currently, there are no women on the Executive Board. Since May 2017, Semperit has already fulfilled the female quota for the Supervisory Board, which has been required by law since 2018. At the top management level (Executive Board and senior leaders), the proportion rose to 14.3% in the reporting year (2023: 11.1%).

External evaluation

In accordance with C Rule 62 of the Austrian Corporate Governance Code, the Semperit Group commissions an external organization to evaluate its compliance with the stipulations contained in the code and the accuracy of the associated public reporting regularly, at least every three years. The Group reports on the results in the Corporate Governance Report. The last external evaluation took place for the year 2022. This evaluation, which was performed by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., did not identify any facts inconsistent with the declaration of the Executive Board and Supervisory Board found in the 2022 Corporate Governance Report with respect to its compliance with the C Rules of the Austrian Corporate Governance Code. The next evaluation is planned for the year 2025.

Vienna, 19 March 2025

The Executive Board

Karl Haider
CEO

Helmut Sorger
CFO

Gerfried Eder
CIO

Manfred Stanek
Executive Board Member

Report of the Supervisory Board

Dear Sir or Madam, dear shareholders,

Thomas Cord Prinzhorn
Chairman of the
Supervisory Board

In 2024, the Semperit Group not only held its ground in a challenging economic environment but further strengthened its position. Thus, Semperit continued its successful 200-year history as a global pioneer and leading specialist for elastomer products. All planned milestones were achieved, including the complete separation from the medical business and the ongoing integration of the Rico Group, which was acquired in 2023. The cost savings have a lasting effect, while we invested in the further growth of the Group at the same time. Semperit is therefore very well positioned – both for the current market environment and to take full advantage of the next upturn.

The result achieved for 2024 is very satisfactory given the market situation. Regarding EBITDA, the ambitious guidance was even exceeded. I would like to thank all employees and the Executive Board of the Semperit Group for their commitment and dedication.

Focus of our work

In our function as the Supervisory Board, we accompanied and supported Semperit and its Executive Board in all their undertakings, took an active role as a sparring partner for the Executive Board and, as in previous years, performed the duties assigned to us by law and the corporate statutes with great care. The Executive Board informed the Supervisory Board comprehensively, continuously and promptly about developments on the markets and on the company's assets, financial position and earnings situation, thereby fulfilling its duty to provide at all times and in appropriate depth. We dealt in detail with the effects of the market environment on business performance and with countermeasures to secure and strengthen the competitiveness of our sites and the Group. These include, for example, the continuous optimization of fixed costs and the performance of the individual business areas. Further priorities were the expansion of production capacities for hoses in Odry (CZ) and liquid silicone components in Thalheim (AT) as well as the digital transformation of the Semperit Group. The standardization of the ERP landscape will significantly optimize our processes and further increase our efficiency in the coming years.

Structured succession process

Considering Karl Haider's decision not to stand for an extension of his mandate expiring at the end of March 2025, we launched an international and competitive selection process and appointed Manfred Stanek as the future CEO in September 2024. He joined the Executive Board at the beginning of March 2025 and will take over as CEO on April 1, 2025. Manfred Stanek is an internationally experienced industry expert and, with his values and visions, ideally suited for the Semperit Group. Together with the proven team of the Executive Board, he will further expand Semperit's market position. On behalf of the entire Supervisory Board, I would like to thank Karl Haider for his strategic foresight, implementation skills and drive in the important strategic reorientation of recent years.

Constructive collaboration

In the 2024 financial year, we held a total of five Supervisory Board meetings and twelve committee meetings. The Strategy, Growth and Innovation Committee was merged with the ESG Committee in June to further optimize the effectiveness of the committee's work. The 100% attendance rate at all meetings demonstrates the high level of commitment of the Board. Please refer to the Corporate Governance Report for an overview of the individual attendance and our detailed work in the four committees. The Supervisory and Executive Boards were also in regular contact outside of the meetings, and several resolutions were passed by circular vote.

Our cooperation with the Executive Board remained intensive and constructive, characterized by open discussions and a joint pursuit of the best solutions for the future of our Semperit. In addition, the Supervisory Board conducted the annual self-evaluation of the efficiency of its activities, in particular with regard to its organization and working methods.

Changes in the Supervisory Board

Changes were made to the Supervisory Board in 2024: at the Annual General Meeting on April 23, 2024, the number of members elected by the Annual General Meeting was reduced from seven to six. At the end of the Annual General Meeting, Claus Möhlenkamp left the Supervisory Board at his own request. At the same time, Herbert Ofner left the Supervisory Board as an employee representative. Stephan Büttner was re-elected to the Supervisory Board until the Annual General Meeting that resolves on the discharge of the Supervisory Board for the 2027 financial year. On behalf of the entire Supervisory Board, I would like to thank Claus Möhlenkamp and Herbert Ofner for their professional work and support of the Semperit Group.

Dialog with investors

As Chairman of the Supervisory Board, a dialog with investors is particularly important to me. Therefore, we held our first corporate governance roadshow last year, where my Supervisory Board colleague Stefan Fida and I spoke with proxy advisors and institutional investors. We provided information and discussed the governance model, succession planning for Supervisory Board and Executive Board members, and the remuneration policy and its planned update with an even stronger focus on the long-term sustainable success of the company and the resulting increase in value for shareholders. These exchanges were very interesting and valuable, and we intend to continue them in the future.

Approval of the 2024 annual financial statements

At the Annual General Meeting on April 23, 2024, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (EY) was appointed as the auditor of the company's annual and consolidated financial statements for the 2024 financial year. As a result of its audit, EY has issued an unqualified audit opinion on the annual financial statements and the consolidated financial statements of Semperit AG Holding as of December 31, 2024. The management report and the group management report are consistent with the annual and consolidated financial statements. The non-financial reporting for the 2024 financial year as part of the management report was also subjected to an independent audit by EY.

In its meeting held on March 13 and 19, 2025, the Audit Committee of the Supervisory Board dealt in particular with the annual financial statements including the management report, the consolidated financial statements including the group management report, the corporate governance report and the auditor's reports, with the results of the audit being discussed in detail with the auditor. On the basis of its own audit, the Audit Committee approved the auditor's findings. The Audit Committee duly reported on its findings to the Supervisory Board. Based on the efficient audit process for the annual financial statements 2024, the Audit Committee recommended to the Supervisory Board to propose to the Annual General Meeting to reappoint Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. as auditors for the financial year 2025.

The Supervisory Board examined the annual financial statements and the consolidated financial statements as well as the management report and the group management report and the corporate governance report and concurs with the conclusions of the audit. The Supervisory Board formally approves the annual financial statements for 2024, which are consequently adopted in accordance with Article 96 para. 4 of the Austrian Stock Corporation Act. The corporate governance report, the consolidated financial statements and the group management report including the sustainability report 2024 as well as the remuneration report have also been approved by the Supervisory Board. The Supervisory Board is following the recommendation of the Audit Committee and proposing Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. as auditors for the 2025 financial year to the Annual General Meeting.

The Supervisory Board declares its agreement with the Executive Board's profit distribution proposal, according to which a dividend of EUR 0.50 per share should be proposed to the Annual General Meeting. A total of EUR 10.3 million is therefore intended to be distributed.

Semperit is very well positioned for the future with its industrial strategy and will continue its successful course in 2025. On behalf of the Supervisory Board, I would like to thank you, our esteemed shareholders, for accompanying us on this journey.

Vienna, March 19, 2025

Thomas Cord Prinzhorn
Chairman of the Supervisory Board

Group Management Report

Economic environment

In the 2024 financial year, the global economic environment was characterized by a moderate recovery, including major regional differences. Inflation remained a dominant issue in many countries – despite the gradual easing that occurred towards the end of the year. In addition, the main factors influencing global economic development included geopolitical uncertainties, an aggravation of the trade conflict between the USA and China, as well as increasingly protectionist measures and the effects of the Russia-Ukraine conflict.

In its growth forecast published in January 2025, the International Monetary Fund (IMF) predicts global economic growth of 3.2% for 2024. The current forecast for 2025 and 2026 is only slightly better at 3.3%. Although the forecast for 2025 was raised by 0.1 percentage points from the October 2024 estimate, the estimate is below the historical average (2000-2019) of 3.7%.

A growth rate of 2.8% was calculated for the USA for 2024, driven primarily by strong consumer demand and investments in infrastructure projects. A rate of 2.7% is currently expected for 2025 – the forecast for 2025 has been increased by 0.5 percentage points compared to the estimate of last October. By contrast, the economy in the eurozone grew by just 0.8% in 2024, and the growth forecast for 2025 was revised downwards from 1.2% to 1.0%. Energy prices remained high in 2024, increasing production costs in many industries. The European Central Bank maintained its expansionary monetary policy to support growth. Among the major economies in the eurozone, Germany stands out negatively – German GDP was down 0.2% in 2024. The outlook is also sobering: for 2025, the IMF sees low growth of just 0.3%, after recently still expecting 0.8%. The French and Italian economies grew by 1.1% and 0.6%, respectively, in 2024 and are expected to see only very moderate growth of 0.8% and 0.7% respectively in 2025.

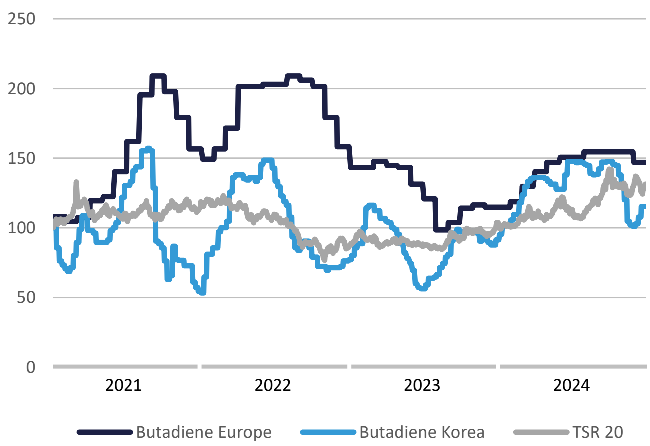
Austria is among the growth underperformers in the EU and looks back on its second year of recession. According to the Austrian Institute of Economic Research (Wifo), Austria's economy shrank by 0.9% in 2024. The strain was clearly reflected in the industrial and construction sectors. Unit labor costs rose by 9.0% in the economy as a whole in 2024. Since this is significantly higher than for international competitors, it results in a loss of price competitiveness. A modest economic recovery is forecast for 2025, with GDP growth of around 0.6%.

By comparison, Asia grew strongly by 5.2% in 2024, led by China and India, and should maintain this pace in 2025, according to the IMF. China's economy recovered thanks to strong exports and government investment in technology and infrastructure, increasing by 4.8% in 2024. India benefited from a dynamic domestic economy and reforms that improved the business environment, with GDP growth of 6.5%. Other Asian economies also showed positive growth rates, supported by increasing regional integration and trade activity.

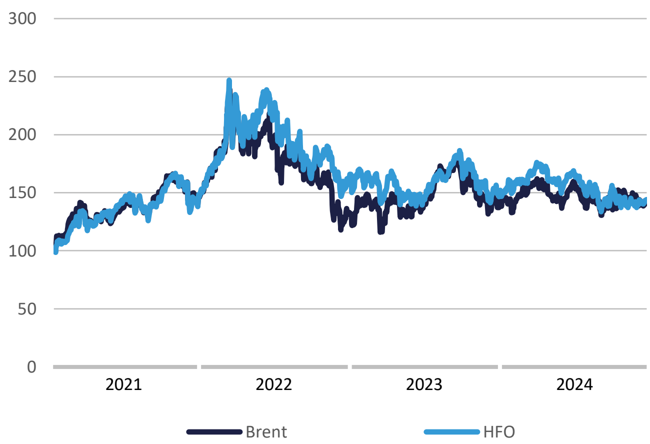
Development in the raw material markets

Various raw materials such as butadiene, carbon black and natural rubber, are important basic components for the manufacture of polymer products. After decreases in 2023, butadiene and natural rubber prices trended upwards again during the reporting period, while the price of crude oil moved sideways. Below is an overview of the most important raw materials:

Raw material price development



Indexed to 100 as of January 1, 2021; Source: Reuters, Refinitiv Eikon;
Butadiene, PHAKE00 BD Korea (USD/t), AAXOJ00 BD Europe (EUR/t)
Technically Specified Rubber, TSR20 SICOM (Usc/kg)



Brent Crude, LCOc1 ICE Europe Brent Crude Electronic Energy Future (USD/bbl)
HFO, Heavy Fuel Oil 1% NWE (USD/t)

Crude oil is an important raw material for the production of synthetic rubber precursors such as butadiene and carbon black. In 2024, the price of Brent crude oil was roughly at the previous year's level. The average prices for butadiene, an important raw material for both divisions, rose sharply in Asia but also increased in Europe. This trend was also reflected in the prices for butadiene derivatives: in both Asia and Europe, average prices in 2024 were significantly higher than in 2023.

Carbon black prices, which affect both divisions, have historically correlated strongly with the price of heavy fuel oil (HFO). In line with crude oil prices, heavy fuel oil prices in the reporting period were roughly at the previous year's level. Carbon black prices remained similar.

Prices for natural rubber, which is mainly used in the Belting business, continued to rise significantly on the Asian commodity exchanges and were around 27% higher in the 2024 reporting period than the average price in 2023.

The average price for iron ore, a raw material used in the production of wire rod, was 9% lower in 2024 than in 2023. On average, wire rod was also traded at a lower level in 2024 than in 2023.

Revenue and earnings performance

Key figures Semperit Group

in EUR million	2024[1]	Change	2023[1]
Revenue	676.6	–0.8%	681.8
EBITDA	84.9	21.1%	70.1
EBITDA margin	12.5%	+2.3 PP	10.3%
Operating EBITDA[1]	86.3	8.0%	80.0
Operating EBITDA margin	12.8%	+1.0 PP	11.7%
EBIT	35.0	3.0%	34.0
EBIT margin	5.2%	+0.2 PP	5.0%
Earnings after taxes from continuing operation	11.4	–53.2%	24.4
Earnings after taxes from discontinued operation	0.1	n/a	–41.4
Earnings after taxes	11.5	n/a	–17.1
Additions to intangible assets and property, plant and equipment[2]	62.4	–77.5%	277.0
Employees (average)	4,125	–8.2%	4,495

[1] Operating EBITDA: excluding items that affect comparability.
2024: adjusted for the expenses for the "oneERP" project (2024: EBITDA impact: EUR –1.5 million).
2023: adjusted for the following negative effects: one-off severance payments for changes to the Executive Board and for reductions in headcount (2023: EBITDA impact: EUR –2.2 million), one-off effects from the sale of the medical business (2023: EBITDA impact: EUR –1.3 million), transaction costs for Rico (2023: EBITDA impact: EUR –3.3 million) and from profits of the Rico Group anticipated in the purchase price allocation (2023: EBITDA impact: EUR –3.0 million).
[2] Excluding right-of-use assets in accordance with IFRS 16

In the 2024 financial year, the Semperit Group increased EBITDA by 21.1% to EUR 84.9 million and significantly improved earnings after taxes to EUR 11.5 million after EUR –17.1 million in the same period of the previous year. With revenue almost stable at EUR 676.6 million (–0.8%), the EBITDA margin increased by 2.3 percentage points to 12.5%, mainly due to the cost-cutting program already initiated in 2023.

The Semperit Group, which focuses exclusively on industrial customers with its two divisions Semperit Industrial Applications (SIA) and Semperit Engineered Applications (SEA), generated revenue of EUR 676.6 million (–0.8%) in the financial year 2024. The two divisions developed differently depending on the market environment and customer sectors. While the persistently challenging economic situation at SIA (Hoses and Profiles) led to an 11.3% decline in revenue to EUR 293.5 million, divisional EBITDA improved by 11.4% to EUR 52.2 million, primarily thanks to cost measures and efficiency improvements. The SEA division (Form, Belting, and Rico or Liquid Silicone) increased revenue by 9.1% to EUR 383.0 million; of this total, EUR 94.6 million was attributable to Rico, which was only included for five months in the prior-year period (August–December 2023: EUR 37.2 million). EBITDA in the SEA division amounted to EUR 48.1 million (–4.8%), with Rico accounting for an operating EBITDA contribution of EUR 16.0 million. The EBITDA margin at SEA thus reached 12.6% (after 14.4%), while it improved to 17.8% (after 14.2%) at SIA.

Inventories of own products decreased by EUR 15.0 million in the 2024 financial year (previous year: decrease of EUR 11.3 million), reflecting the focus on working capital management. Other operating income rose slightly to EUR 8.6 million (previous year: EUR 7.1 million).

Total expenses decreased by 3.6% to EUR 587.9 million. The cost of materials (including energy and purchased services) fell by EUR 28.1 million or 9.1% to EUR 279.7 million (previous year: EUR 307.8 million). This is primarily due to an easing of purchase prices for raw materials as well as lower sales and production volumes in individual businesses.

Personnel expenses increased by 6.0% to EUR 218.8 million (previous year: EUR 206.5 million); adjusted for Rico, however, they were 6.0% lower than in the previous year. Inflation-related wage and salary increases were offset by capacity-related adjustments to headcount and cost reductions. Personnel expenses in the comparative year were also impacted by changes to the Executive Board.

At EUR 89.3 million, other operating expenses were 6.7% below the previous year's figure (previous year: EUR 95.8 million), which was primarily due to significant savings in consulting expenses and the reversal of provisions for complaints.

EBITDA therefore improved significantly and, at EUR 84.9 million (previous year: EUR 70.1 million), exceeded the guidance of around EUR 80.0 million. The EBITDA margin climbed to 12.5% (previous year: 10.3%).

Operating EBITDA amounted to EUR 86.3 million. EBITDA for 2024 was adjusted for the effects of the lead project for the Group's digital transformation ("oneERP") of EUR 1.5 million recognized in profit or loss. These are non-capitalizable costs that can be expensed for the implementation of a uniform Group-wide enterprise resource planning system. The capitalizable development costs of the ongoing implementation amounted to EUR 0.7 million for the 2024 financial year. This involves moving the software applications to a public cloud environment with the "Software as a Service" service model, in which the cloud infrastructure is managed and controlled by the provider. The project is currently expected to be completed by 2028. The operating EBITDA margin in 2024 amounted to 12.8%. Adjusted EBITDA in the previous year amounted to EUR 80.0 million, with a corresponding margin of 11.7%.

Operating EBITDA

in EUR million	2024
EBITDA	84.9
Project cost "oneERP"	–1.5
EBITDA before project costs	86.3

Regular depreciation and amortization increased to EUR 47.5 million in the 2024 financial year (previous year: EUR 36.5 million), primarily as a result of the expanded consolidation basis including Rico (EUR 15.8 million). At EUR 35.0 million, EBIT was therefore 3.0% higher than the previous year's figure of EUR 34.0 million.

The financial result amounted to EUR –13.4 million (previous year: EUR –8.7 million), which was primarily due to higher financing expenses as a result of new bank financing for strategic growth projects. Earnings before taxes therefore amounted to EUR 21.5 million (previous year: EUR 25.3 million).

Tax expenses rose to EUR 10.1 million (previous year: EUR 0.9 million), of which EUR 8.3 million was attributable to current tax expenses (previous year: EUR 11.0 million) and EUR 1.9 million to deferred tax expenses (previous year: tax income of EUR –10.1 million). In the 2024 financial year, the effective tax rate was therefore 40.5% compared to 3.2% in the previous year, whereby the effective tax rate in 2023 was comparatively very low, particularly due to the recognition of deferred tax assets on tax losses in the Austrian tax group. The effective tax rate relates to income taxes in relation to earnings before taxes less the earnings attributable to redeemable non-controlling interests.

Earnings after taxes from continuing operations amounted to EUR 11.4 million (previous year: EUR 24.4 million), and earnings after taxes from discontinued operations was EUR 0.1 million (previous year: EUR –41.4 million). In the comparative period of 2023, the latter included a reclassification of historical currency translation differences in the amount of EUR –23.5 million due to deconsolidation.

Overall, earnings after taxes (from continuing operations and discontinued operations) therefore improved significantly to EUR 11.5 million (previous year: EUR –17.1 million). This corresponds to earnings per share of EUR 0.56 (previous year: EUR –0.82).

Discontinued operations

On March 21, 2024, the Semperit Group entered into a co-use agreement with Harps, the buyer of the medical business, and completed the second and final closing of the sale of the medical business effective June 30, 2024. The co-use agreement enables Harps to use the production site for gloves in Wimpassing after the acquisition of the Surgical Operations business unit from Semperit. This means that the requirements for presentation as a discontinued operation for Surgical Operations were met for the first time as at March 31, 2024. The comparative period (2023) was adjusted accordingly. The discontinued Examination Operations segment is also presented in the comparative figures for 2023.

In the 2024 financial year, discontinued operations only comprised Surgical Operations, which generated revenue of EUR 23.2 million and EBITDA of EUR 3.4 million with contract manufacturing for Harps. As at June 30, 2024, a fair value was determined for Surgical Operations based on the selling price and taking into account the planned price adjustment mechanism. This resulted in an impairment requirement for Surgical Operations amounting to EUR 2.8 million. Earnings after taxes for discontinued operations therefore amounted to EUR 0.1 million.

Dividend policy and treasury shares

The dividend policy of the Semperit Group basically aims at a distribution of around 50% of earnings after taxes – assuming continued successful performance with no unusual circumstances. Given the good liquidity situation and the development of free cash flow (before sale of companies) in the past fiscal year, the board has decided to deviate from the dividend policy and will propose a dividend of EUR 0.50 per share to the general meeting. In total, EUR 10.3 million is planned to be distributed. With a share price of EUR 11.84 at year-end 2024, this results in a dividend yield of 4.2%.

A dividend of EUR 0.50 per share was distributed for the 2023 financial year. This corresponds to a dividend yield of 3.5% in relation to the 2023 closing price of EUR 14.16.

Semperit AG Holding did not hold any treasury shares as of 31 December 2024, or 31 December 2023.

Assets and financial position

Balance sheet

The development of the balance sheet structure as of 31 December 2024, can be summarized as follows:

in EUR million	12.31.2024	Share	12.31.2023	Share	Change
Non-current assets	604.2	66%	597.7	64%	+1.1%
Current assets	308.6	34%	339.6	36%	–9.1%
Assets held for sale	0.1	0%	0.5	0%	–85.9%
ASSETS	912.9	100%	937.9	100%	–2.7%
Equity[1]	430.9	47%	425.3	45%	+1.3%
Non-current provisions and liabilities	314.4	34%	346.6	37%	–9.3%
Current provisions and liabilities	167.6	18%	165.5	18%	+1.3%
Provisions and liabilities held for sale	0.0	0%	0.4	0%	–93.1%
EQUITY AND LIABILITIES	912.9	100%	937.9	100%	–2.7%

[1] incl. non-controlling interests.

Non-current assets remained stable at EUR 604.2 million (+1.1%). Essentially, additions to assets amounting to EUR 69.8 million (primarily machinery, technical equipment and assets under construction as a result of investments in the expansion of hose production in Odry and at Rico in Thalheim) were offset by regular depreciation and amortization amounting to EUR 47.5 million. Of the investments, EUR 34.0 million was attributable to the Czech Republic, in particular for the expansion of the hose production in Odry, EUR 9.0 million to the modernization of the site in Wimpassing (AT), EUR 6.4 million to Poland and EUR 5.6 million and EUR 4.3 million to the expansion of Rico in Miami (USA) and Thalheim (AT), respectively.

Current assets decreased by 9.1% to EUR 308.6 million compared to December 31, 2023, primarily due to the reduction in inventories by EUR 25.0 million and the reduction in trade receivables by EUR 12.5 million to EUR 73.6 million, due to factoring, among other things. Cash and cash equivalents increased by EUR 13.3 million to EUR 126.0 million.

Equity primarily reflects the dividend payments made in May and the positive result.

In provisions and liabilities, Schuldschein loans amounting to EUR 31.0 million were reclassified to current liabilities. This was mainly offset by lower current trade payables (EUR –13.2 million) and other current liabilities (EUR –11.9 million). As a result, current liabilities and provisions remained almost unchanged.

Net financial debt

in EUR million	12.31.2024	Change	12.31.2023
Corporate Schuldschein loan	38.4	0.0%	38.4
Liabilities to banks	195.7	3.3%	189.4
Financial liabilities	**234.1**	**2.7%**	**227.8**
Cash and cash equivalents	126.0	11.8%	112.7
Current time deposits	4.8	n/a	0.0
Cash and cash equivalents and similar investments	**130.7**	**16.0%**	**112.7**
Net financial debt (+) / Net financial surplus (–)	**103.3**	**–10.3%**	**115.2**

The Semperit Group had net financial debt of EUR 103.3 million as of 31 December 2024, as financial liabilities (EUR 234.1 million) exceeded cash and cash equivalents (EUR 126.0 million) plus current time deposits (31 December 2023: net cash debt of EUR 115.2 million). The leverage ratio as the quotient of net financial debt divided by EBITDA was 1.2x as of December 31 (previous year: 1.6x).

Two bank financing agreements with a volume of up to EUR 360 million were concluded with effect from March 31, 2023. A financing agreement for a total of EUR 250 million consists of a loan of up to EUR 150 million and a credit line of EUR 100 million. In July 2023, the loan of EUR 150 million was drawn for the acquisition of the Rico Group. EUR 40 million of this loan was repaid in December 2023 and a further EUR 10 million in July 2024. The credit line has not been utilized. The second financing agreement for EUR 110 million was concluded particularly for the expansion investments at the Odry site. Of this, EUR 59 million was drawn down by the end of the reporting period (previous year: EUR 33 million).

Cash flow

The cash flow statement is prepared jointly for the continuing operations and discontinued operations; no distinction is made between the cash flows of the individual business units. The cash flows from operating, investing and financing activities of the discontinued operation are disclosed in the note.

The development of the liquidity situation in the 2024 financial year can be summarized as follows:

Cash flow[1]

in EUR million	2024	Change	2023
Cash flow from operating activities	94.6	42.8%	66.2
Cash flow from investing activities	–56.7	–56.9%	–131.4
Cash flow from financing activities	–25.9	n/a	20.5
Net increase/decrease in cash and cash equivalents	13.3	n/a	–45.2

1 The calculation includes continuing operations and discontinued operations.

In the 2024 financial year, cash flow from operating activities rose to EUR 94.6 million, which was primarily due to the improved cash flow from earnings.

Cash flow from investing activities amounted to EUR –56.7 million (previous year: EUR –131.4 million) and was primarily influenced by expansion investments, while the comparative year 2023 mainly included the major corporate transactions (sale of the medical business and acquisition of Rico). At EUR 64.6 million, cash investments in intangible assets and property, plant and equipment in the 2024 financial year were above the previous year’s level (previous year: EUR 55.6 million). Of this amount, EUR 29.5 million was attributable to strategic growth investments (capacity expansions in the liquid silicone and hose segments). In the previous year, this figure was EUR 19.4 million (excluding the Rico acquisition of EUR 164.8 million). In terms of countries, the largest investments were made in the Czech Republic at EUR 31.1 million (previous year: EUR 23.5 million), in Austria at EUR 17.9 million (previous year: EUR 14.6 million), in Poland at EUR 7.3 million (previous year: EUR 4.9 million), in the USA at EUR 3.9 million (previous year: EUR 1.9 million) and in Germany at EUR 2.0 million (previous year: EUR 3.7 million).

Cash flow from financing activities amounted to EUR –25.9 million (previous year: EUR 20.5 million) and included interest payments of EUR –15.0 million (previous year: EUR –7.5 million), dividend payments of EUR –10.3 million (previous year: EUR –92.6 million), the repayment of current and non-current financial liabilities of EUR –18.7 million (previous year: EUR –58.6 million) and the repayment of lease liabilities of EUR –5.1 million (previous year: EUR –4.4 million) in the 2024 financial year. This was offset by cash receipts from financial liabilities in the amount of EUR 26.0 million (previous year: EUR 190.0 million).

Cash flow[1]

in EUR million	2024	Change	2023
Cash flow from operating activities	**94.6**	**42.8%**	**66.2**
Interest paid	–15.0	99.9%	–7.5
Interest received	3.7	31.3%	2.8
Cash investments for maintenance and small growth projects (intangible assets and property, plant and equipment)	–35.1	–3.0%	–36.2
Proceeds from the disposal of property, plant and equipment and long-term assets held for sale, and from the repayment of financial investments, investment grants received, and payments made for the acquisition of financial investments	–2.3	n/a	0.9
Free cash flow before the sale of companies	**45.8**	**74.4%**	**26.3**
Proceeds from business disposals net of cash disposed of	6.6	–92.3%	85.3
Free cash flow after the sale of companies	**52.4**	**–53.0%**	**111.5**

[1] The calculation includes continuing operations and discontinued operations.

Free cash flow is the net cash flow adjusted for interest payments that is available for strategic growth investments, dividends and the repayment of debt. It amounted to EUR 45.8 million in the 2024 financial year (previous year: EUR 26.3 million). After considering the proceeds from the sale of Surgical Operations, it amounted to EUR 52.4 million (previous year, after considering the proceeds from the sale of Examination Operations: EUR 111.5 million). Of this amount, EUR 29.5 million was used for the expansion of capacity for hose production in Odry (CZ) and liquid silicone components in Thalheim (AT).

Performance of divisions

Division Semperit Industrial Applications (SIA)

Key figures Semperit Industrial Applications

in EUR million	2024	Change	2023
Revenue	293.5	–11.3%	330.8
EBITDA	52.2	11.4%	46.9
EBITDA margin	17.8%	+3.6 PP	14.2%
EBIT	31.3	5.2%	29.7
EBIT margin	10.7%	+1.7 PP	9.0%
Additions to intangible assets and property, plant and equipment[1]	40.8	15.5%	35.3

[1] Excluding right-of-use assets in accordance with IFRS 16

- The business performance of the SIA division reflects the persistently challenging economic environment. This led to a year-on-year decline in revenue of 11.3% – primarily due to lower sales volumes but also to a shift in the product mix. Thanks to cost measures introduced at an early stage and operating improvements, EBITDA improved significantly to EUR 52.2 million (previous year: EUR 46.9 million) and the EBITDA margin consequently increased by 3.6 percentage points to 17.8%.
- Demand for hydraulic and industrial hoses as well as incoming orders were at a low level due to market conditions, including the slow-down in the original equipment manufacturer (OEM) business, which continued to be characterized by a weaker order intake and excess stock of finished devices. Due to short delivery times, there was also no pressure for customers to order well in advance. Over the course of the year, incoming orders stabilized on average, meaning that the order backlog at the end of the year exceeded the weak level of the previous year.
- Demand and incoming orders for elastomer and sealing profiles were at a reduced level due to the continued weakness of the construction industry. No recovery is expected in the short term, as leading indicators, such as building permits for the German construction industry, continue to decline. In the 2024 financial year, revenue and sales volumes were slightly below the previous year's level.

Division Semperit Engineered Applications (SEA)

Key figures Semperit Engineered Applications

in EUR million	2024	Change	2023
Revenue	383.0	9.1%	351.0
EBITDA	48.1	–4.8%	50.5
EBITDA margin	12.6%	–1.8 PP	14.4%
EBIT	20.8	–37.5%	33.2
EBIT margin	5.4%	–4.0 PP	9.5%
Additions to intangible assets and property, plant and equipment[1]	20.2	–91.6%	240.0

[1] Excluding right-of-use assets in accordance with IFRS 16

- Business development in the SEA division was primarily characterized by the full-year consolidation of the Rico Group, which was consolidated for five months (August to December) in the comparative period of 2023. Divisional revenue increased by 9.1% to EUR 383.0 million (thereof Rico: EUR 94.6 million). The Form business recorded an almost stable development, while revenue from Belting was below the strong level of the previous year, as expected. This and a somewhat lower-margin product mix in some areas also had a negative impact on the operating result, which was not fully offset by the full-year contribution from Rico: Overall, EBITDA in the SEA division was therefore almost stable at EUR 48.1 million, with a margin of 12.6% (previous year: EUR 50.5 million or 14.4%).
- Overall, demand for the individual products of the Form business showed a mixed picture. The handrail, transportation and mountain applications areas recorded good demand, while those areas that supply applications in the household goods business and seals for the construction industry as well as membranes for the mining industry, for example, reflected the cyclical downturn. Overall, incoming orders and sales volumes were up on the previous year.
- Although the market environment for the late-cycle business with conveyor belts (Belting) was positively influenced by the price trend for mining products and the resulting demand for conveyor and transport belts in 2024 after an outstanding 2023, project postponements at individual customers, lower demand from European coal mining, a temporary shift in the product mix towards lighter belts and price pressure from Asian competitors had a counteracting effect. In terms of customer sectors, copper production became the largest area, closely followed by coal mining, which will continue to show a downward trend. Overall, Belting's order intake was below the strong level of the previous year, and the order backlog declined as orders were processed continuously.
- In the liquid silicone business (Rico), incoming orders for parts production were satisfactory overall, although there were differences between product groups. Production call-offs from the healthcare and food sectors were stable and remained at a high level in the mobility sector, while there were some significant declines in the sectors related to the construction industry. In tool making for external tools, there were delays to some projects (for example in the automotive sector). Due to the market environment, customers are currently holding back on major investments.

Sustainability

For the 2024 financial year, the Semperit Group published its first integrated annual report (after already having published seven separate sustainability reports). The Sustainability Statement was prepared on a consolidated basis in accordance with the European Sustainability Reporting Standards (ESRS). For further details see the Sustainability Statement section. The sustainability reports of previous years can be accessed online on the Semperit website.

Employees

At 4,006 employees (FTE, full-time equivalent, incl. contract workers), the headcount for continuing operations as of 31 December 2024 was below the level as of 31. December 2023 (4,260). The year-on-year decrease is due to the reduction in headcount as part of the cost-cutting program, while at the same time the integration of the Rico Group had an opposite effect. The average number of employees for the year was 4,125 (average 2023: 4,495). The headcount of Semperit Group excl. contract workers was at 4,084 as of 31 December 2024 (2023: 4,220)

Research and development

The Research & Development (R&D) team of the Semperit Group is continuously working on the development of innovative materials and products as well as on the improvement of manufacturing processes. The innovation management system used across the Group is the core of all R&D activities, covering the systematic identification of potential, the selection of promising ideas, risk analysis with regard to the effects of products on people and the planet, and successful project management. In the 2024 financial year, R&D expenditure in continuing operations (for personnel and other expenses) amounted to around EUR 14.9 million (previous year: EUR 15.7 million) and therefore around 2.2% of revenue (previous year: 2.3%). For more information see Sustainability Statement.

Additional information

Corporate governance

The corporate governance report can be found online at www.semperitgroup.com/en/ir, under the Corporate Governance menu. The direct link is:
www.semperitgroup.com/en/ir/corporate-governance/corporate-governance-reports.

Disclosures pursuant to Section 243a (1) of the Austrian Commercial Code (UGB)

As of December 31, 2024, the share capital of Semperit AG Holding (SAG) amounted to EUR 21,358,996.53 and consisted of 20,573,434 no-par-value ordinary shares, each carrying equal rights in every respect.

There are no restrictions with regard to voting rights or the transfer of shares that go beyond the general provisions contained in the Austrian Stock Corporation Act. No shares were issued entitling the owners to special control rights.

B&C KB Holding GmbH directly owned 53.07% of the shares in SAG as of December 31, 2024, and is the direct majority shareholder of SAG. In addition, B&C Kratos Holding GmbH holds 4.18%. The private foundation B&C Privatstiftung is the highest controlling legal entity. B&C Holding Österreich GmbH is the indirect majority shareholder which draws up and publishes consolidated financial statements in which the Semperit Group is consolidated. Employees who hold shares exercise their voting rights at the Annual General Meeting. Employees who own shares are entitled to exercise their right to vote at the Annual General Meeting.

The Executive Board consists of up to five people. Members of the Executive Board are appointed by the Supervisory Board for a maximum period of five years. Reappointments, for a maximum of five years, are permissible.

The following applies with respect to the appointment and revocation of Supervisory Board members pursuant to the Articles of Association: Unless a shorter term of office is specified, Supervisory Board members are elected until the end of the Annual General Meeting resolving upon the ratification of the actions of the Executive and Supervisory Boards for the fourth year after the election, not including the financial year in which the election took place. However, at least two members of the Supervisory Board shall resign each year at the end of the Ordinary Annual General Meeting. Members of the Supervisory Board who have resigned from the Supervisory Board since the last Annual General Meeting or have resigned from office with effect from the end of the respective Annual General Meeting shall be counted towards this figure.

Otherwise, the members having to resign are determined as follows: First of all, members have to leave if their term of office has ended. If this does not apply to at least as many members required for two members to be determined, including other members who have left since the last Annual General Meeting or have resigned from office at the end of the respective Annual General Meeting, the members who have been in office for the longest will have to resign. In the event that the number of members eligible for departure is greater than required, the members will draw lots to decide who leaves. This procedure is also used to decide which members will depart if a decision cannot be made based on the above rules. The resigning members are immediately eligible for re-election.

If an elected member of the Supervisory Board retires from the Supervisory Board during their term of office, a substitute election shall only be held immediately if the number of elected Supervisory Board members falls below three. Substitute elections shall be held for the remaining term of office of the retiring Supervisory Board member unless the Annual General Meeting decides otherwise at the time of election. If a member is elected to the Supervisory Board by an Extraordinary Annual General Meeting, the first year in office is considered to be completed upon the close of the next Ordinary Annual General Meeting.

Each member of the Supervisory Board may resign from office by giving written notice to the Chairman of the Supervisory Board without having to provide reasons, subject to a four-week period of notice.

Resolutions of the Annual General Meeting require a simple majority of the votes cast, unless mandatory law requires a larger majority. In cases where capital majority is required, it shall pass resolutions by a simple majority of the share capital represented at the passing of the resolution, unless mandatory law requires a larger capital majority.

The Executive Board was authorized by the Ordinary Annual General Meeting on April 25, 2023, with the consent of the Supervisory Board, to increase the nominal capital of the company within five years from the registration of the amendment to the Articles of Association with the commercial register – if necessary in several tranches – by up to EUR 10,679,497.23 by way of issuing up to 10,286,716 new no-par-value shares in bearer or registered form against cash and/or payment in kind and to determine the share type, the issue price, and the terms and conditions of the issue. The Executive Board was also authorized to issue convertible bonds with agreement from the Supervisory Board. This may be linked to a right of conversion or purchase or a mandatory conversion or purchase of up to 10,286,716 no-par-value shares in the company. The share capital is conditionally increased according to Section 159 (2) (1) of the Austrian Stock Corporation Act by up to EUR 10,679,497.23 by issuing up to 10,286,716 new no-par-value bearer shares.

The Ordinary Annual General Meeting on April 23, 2024 authorized the Executive Board, with the consent of the Supervisory Board, to repurchase and, if applicable, retire own shares up to the legally permitted maximum of 10% of the share capital for a period of 30 months from the adoption of the resolution in the Annual General Meeting in accordance with Section 65 (1) (8) of the Austrian Stock Corporation Act. At the same Annual General Meeting, the Executive Board was also authorized – pursuant to Section 65 (1b) of the Austrian Stock Corporation Act and with agreement from the Supervisory Board – to decide on a different type of sale than via the stock exchange or through a public offering, and to decide on a possible exclusion of the repurchase option (purchase right) on the part of shareholders. There is no share buyback program in place at present and SAG does not hold any treasury shares.

Certain financing agreements contain contractual clauses regarding a change of control in the event of takeovers pursuant to Section 243a (1) (8) of the Austrian Commercial Code.

There are no compensation agreements pursuant to Section 243a (1) (9) of the Austrian Commercial Code.

Risk management

As an international manufacturer of elastomer products, the Semperit Group is exposed to a variety of general and industry-specific risks in its business operations. With its integrated risk management system, the Group has a solid foundation for identifying potential risks at an early stage, assessing their impact and taking appropriate countermeasures. At the same time, a proactive approach to risks also opens up new opportunities that can contribute to increasing value creation. The corporate strategy of the Semperit Group focuses on systematically reducing risks and consistently exploiting growth opportunities.

In 2024, significant improvements were made in risk management, which contributed to a stronger alignment with corporate strategy and optimized controllability. A central element was the closer integration of risk management into the strategic planning process, which allows risks to be incorporated into strategic decisions at an early stage. In addition, coordination with the ongoing forecasting process was improved so that current developments can be incorporated into risk analysis in a timely manner. Furthermore, the key figure free cash flow was introduced as an additional assessment dimension alongside the proven EBITDA. This expansion allows for a more comprehensive assessment of the financial impact of risks on liquidity and solvency. In addition, the evaluation and interpretation of risk-bearing capacity was further developed to ensure a well-founded assessment of the maximum tolerable risk level based on the impact on EBITDA and free cash flow. These measures strengthen the transparency and resilience of the company in the face of internal and external uncertainties. Moreover, reporting was modernized and adapted to current requirements. This included a content-related and visual revision of the reports to ensure an even clearer, more precise and recipient-oriented presentation of risk information.

Basic principles of risk management (enterprise risk management)

The Semperit Group's risk policy supports the efforts to achieve competitive advantages, thereby increasing the Semperit Group's enterprise value in the long term. Risk management serves to create robust operational processes. In addition to fulfilling legal requirements, the focus is on identifying negative developments in strategic, operational, market and financial areas. Essential components of the risk policy are the topic areas of Environment, Social and Governance (ESG) as well as ensuring stable supply chains and on-time deliveries. These aspects are systematically integrated into the risk management process in order to identify risks at an early stage and to initiate appropriate measures. The risk management process follows a clear, systematic approach that intends to strengthen risk awareness across the Group. The resulting insights are incorporated into both strategic corporate development and operational work.

Risks are managed using four central approaches: risks are actively avoided if their probability of occurrence or potential impact is too high. Preventive measures are taken to reduce risks to an acceptable level. Existing risks can also be transferred, for example, to third parties such as insurance providers. Finally, acceptable risks are consciously taken and borne by the company if their potential impact is deemed acceptable. Group-wide risk management is an integral component of corporate strategy and is incorporated into the planning and ongoing monitoring of target achievement. It serves as a sparring partner for management and supports the continuous optimization of business processes.

Responsibility for risk policy lies with the Executive Board, which sets out the strategic guidelines. All Group units are obliged to implement the central risk management process and to participate in its further development. In organizational terms, enterprise risk management (ERM) is the responsibility of the “Group Risk Management & Assurance” department. This department monitors, coordinates and supports the risk management process across the Group to ensure that all relevant risks are recorded transparently and managed effectively.

The enterprise risk management process

The Semperit Group relies on closely interlinked internal control and risk management systems for early identifying and mitigating negative deviations and going concern risks. These systems are based on Group-wide standardized processes to identify and assess potential risks prior to significant business decisions. An efficient internal reporting system supports continuous monitoring of these risks. This ensures that changes are recognized promptly, and appropriate countermeasures can be initiated. This proactive approach contributes significantly to ensuring corporate stability and the achievement of strategic goals.

The risk management is based on a comprehensive enterprise risk management approach (ERM approach) that is deeply integrated into the business organization. This approach follows the internationally recognized framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), known as “Enterprise Risk Management – Integrated Framework”. The ERM process aims to identify, assess and manage risks at an early stage. These risks can significantly influence the achievement of strategic, operational, financial, social, governance and compliance objectives. In addition, the ERM approach also includes health, safety and environmental risks (HSEQ) as well as ESG aspects (Environment, Social, Governance). This holistic approach increases risk transparency and enables targeted risk minimization to ensure sustainable development of the Semperit Group.

Risks are identified and assessed using a structured process combining bottom-up and top-down elements. This dual approach enables a comprehensive identification of risks at both the operating and strategic levels.

In the context of the ERM approach, the reporting period for risk assessment usually covers one year and – in accordance with medium-term planning – up to five years. For ESG-relevant risks, the observation period may differ and can be significantly longer. Climate risks are often projected for decades into the future, taking regulatory requirements into account. This reflects the long-term effects of climate change and the need for sustainable strategic planning.

The ERM of the Semperit Group is based on a net principle, according to which only risks remaining after the implementation of existing measures to mitigate or transfer risks are addressed. Risks whose potential impact that has already been considered in the consolidated financial statements, in the budget or in medium-term planning are no longer shown separately as risks in the ERM process. The Implementation of risk-reducing measures is systematically and continuously monitored. This information is incorporated into internal risk reporting and is broken down in detail to the level of the individual Group companies. This ensures transparent reporting and the allocation of responsibilities, while further increasing the effectiveness of measures to mitigate risks.

The “Group Risk Management & Assurance” department is responsible for the central coordination, moderation and monitoring of the structured risk management process for the entire Semperit Group. Relevant risks are prioritized from different perspectives and, in a further step, assessed with regard to their potential impact and their probability of occurrence. The bottom-up identification and prioritization process is supported by (remote) workshops with the management of the respective Semperit Group companies. This bottom-up element ensures that potential new risks are brought up for discussion at the management level and incorporated into the reporting, if relevant. These risks are coordinated with the business management in a top-down approach, which ensures a consistent evaluation and coordination of the identified risks. Individual reporting takes place immediately after a risk update in the respective Group companies. At least once a year, a comprehensive risk reporting of the individual risks including aggregation is made at Group level. In addition, a quarterly progress report on current developments, changes and additions to the risk portfolio is submitted to the Audit Committee and Supervisory Board. The regular reporting process is supplemented by an ad hoc reporting process to ensure timely information on critical issues.

In addition to the proven dimension of EBITDA, the impact on free cash flow is also analyzed for the quantitative assessment of risks. This extended consideration enables a differentiated assessment of the company’s financial resilience. While the EBITDA-based analysis focuses on operating business performance without taking depreciation, amortization, interest and taxes into account, the free cash flow assessment offers an additional perspective on the liquidity situation and solvency. The company’s risk-bearing capacity can be thoroughly evaluated based on the determined effects of the risks on both key figures. The risk-bearing capacity describes the maximum extent of risk that the company can bear without jeopardizing its continued existence. While EBITDA provides information about operating profitability, free cash flow shows the extent to which the company is able to make investments, repay debts and distribute dividends. Combining both perspectives enables a holistic assessment of financial resilience. In 2024, the Rico Group, which was acquired in 2023, was fully integrated into the company-wide risk management process. This included the integration of all relevant business areas, processes and systems into the existing structures for risk identification, assessment and control, so that the risks of the Rico Group can now be recorded and assessed in a uniform manner according to the Group-wide standards. This enables a consolidated and transparent presentation of the overall risk position, which further improves the company’s controllability and creates the basis for a holistic assessment of its risk-bearing capacity.

Organization of risk management and responsibilities

The Semperit Group has established a clear structure for monitoring and controlling the enterprise risk management (ERM) process. In order to further advance the integration and harmonization of existing control activities in accordance with legal and operational requirements, risks, changes and developments in the risk management process are discussed quarterly in Executive Board, Audit Committee and Supervisory Board meetings. The regular reporting ensures that relevant risks are identified at an early stage and that appropriate measures are taken.

The Group Risk Management & Assurance department plays a central role in the risk management process and is supported by the Group companies and central functions. The progress of the measures is monitored by the risk or measure owners and reported to the Group Risk Management & Assurance department. This structure enables transparent and comprehensible control of risk measures. Insurable risks are covered by insurance where economically viable, thus minimizing the financial burden of unexpected losses. Further information on this topic can be found in the “Insurable risks” section.

The legal framework and principles of risk management are set forth in the Semperit Group’s risk management guideline. This guideline defines the requirements for the risk management process and forms the basis for the implementation and further development of the ERM system.

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. audited and confirmed the functionality of the Semperit Group’s risk management system for the 2024 financial year in the 2025 reporting year in accordance with C-Rule 83 of the Austrian Corporate Governance Code. This confirmation underscores the effectiveness and efficiency of the risk management system and compliance with regulatory requirements.

Risk report

As an internationally operating group, the Semperit Group is continuously confronted with the challenges of a globalized economy. The countries in which the Semperit Group operates differ considerably in terms of economic conditions. These differences relate to economic, political, legal and social development. The effects on the two divisions, Semperit Industrial Applications and Semperit Engineered Applications, and on the individual operating business units therefore vary.

In the 2024 financial year, the Semperit Group was confronted with a variety of external challenges. The subdued overall economic development, initially high inflation rates and the limited possibility of passing on the associated cost increases to customers weighed on the earnings situation. In addition, there were political uncertainties, particularly due to the ongoing Russia-Ukraine conflict, geopolitical tensions between the major trading powers and the associated trade restrictions and restrictive tariff policies. In addition, volatile price developments for raw materials and energy affected the economic environment. Despite these challenges, the Semperit Group demonstrated strong resilience due to its global presence, its diversification across five business divisions and the early introduction of cost-cutting measures. The different market dynamics in the respective regions helped to spread risks and mitigate negative effects.

At the time this management report was prepared, no risks were identified that could endanger the Semperit Group as a going concern, either individually or in combination. Adequate insurance has been taken out, to the extent economically feasible, to cover specific liability risks and damages. Selected individual risks that could have a material adverse effect on the financial position, financial performance, and profit situation of the Semperit Group, as well as opportunities for the Semperit Group are described below. In addition to the individual risks mentioned, there may be further potential risks relating to strategic, operational, financial, social, governance, compliance and HSEQ (health, safety, environment and quality) issues. These risks are currently unknown or unrecognized but might have a significant negative impact on the financial position, financial performance, and profit situation as well as the reputation of the Semperit Group if they occurred.

Insurable risks

Although the Semperit Group has concluded global insurance programs to cover the risks relevant to its business, for example with regard to fire, natural hazards and natural disasters, there is no guarantee that possible losses will be fully covered by these insurance policies, that the insurance companies will be liable for damages, or that the insurance coverage will be sufficient. In order to counteract this loss potential, the Semperit Group has taken further precautions in the form of additional insurance coverage, for example with regard to so-called earthquake or flood layers, which in some cases doubles coverage in addition to other existing insurance policies. In addition, critical business processes with a high potential threat are regularly examined as part of risk assessments and business continuity management, and preventive strategies and measures are developed to ensure that the company can continue to operate in the event of an emergency. The implementation of these measures is monitored on an ongoing basis.

In this context, specific effects of climate change were also identified based on a climate risk analysis carried out in 2023 and included in the catalogue. This analysis identified immediate physical risks, such as acute events (storms and heavy rainfall), as well as chronic changes (rising sea levels). Potential consequences range from storm damage to buildings to temporary disruptions of global supply chains. Indirect physical risks were also identified. These are risks that can arise from the indirect or long-term effects of climate change, for example losses in production due to a shortage of water supply as a result of prolonged periods of drought. According to this analysis, none of the Semperit sites are currently exposed to a physical climate risk in the short term. In the medium and long term, water-related risks such as flooding and water shortages were identified at the Roha, Odry and Bełchatów sites. Projects for efficient water use and sustainable water management have been initiated to counter these risks.

In any case, Semperit ensures that the risk of insurable natural hazards is reduced as much as possible through regular exchanges with contracted insurers. Primarily potential legal disputes that exceed the sum insured or are not covered by the insurance may result in additional losses for the Semperit Group. A further risk lies in the fact that it cannot be guaranteed that the Semperit Group will continue to receive adequate insurance cover at economically reasonable conditions in the future.

Significant risks, opportunities and measures

The following table provides a structured overview of the main risks and opportunities identified within the Semperit Group. It shows the categorization of risks and opportunities as well as potential measures to mitigate risks and exploit opportunities.

The risks and opportunities in the context of Environment, Social and Governance (ESG), which were identified as material in the materiality analysis pursuant of the ESRS requirements, as well as further disclosures on these, can be found in the Non-financial Statement starting in chapter "**ESRS 2 General disclosures**".

Strategic risks and opportunities (R&O)

R&O category	Description and potential Impact	Management measures	R&O trend	R&O indicator
Market	Numerous market segments are characterized by competition. Future market trends must be recognized in good time and products and services adapted to avoid negative effects on profitability and market position. The overall economic slowdown of recent years has led to a decline in the willingness to invest and a shift in customer demand towards cheaper segments, which increases price pressure. At the same time, there is an increased risk of new competitors, particularly from emerging markets, penetrating core markets and gaining market share.	Focus on profitable growth segments where size or know-how can be used as a critical success factor. Close cooperation with customers and R&D with a focus on innovative materials, technologies and products. Development of cost-efficient product alternatives to respond to changing customer demand. Rigorous cost control and efficiency enhancements. The cost reduction program introduced in 2023 has reduced the cost base by more than EUR 18 million in total.	↑	Risk & opportunity
Acquisitions and divestments	Semperit's strategy encompasses acquisitions, investments in its core business, strategic partnerships and divestments depending on its ability to successfully identify, implement and integrate these opportunities. The opportunities arising from corporate development and growth are offset by numerous risks, including risks arising from the transaction, failure to achieve expected returns, legacy issues and the resulting potential for impairment losses (impairments).	The strategy focuses on markets and projects in which Semperit has proven strengths. In 2024, Semperit completed the sale of the medical division (closing 2). Opportunities and risks of investments and divestments are taken into account in the context of separate projects including risk management.		
Transformation	The ability to adapt strategy to megatrends such as the Green Deal and decarbonization is crucial to ensuring competitiveness and sustainability in the long term.	Continuous evaluation of the strategy, the overall market and the influence of megatrends, and potential adaptations of the business model based on the findings. Preparations for the development of a decarbonization plan according to the Corporate Sustainability Due Diligence Directive (CSDDD).		
Structural adjustment	Structural adjustments, for example with regard to ensuring future-proof business areas and competitive cost structures at individual locations, offer the opportunity for medium- to long-term revenue growth. This is offset by risks from cost overruns, missed revenue and return expectations, and resistance from employees. A project to address these issues was launched for the Wimpassing (AT) site in the 2024 financial year. The aim is to ensure the site's competitiveness and to define a portfolio of efficient business models that is supported by a competitive cost structure.	Deployment of detailed planning with clearly defined goals and milestones, as well as monitoring and controlling of progress. Transparent communication with all stakeholders and active involvement of employees.	↗	Risks & opportunities

R&O category	Description and potential Impact	Management measures	R&O trend	R&O indicator
Governance	The Semperit Group is committed to acting responsibly and transparently and to complying with legal rules and regulations. Risks in this area arise from deviations from these principles and from increasing regulatory requirements that must be implemented. Compliance with these regulations and the trust of customers, shareholders, creditors, business partners and employees are crucial to ensuring the continuity of the company.	To prevent these risks, guidelines for the actions of the corporate bodies and employees have been implemented in all relevant corporate areas. Regular training is designed to ensure understanding of and compliance with the applicable regulations and ethical standards. This is supported by a control system and regular audits. The Semperit Group's Code of Conduct and the corresponding guidelines are in line with generally accepted standards and values as well as local laws and other rules and regulations. All employees must commit to complying with the Code of Conduct and receive regular training. The group has a robust "Speak up!" approach (including an external reporting office) so that violations of the code and guidelines can be reported through various channels. The compliance officers monitor compliance and provide advice on integrity issues.	→	Risk
Geopolitics	Risks arising from political business restrictions and uncertainties, such as those arising from adverse changes in local tax, licensing, export and labor laws, as well as from import and export restrictions. Political instability, war, terrorism or other violent conflicts can have a significant negative impact on business activities.	Political developments in the relevant markets are continuously monitored. Expansion of procurement markets and further diversification of sales markets to reduce dependence on individual countries.	↑	Risk

Operational risks and opportunities

R&O category	Description and potential impact	Management measures	R&O trend	R&O indicator
Innovations	Risks and opportunities arising from technological innovations and changing market requirements, particularly with regard to sustainability and technological leadership. Digitalization and automation initiatives offer the opportunity to maintain competitiveness and further expand the market position. Availability of suitable technologies for the production of recycled or bio-based materials.	Innovation management takes place in a structured manner and mainly at product level. Continuous evaluation and implementation of innovative product-market combinations, such as hybrid handrails and intermediate rail pads that significantly reduce noise. Harmonization of the Group-wide ERP landscape is in progress. The expansion investment in the hose area in Odry (DH 5) is setting new standards for digitalization and automation. Launch of a group-wide Circularity Initiative, which, among other things aims to promote the use of recycled and bio-based materials, significantly reduce waste and partially recycle it .	↑	Risk & oppor-tunity
Products and services	Negative effects from delays in market launch. Potential reasons for this could be: • Due to insufficient selection of environmentally friendly raw materials the ESG requirement of the market cannot be met. • Limitations in the product portfolio can significantly impair growth and adaptability. Opportunities and risks from the early identification of market trends/customer needs Competitive advantages from the further development of products, services and processes.	Optimization of supply chains and close collaboration with suppliers Increased integration of ESG criteria in raw materials procurement Close collaboration with customers, market analyses and innovation projects ensure future growth and increase resilience to market fluctuations. Efficiency enhancement through modern technologies and automation.	→	Risk & oppor-tunity
Customer structure	Risks arising from increased dependency on key customers	Diversification of the customer portfolio and increase in sales excellence by means of a structured, data- and fact-based sales model.	↑	Risk
Procurement/ supply chain	Risk of significant price increases (esp. for raw materials) that cannot be passed on to customers. Risk of dependency on individual suppliers High volatility of transport costs in overseas traffic, caused by geopolitical crises, rebel attacks or strikes.	Development of a diversified supplier network and optimization of inventory management and early warning system for supply bottlenecks Regular risk analyses and development of emergency plans Diversification of transport routes and methods	→	Risk
Production and capacity utilization	Several factors in the production process can have a negative impact on efficiency, growth and security of supply, including for example: • energy-intensive processes that put a strain on the cost structure and sustainability, • deferred investments in machinery and infrastructure, • extended downtime of production facilities for which there is no adequate replacement, • impairment or failure of production facilities due to external influences, including storms and flooding. Opportunities arise from increasing the automation level of the production process and the resulting efficiency gains.	Regular investments in the replacement of equipment that has been in use for some time and in the expansion of production facilities. Regular overhaul including maintenance and servicing. Existing flood protection measures are regularly evaluated and reinforced if necessary. Increased use of automation technologies, above all in the expansion of hose production at the Odry site and in the area of liquid silicone, contributes to cost reductions, efficiency enhancement and a consistently high level of quality.	→	Risk & oppor-tunity

R&O category	Description and potential impact	Management measures	R&O trend	R&O indicator
Quality management	Risks due to problems with product quality, e.g. due to low-quality raw materials or resulting from development or production.	Continuous development of the quality control system Close cooperation between the quality department and R&D	→	Risk & oppor-tunity
Personnel and employee retention	Risks and opportunities arising from the availability of qualified specialists and managers at individual locations, e.g. as a result of competition, structural adjustments. Risks arising from being dependent on key employees or from the concentration of expertise in specific areas (e.g. toolmaking) on individual/few persons. Risks arising from labor shortages or restrictions on the admission of guest workers, state minimum wage regimes, strikes. Opportunities arising from strengthening employer attractiveness.	Ensuring competitive wages and offering additional social benefits Programs for employee retention such as career development and training opportunities Programs for succession planning and talent management Participation in programs for recruiting foreign employees at individual locations Flexible working models	↑	Risk & oppor-tunity
Safety, health and environment (HSEQ)	The well-being, safety and the prevention of work-related (long-term) health conditions of employees are of critical importance to Semperit. Safety incidents can result in serious injuries, fatalities, production disruptions or additional costs for Semperit. Risks from potential non-compliance with regulations for occupational safety, building standards and operational permits. Risks from the improper use, handling and storage of hazardous substances	Establishment of a comprehensive management system for health and safety, with regular focus initiatives and regular reporting. Investments in improving workplace safety and regular training for employees. For details, see Sustainability Statement Secction page 185, Disclosure Requirement S1-14, Health and safety metrics. Comprehensive measures to ensure compliance with occupational safety and building standards. Strict storage and handling guidelines for hazardous substances.	→	Risk

R&O category	Description and potential impact	Management measures	R&O trend	R&O indicator
Compliance	Ethical misconduct or non-compliance with applicable laws, regulations and internal rules (e.g. environmental protection, competition, bribery and corruption, human rights, data protection) could expose Semperit to liability or have a negative impact on the course of business and reputation.	Implementation of a comprehensive compliance management system, regular training of employees on ethical standards and legal requirements, and strict internal control mechanisms. The Group has a robust “speak up” approach so that violations of the code and policy can be reported through various channels. The compliance officers monitor compliance and advise on integrity issues.	↘	Risk
Legal disputes	Risks arising from legal disputes and proceedings that could lead to claims for damages, criminal or civil penalties, fines or profit skimming.	Regular review and adjustment of contracts Close cooperation with local legal experts and preventive compliance measures and training.	→	Risk

R&O category	Description and potential impact	Management measures	R&O trend	R&O indicator
IT and cyber security	Risk of intentional attack on data and IT systems. Potential consequences include loss of control and production downtime, data theft and cyber blackmail, and a corresponding negative impact on the Group's earnings and financial position as well as its reputation. Risk of data leaks and system failures	Implementation of IT security and cyber security systems, including regular security checks, vulnerability assessments and penetration tests. Use of modern security solutions Regular training for employees	↑	Risk & oppor-tunity
System availability and harmonization	Risk from the multitude of internally developed IT/OT systems and the diversity of applications that require manual intervention or are person-dependent, which can affect data quality and processes Opportunities and risks from the OneERP project and the introduction of SAP S/4 Hana to harmonize the IT infrastructure	Standardization of the IT/OT landscape and automation of processes Detailed project planning and project management as well as continuous monitoring and stakeholder management including training during the introduction of the OneERP project Semperit maintains a structured crisis management and business continuity system to ensure continuity in its plants, offices and home offices.	→	Risk
Business continuity	Crises and disruptions to business continuity, such as those caused by natural disasters or pandemics, can have a significant impact on a company's business activities.	Semperit maintains a structured crisis management and business continuity system to ensure continuity at its plants, offices and home offices.	↑	Risk

Financial risks and opportunities

As an internationally active company, the Semperit Group is exposed to financial risks, which can have an impact in particular in the areas of capital, liquidity and financing risks, foreign currency and interest rate risks, as well as in the default risks of customers and banks. As required by IFRS 7, the financial risks and their management are described in detail in chapter 11.

R&O category	Description and potential impact	Management measures	R&O trend	R&O indicator
Interest rate environment	Increasing or decreasing interest expenses/interest income due to changes in market interest rates	Long-term fixed interest rate agreements and use of hedging instruments In the 2024 financial year, interest rate swaps with a volume of EUR 30 million were concluded.	→	Risk
Counterparties	Customer default, especially in the context of the currently challenging economic situation Bank default risk in relation to bank deposits	Implementation of a comprehensive credit management system including standardized credit checks, defined credit limits and credit insurance Liquid funds are spread across several banks with high credit ratings	→	Risk
Taxes, fiscal and public charges	Risks of non-compliance with local tax laws and the OECD guidelines for transfer pricing	Implementation of a comprehensive tax compliance management system Staff training on tax compliance issues	↑	Risk
Foreign currencies	Risks and opportunities from the use of foreign currencies and exchange rate fluctuations	Hedging through forward exchange transactions and targeted currency diversification of cash flows	→	Risk & oppor-tunity
Availability of capital	Risk of limited availability and rising cost of capital, in particular due to ESG regulations, a deterioration in the company's own credit rating or due to an increase in credit risk premiums as a result of uncertainty and risk aversion on the financial markets. Opportunity through early consideration of ESG regulations and fulfillment of these requirements	Capital risk management to ensure the continua-tion of the business, growth-oriented investment activities and a dividend policy aligned with these goals. As of December 31, 2024, the Semperit Group has conservative net debt of EUR 103,3 million and liquid funds of EUR 126,0 million. Integration of sustainability criteria into corporate strategy and financial planning Continuous reporting and improvement of ESG ratings	↗	Risk & oppor-tunity

Internal Control System (ICS)

The Semperit Group's Internal Control System (ICS) is designed to ensure the effectiveness, efficiency and profitability of business processes, the reliability of financial reporting and compliance with legal and regulatory requirements. In addition, the ICS supports early detection, monitoring and prevention of risks and fraudulent actions. The continuous development and optimization of the ICS is carried out in close cooperation between the Group Risk Management & Assurance department and the relevant specialist departments. This integrated approach ensures that the control system is always adapted to current requirements and changing conditions, achieving a high degree of transparency and control reliability. Responsibility for implementing and monitoring the ICS lies with the management of the respective business units. To ensure uniform and consistent control across the Group, the Executive Board of Semperit AG Holding defines cross-divisional framework conditions and binding rules for the entire Semperit Group. Regular follow-up audits are performed at the locations to ensure the sustained implementation of the framework conditions and regulations.

The principles of the Internal Control System (ICS):

- Ensuring the accuracy of accounting and reporting – ensuring the accuracy, completeness and reliability of financial and reporting figures
- Adherence to internal and external regulations – compliance with internal rules (e.g. limits of authority) and external laws, ordinances and regulatory requirements
- Increasing payment security – implementation of a predefined control framework for payment transactions to minimize booking errors and fraud risks
- Ensuring the segregation of duties – separation of critical tasks to avoid conflicts of interest and fraud risks
- Implementation of process-integrated controls – ensuring the implementation and documentation of process-relevant controls
- Traceability and transparency – creation of seamless documentation that enables expert third parties to review controls and decisions
- Protection of assets – measures to protect tangible and intangible corporate assets
- Detection of operational risks and damage visibility – identification of potential operational risks as well as the early detection and disclosure of any damage incurred
- Increasing operational efficiency – improvement of operational procedures by optimizing processes and reducing waste and inefficiency

Essential characteristics of the internal control and risk management system with regard to the financial reporting process

The key elements of the existing ICS and risk management system with respect to the (Group) accounting process can be summarized as follows:

- Segregation of duties – The accounting tasks are clearly separated from other areas of responsibility, such as treasury, in order to avoid conflicts of interest and minimize the risk of manipulation.
- IT security and access controls – The financial systems used are protected against unauthorized access by IT security measures such as access authorizations and firewalls.
- Use of standard software – Proven standard software is used for accounting to a large extent, ensuring system stability and compliance with best practices.
- Guidelines and instructions system – An adequate guidelines and instructions system (e.g. accounting guidelines, payment guidelines) defines binding rules for proper accounting and creates a clear framework for all parties involved.
- Audit of accounting data – Accounting data sent and received is checked by the responsible departments for completeness and accuracy, with sample-based checks being used as an additional control measure.
- Application of the four-eyes principle – The four-eyes principle is consistently applied in accounting-related processes in order to reduce errors and the risk of manipulation.

Monitoring by Internal Audit – Accounting-related processes are regularly reviewed by Internal Audit on a test basis in order to identify weaknesses at an early stage and ensure continuous improvement.

Sustainability statement

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1. General disclosures

ESRS 2 General disclosures

Disclosure Requirement BP-1 – General basis for preparation of sustainability statements

This is the Semperit Group's Sustainability Statement for the entire Group. The reporting organization is Semperit AG Holding. The statement contains disclosures on governance, strategies and targets as well as on managing impacts, risks and opportunities of the group of companies in the context of ESG (Environmental, Social and Governance). It offers stakeholders comprehensive insights into Semperit's business activities and describes in particular how the Group meets its economic, social and environmental responsibilities.

In accordance with EU Directive 2014/95/EU on the disclosure of non-financial information (NFI Directive) and its implementation in the Austrian Sustainability and Diversity Improvement Act (NaDiVeG), Semperit will summarize the required information in accordance with Section 267a of the Austrian Commercial Code (UGB) (NaDiVeG) in the Sustainability Statement in the management report of the 2024 Annual Report. Since the 2021 financial year, Semperit has also been obliged to disclose information in accordance with the EU Taxonomy Regulation (EU) 2020/852. This reporting requirement is met in the Sustainability Statement in the section "Environmental Information".

According to Section 267a UGB (NaDiVeG) para. 5, Semperit can rely on national, EU-based or international frameworks when preparing the Sustainability Statement. All disclosures in the Sustainability Statement are based on the European Sustainability Reporting Standards (ESRS) for the first time. At the time of preparation of the Sustainability Statement, the transposition of Directive (EU) 2022/2464 regarding sustainability reporting by companies ("CSRD") into Austrian law (through the Sustainability Reporting Act "NaBeG") has not yet been completed. Therefore, the following information in the Sustainability Statement is reported voluntarily in accordance with the ESRS.

The Sustainability Statement was prepared on a consolidated basis in accordance with the European Sustainability Reporting Standards (ESRS). The scope of consolidation of the Sustainability Statement corresponds to that of the consolidated financial statements (see appendix section 10.2 fully consolidated companies). The description of the management approaches and performance with regard to the key sustainability aspects relates to the entire Group and all subsidiaries. The key environmental figures only comprise the production sites. Sales offices and the corporate headquarters are not included in most of the environmental indicators due to their low environmental relevance.

The social, ecological and governance impacts of a company (inside-out perspective) not only arise at its own sites, but also in upstream and downstream areas of the value chain. Furthermore, the activities that take place in the upstream and downstream areas of the value chain can entail financial opportunities and risks for the company (outside-in perspective). Semperit's sustainability management, the process of materiality analysis and the Sustainability Strategy 2030 cover the majority of the upstream and downstream areas of the value chain and the corresponding business relationships with suppliers, customers and other stakeholder groups. Lacking applicability, the company has not made use of the option to omit certain disclosures relating to intellectual property, know-how or the results of innovations. The company has not made use of the exemption under Article 19a (3) and Article 29a (3) of Directive 2013/34/EU.

Disclosure Requirement BP-2 – Disclosures in relation to specific circumstances

Semperit completed the sale of the remaining medical business to Harps Europe Manufacturing GmbH ahead of schedule. The production of surgical gloves in Wimpassing and their packaging in Sopron were transferred to Harps on June 30, 2024. Semperit has integrated the key figures of the surgical glove production Surgical Operations at the Wimpassing site for the period from January 1 to June 30, 2024, into the Sustainability Statement. Key figures as of the reporting date, such as the number of employees reported at the end of the reporting period (December 31, 2024), do not include any information on Surgical Operations.

Disclosures on time frames (see disclosure under IRO-1), estimates of the value chain (see disclosure under SBM-1) and sources for estimates and uncertainty of results can be found in the respective key figure explanations in the environmental, social and governance chapters of the Sustainability Statement. The key figures listed in this Sustainability Statement are based primarily on direct measurements and surveys, machine data, resource consumption and other absolute data. Estimates were only used where neither primary data from direct measurements nor specific information from business partners in the value chain were available during the reporting period, as in the case of some raw materials, capital goods or commuting distances of employees for the calculation of Scope 3 emissions (for further disclosure on these estimates and secondary data from the ecoinvent database, see section E1 under E1-6). In the context of the climate scenario and vulnerability analysis for calculating Scope 3 emissions (for further disclosures on these estimates and secondary data from the ecoinvent database, see section E1 under E1-6). Assumptions and statistically probable forecasts were used in the climate scenario and vulnerability analysis (see methodology description in section IRO1 - E1). In the case of resource inflows (proportion of secondary raw materials in products and packaging) and resource outflows (waste processing methods, product life cycle, recyclability, reparability, durability, end-of-life disposal methods), estimates and assumptions were used wherever only supplier or customer information or product and industry averages were available in the absence of actual data (see section E5 under E5-4 and E5-5).

Due to the first-time application of the ESRS, Disclosure Requirements 13a through 14c, regarding changes and errors in reporting compared to previous reporting periods, in which GRI was used, do not apply and are not published in the present Sustainability Statement for the year 2024. Due to significant changes in the Group structure, in particular the discontinuation of the medical business and the acquisition of the RICO Group, a meaningful period comparison is not possible. The changes in the Group structure affect all key figures in the non-financial statement 2024. The first-time application of ESRS also results in a significant adjustment to the definitions of key figures for the 2024 reporting period and, due to the restructuring of the Group and the reporting system, no prior-year figures are disclosed as part of the first-time application of ESRS.

The disclosure of information on the EU Taxonomy is based on the Taxonomy Regulation (EU) 2020/852, Delegated Regulation (EU) 2023/2485 amending Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2486 and the associated FAQs.

Semperit has not incorporated any ESRS Disclosure Requirements by reference and only refers to other parts of the Annual Report or Group documents, such as the Remuneration Report or Remuneration Policy, for additional information or for comparison.

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

Composition and function of the Executive Board

At the end of the 2024 financial year, the Executive Board consisted of three members: Karl Haider (Chief Executive Officer), Helmut Sorger (Chief Financial Officer) and Gerfried Eder (Chief Industrial Officer).

Karl Haider (m)[1]

Chief Executive Officer (CEO) since January 11, 2022; term of office ends on March 31, 2025.

Dr. Karl Haider, born in 1965, started his career as a chemical lab technician. He went on to study Technical Chemistry and Economics, eventually going on to complete his doctorate in Technical Chemistry at the Johannes Kepler University Linz (AT). Following his studies, he worked in sales and project management at the voestalpine group before being promoted to Board Member within the Stainless Steel Division. Prior to Semperit, Karl Haider held the position of Chief Commercial Officer at Tata Steel Europe, one of the world’s largest steelmaking companies, where his previous roles included managing M&A transactions and acting as Director Operations Downstream. A highly regarded industry expert, he has gained extensive experience at major international industrial corporations throughout his career. In his previous functions, Karl Haider has also held a number of seats on Supervisory Boards at the respective group subsidiaries.

On June 10, 2024, Karl Haider informed the Chairman of the Supervisory Board of Semperit AG Holding that he was no longer available for an extension of his Executive Board mandate, which expires on March 31, 2025. On September 26, 2024, the Supervisory Board appointed Manfred Stanek as Chairman of the Executive Board of Semperit AG Holding. Stanek has been a member of the Executive Board since March 1, 2025, and will take over the role of CEO on April 1, 2025; his mandate runs until February 29, 2028.

Areas of responsibility: Engineered Applications Division, Communications & Capital Markets, Corporate Development, ESG, Human Resources, Investor Relations, Manufacturing & Engineering, Mixing Operations

Additional functions: Karl Haider has been a member of the Board of Directors of the Swiss Steel Group, based in Switzerland, since May 23, 2024.

Helmut Sorger (m)[1]

Member of the Executive Board since October 1, 2022, Chief Financial Officer (CFO); term of office ends on September 30, 2025.

Dr. Helmut Sorger was born in 1978 and holds a doctorate in social sciences and economics. He started his career as a research assistant and university lecturer at the Department for Quantitative Management at the Vienna University of Economics and Business. In 2007, he joined Wienerberger AG and took over as head of external reporting in the same year. In summer 2010, he moved to the USA and served as Director Finance and IT of General Shale Brick Inc. In 2013, he returned to Vienna taking on responsibility as Head of Corporate Reporting of Wienerberger AG, assumed responsibility as CFO of the North America region for the American financial area of Wienerberger at the beginning of 2015 for the following seven years and supported the division’s strategic reorientation and growth course through acquisitions and their rapid integration into the existing organization.

Areas of responsibility: Finance, Accounting, Tax, CISO, Compliance, Controlling, IR, Internal Audit, Legal, Risk Management & Assurance, Business Process Automation, Treasury

Additional functions: Currently, he does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C Rule 16 of the Austrian Code of Corporate Governance.

Gerfried Eder (m)[1]

Member of the Executive Board since July 1, 2023; CIO (Chief Industrial Officer); term of office ends on June 30, 2026.

Mag. Gerfried Eder, born in 1972, is responsible in his position for the Industrial Applications Division, which includes production, marketing and sales of hydraulic and industrial hoses as well as profiles.

Gerfried Eder studied business administration at the Vienna University of Economics and Business Administration and has held various management positions at Semperit since 2000. Prior to his appointment to the Executive Board, he was Managing Director of the Hydraulic and Industrial Hose Production Division with plants in the Czech Republic, Thailand, China, Austria, the USA, India and Singapore.

Areas of responsibility: Division Industrial Applications, Commercial Excellence, HSEQ, Research & Development, Supply Chain Management, Procurement

Additional functions: Currently, he does not hold Supervisory Board mandates in other companies that are not included in the consolidated financial statements pursuant to C Rule 16 of the Austrian Code of Corporate Governance.

[1] The members of the Executive Board do not belong to any minority; (m) stands for the gender 'male'.

Composition of the Supervisory Board[1]

At the end of the 2024 financial year, the supervisory board consisted of six capital market representatives and three employee representatives, who represent the interests of own workforce and other employees.

	Year of birth	First appointed to the Supervisory Board	Current term of office	Supervisory Board positions in other listed companies
Shareholder representatives				
Thomas Cord Prinzhorn (m), Chairman[2]	1972	04/25/2023	Until the Annual General Meeting, resolving upon the 2025 financial year	Lenzing AG (Chairman)
Stefan Fida (m), Deputy Chairman[2]	1979	04/29/2014	Until the Annual General Meeting, resolving upon the 2024 financial year	Lenzing AG
Birgit Noggler (w), Member[2]	1974	05/08/2019	Until the Annual General Meeting, resolving upon the 2024 financial year	Raiffeisen Bank International AG, AMAG Austria Metall AG
Stephan Büttner (m), Member[2, 3, 4]	1973	04/27/2022	Until the Annual General Meeting, resolving upon the 2027 financial year	–
Klaus Friedrich Erkes (m), Member[2]	1958	05/23/2017	Until the Annual General Meeting, resolving upon the 2026 financial year	Simona AG (Chairman)
Marion Weissenberger-Eibl (w), Member[2, 3]	1966	04/25/2023	Until the Annual General Meeting, resolving upon the 2025 financial year	MTU Aero Engines AG
Employee representatives				**Works council function**
Monika Müller (w)	1964	04/27/2021	–	Chairwoman of the Works Council for white-collar workers, Vienna
Michael Schwiegelhofer (m)	1975	03/08/2017	–	Deputy Chairman of the Central Works Council of Semperit AG Holding, Chairman of the Works Council for blue-collar workers, Wimpassing, Chairman of the European Works Council
Markus Stocker (m)	1979	01/01/2017	–	Chairman of the Central Works Council of Semperit AG Holding, Chairman of the Works Council for white-collar workers, Wimpassing, Deputy Chairman of the European Works Council

1 As of December 31, 2023.
2 Have declared their independence to the Supervisory Board in accordance with C-Rule 53 of the Austrian Code of Corporate Governance.
3 No representation by a shareholder over 10% (C-Rule 54 of the Austrian Code of Corporate Governance).
5 Stephan Büttner is a member of the Executive Board of AGRANA Beteiligungs-AG.

Resigned members of the Supervisory Board

	Year of birth	First appointed to the Supervisory Board	Current term of office
Shareholder representative			
Claus Möhlenkamp, Member	1965	07/22/2020	Resigned from office as of 04/23/2024
Employee representative			
Herbert Ofner	1966	04/27/2021	Resigned from office as of 04/23/2024

Diversity in Executive Board and Supervisory Board

In the reporting year, the Executive Board was composed of three male members (100% male, 0% female) and the Supervisory Board of six male and three female representatives (66% male, 33% female). Pursuant to C-Rule 53 of the Austrian Code of Corporate Governance, the Supervisory Board was composed of 100% independent members in the reporting year. The members of the Executive Board and Supervisory Board do not belong to any minority groups. Further information on the diversity of the Executive Board and Supervisory Board can be found in the Corporate Governance Report on the company's website (https://www.semperitgroup.com/de/investor-relations/berichte-praesentationen/).

Access to expertise and skills in relation to sustainability of the Executive Board and Supervisory Board

Expertise that is central to Semperit in terms of sustainability was assessed among members of the Executive Board and Supervisory Board by means of a questionnaire in 2024. All areas of expertise (sector-, product-, market- and sustainability-specific) as well as knowledge of specific topics (including circular economy, renewable raw material and energy sources, recycling, waste management, fair labor practices, diversity, equality and inclusion, information security) are covered by the composition of the two bodies. Further information on the professional and regional experience of the Supervisory Board members can be found in the Corporate Governance Report on the company website (https://www.semperitgroup.com/investor-relations/reports-presentations/). In addition, the Executive Board and Supervisory Board members are informed about current sustainability activities in terms of material impacts, risks and opportunities, as well as relevant regulatory frameworks and changes, as described in more detail below. In special cases, the Supervisory Board is also informed directly.

Tasks and responsibilities of the Executive Board and Supervisory Board related to sustainability aspects

The Executive Board, the **Audit Committee** and the **Strategy and ESG Committee** of the Supervisory Board are responsible for monitoring the impacts, risks and opportunities in the context of ESG. Responsibility for impacts, risks and opportunities is anchored in the rules of procedure. Risk management is defined as a systematic process for identifying, categorizing, quantifying and defining mitigation measures, and for tracking the effectiveness of those measures. The process encompasses all risks affecting the company and is also designed to help management identify potential opportunities. Responsibility for monitoring the effectiveness of the internal control system, the internal audit system and the risk management system (including risk control and mitigation) lies with the Audit Committee. It performs its duties in accordance with Section 92 (4a) of the Austrian Stock Corporation Act and Rule 40 of the Austrian Code of Corporate Governance. The **Group Risk Management & Assurance** department reports quarterly to the Audit Committee and ensures that the necessary risk-controlling measures are implemented.

The Strategy and ESG Committee also regularly deals with impacts, risks and opportunities in the ESG area. This includes discussing corporate strategy and the key performance indicators derived from it with the Executive Board, and the ongoing monitoring of the Executive Board's implementation of the strategy. The monitoring of the establishment and effectiveness of processes for implementing and assessing sustainability reporting in accordance with the Sustainability Reporting Directive (Directive (EU) No. 2022/2464 – CSRD) and further applicable provisions (including, in particular, Austrian implementing legislation) is the responsibility of the Audit Committee and aims to ensure that sustainability reporting is carried out in accordance with the requirements of CSRD from the 2024 financial year onwards. In addition, the Strategy and ESG Committee advises and supports the Nomination and Remuneration Committee in preparing the setting of ESG targets for the remuneration of the Executive Board, and on all other ESG topics.

Semperit's **Executive Board** has full responsibility for managing the company for the benefit of the business while considering the interests of shareholders and employees as well as the public interest. The Executive Board's internal rules of procedure regulate the allocation of business responsibilities and the principles of cooperation between members of the Executive Board. Decisions of primary importance are taken by the Board as a whole. The Executive Board is solely responsible for all communications that have a significant impact on how the company is perceived by its stakeholders. Legally binding regulations, the Articles of Association, and the internal rules of procedure for the Executive Board and Supervisory Board laid down by the Supervisory Board form the basis for corporate management. The Chairman of the Supervisory Board maintains regular contact with the Chairman of the Executive Board and discusses the company's strategy, business development and risk management. The Executive Board is responsible for creating a corporate culture of integrity and ensuring that managers at all levels take responsibility for implementing and monitoring the policies applicable to their respective areas of responsibility with regard to corporate culture, whistleblower protection, corruption and bribery, and relationships with suppliers (further disclosures on material impacts, risks and opportunities in corporate governance and compliance can be found in section G1). With regard to the management bodies in the area of compliance and anti-corruption, the CFO of the Semperit Group is the highest authority to which the Group Compliance Officer reports. In addition, Semperit has set up a Compliance Board (Executive Board and Group Compliance Officer) to deal with specific compliance issues. The main focus is on ensuring compliance with regulations in the areas of anti-corruption, antitrust law, export control and sanctions as well as data protection.

Semperit's **Sustainability Council**, in consultation with the Head of ESG, is responsible for defining the focal points of operational sustainability management and driving the implementation of appropriate measures within the company. The Executive Board annually (if necessary) approves the list of major topics for the Semperit Group and regularly informs the Supervisory Board about current developments and the progress of sustainability activities.

The ESG department, consisting of the Head of ESG and two ESG experts, coordinates sustainability agendas that deal with all tasks in the context of ESG. The Head of ESG reports to the Director Corporate Development & ESG, who reports to the CEO. The Executive Board reports to the Supervisory Board and the above-mentioned committees on current developments in the areas of environmental and climate change mitigation, social and governance matters, as well as on Semperit's related targets and performance, using internally distributed monthly and annual reports from the respective databases. Sustainability is a fixed item on the agenda of every meeting of the Supervisory Board and the Audit Committee, where current topics and trends are addressed and discussed in order to set a strategic course for the sustainable development of the Group. The targets and their adjustments are proposed by the respective departments and the ESG team based on the identified material impacts, risks and opportunities (see disclosure SBM-3) and the identified potential for improvement. They are discussed with the Group's Executive Board and business units in the Sustainability Council and presented to the Supervisory Board in the Strategy and ESG Committee for discussion. Due to the significant changes in the Semperit portfolio (sale of the medical business, purchase of the Rico Group), the targets for 2023 in the areas of energy, emissions, sustainability in the supply chain, diversity and inclusion (female ratio) were re-evaluated and adjusted. The targets of the Sustainability Strategy 2030 in connection with the ESRS disclosures, valid from January 1, 2024, to December 31, 2030, can be found in the table below.

ESRS disclosure			**Semperit Sustainability Strategy 2030**		**Sustainable Development Goals**
ESRS	**ESRS topic**	**ESRS subtopic**	**Topic in the Sustainability Strategy 2030**	**Target 2030 (base year 2023)**	
E1	Climate change	Climate change adaptation			
		Climate change mitigation	Emissions (Scope 1 and Scope 2)	-10% per good product[1] by 2030	
		Energy	Energy	-5% per good product[1] by 2030	
E2	Pollution	Pollution of air			
		Microplastics			
E5	Resource use and circular economy	Resource inflows, including resource use	Sustainability in the supply chain (EcoVadis assessment of suppliers)	75% of expenditure covered by EcoVadis-certified suppliers by 2030	
		Resource outflows related to products and services			
		Waste	Waste	-7% per good product[1] by 2030	

ESRS disclosure			Semperit Sustainability Strategy 2030		Sustainable Development Goals
ESRS	**ESRS topic**	**ESRS subtopic**	**Topic in the Sustainability Strategy 2030**	**Target 2030 (base year 2023)**	
S1	Own workforce	Working conditions	Incident rate	-8% annually	
		Equal treatment and opportunities for all	Proportion of women Proportion of women in leadership Proportion of women in senior leadership	+0.5% annually +1.0% annually +1.0% annually	
S2	Workers in the value chain	Working conditions Other work-related rights	Sustainability in the supply chain (EcoVadis assessment of suppliers)	75% of expenditure covered by EcoVadis-certified suppliers by 2030	
G1	Business conduct	Corporate culture			
		Protection of whistleblowers Corruption and bribery	Violations of compliance-relevant regulations	0 annually	
		Management of relationships with suppliers including payment practices	Sustainability in the supply chain (EcoVadis assessment of suppliers)	75% of expenditure covered by EcoVadis-certified suppliers by 2030	

[1] Good product is a unit of output that has been marketed or stored for future sale.

In addition, an event-driven exchange on sustainability topics takes place between Semperit and its affiliated companies, but also with other companies and industry and sector associations. This enables the identification and utilization of possible synergies.

Special controls and procedures, which are described in the disclosures under IRO-1, are integrated primarily in the compliance, internal control, risk management and insurance, and quality management functions.

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

ESG impacts, risks and opportunities are submitted to the Executive Board and the Sustainability Council for review, discussion and approval. The risks exceeding the defined financial materiality thresholds are then entered into the Group-wide risk database, along with the corresponding countermeasures, responsibilities and timetables. Risks and their effects on the valuation of assets and liabilities are analyzed and taken into account in the consolidated financial statements.

Sustainability is embedded in Semperit's corporate structure. In 2023, responsibility for all climate-related issues was transferred to the functional area of the Semperit Group's CEO, underlining their importance and strategic relevance both internally and externally. The Sustainability Council meets quarterly and informs the Executive Board about important developments. The Executive Board bears the ultimate responsibility for the company's sustainability orientation. In consultation with the Head of ESG, the Council is responsible for defining operational priorities and promoting appropriate measures within the company. In addition, relevant sustainability topics as well as potential opportunities and risks in this context are discussed at the Executive Board meetings. By anchoring sustainability in the organization, Semperit ensures that the impacts, risks and opportunities associated with sustainability aspects, including climate change mitigation and environmental protection, are taken into account in every decision. The Executive Board subsequently informs the Supervisory Board, the Audit Committee, and the Strategy and ESG Committee about current developments and about Semperit's ESG targets and performance. Regular information enables the Supervisory Board to monitor and drive progress in the individual areas.

In accordance with the recommendations of the "OECD Due Diligence Guidance for Responsible Business Conduct", the Semperit Group takes measures to avoid violations and develops initiatives to raise awareness and transfer knowledge (see also disclosure under GOV-4).

In M&A transactions, the company takes into account material opportunities and risks as part of due diligence. These are systematically reviewed and evaluated in various areas of work, such as the environment or finance, to ensure that the target company fits both the strategic orientation of the company and meets the ESG standards. As part of the standardized due diligence process, the target company's compliance with Semperit's own corporate objectives is reviewed, focusing on topics such as occupational safety, social responsibility and governance. This enables the administrative and management bodies to make informed decisions about transactions, including consideration of trade-offs related to the identified risks and opportunities.

During the reporting period, the Sustainability Council, the Executive Board and the Supervisory Board dealt with and initiated in particular strategic initiatives, target achievement and action plans in the area of ESG, the preparation of the Sustainability Statement for the 2024 reporting year, the planning and execution of CSRD implementation and other ESG regulations. The material impacts, risks and opportunities discussed in these committees during the reporting year can be found in the tabular IRO overview in section SBM-3.

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

In general, the remuneration system implements the legal requirements of the Austrian Stock Corporation Act (Sections 78 et seq. AktG) and the recommendations of the Austrian Code of Corporate Governance (ÖCGK) to promote long-term success and sustainable corporate development. In the remuneration policy adopted by the Annual General Meeting in 2022, sustainability targets were once again integrated into the long-term incentive program (LTI). The LTI is granted on a rolling basis, i.e. in annual tranches with three-year assessment periods each. This allows sustainability targets to be regularly adjusted to the business and market environment of the Semperit Group, and different priorities can be set. The STI creates incentives for employees outside the Executive Board and also includes sustainability targets. The Supervisory Board is not subject to any such ESG incentivization. In the reporting period, the ESG performance criteria related to the achievement of targets in the areas of occupational safety, energy efficiency, waste reduction and the proportion of women in senior leadership in the variable long-term remuneration of the Executive Board. The short- and long-term incentives for the highest management level and the short-term incentive system for all employees covered by the Group Bonus Policy included the ESG performance criteria of occupational safety, energy efficiency and waste reduction in 2024.

The remuneration of the Executive Board and the Supervisory Board is dealt with in a separate remuneration report and submitted to the Annual General Meeting (see also www.semperitgroup.com/investor-relations/reports-presentations).

Long-term incentive program (LTI)

The LTI is a multi-year, performance-based remuneration designed to provide a long-term incentive. Since the performance criteria of the LTI are based on the average of a three-year assessment period, an Executive Board member can still receive performance-related bonus payments via LTI even after leaving the company. This encourages Executive Board members to make strategic decisions and investments that have a long-term impact and extend beyond their term of office. Furthermore, the influence of cyclical fluctuations in earnings is levelled out by the multi-year assessment period. The remuneration report contains a detailed description of the remuneration system, and an overview of the remuneration owed and granted to current and former members of the Executive Board and the Supervisory Board, including all benefits in any form. This report is available on the website at the latest when the Annual General Meeting for the relevant financial year is convened.

Financial performance criteria are used for the LTI: the average consolidated earnings after tax (in the IFRS consolidated financial statements), the average consolidated return on capital employed (ROCE), the company's capital market performance in relation to selected benchmark companies (TSR), and, since the 2022 financial year, non-financial sustainability criteria (ESG KPIs). Target achievement for the sustainability criteria is weighed at 20% in the LTI. For the 2024-2026 LTI tranche, these are energy, waste, incident rate and the female ratio in senior leadership.

Overview of performance criteria LTI

	Financial			Non-financial
Performance criteria	Consolidated earnings after tax	Return on capital employed (ROCE)	Relative total shareholder return (TSR)	Sustainability criteria/ ESG KPIs
Weighting	30%	30%	20%	20%

Short-term incentive program (STI)

The STI is based on the company's results in the past financial year. For 2024, the STI was based on consolidated EBITDA and consolidated free cash flow. Non-financial criteria can be relevant for determining the modifier.

Overview of performance criteria STI 2024

	Financial		Non-financial
Performance criteria	EBITDA (absolute)	Free cash flow	Multiplier
Weighting	60%	40%	0.8 – 1.2

The Supervisory Board's Nominating and Remuneration Committee approves and updates the target values and upper and lower limits for the financial LTI and STI performance criteria for the next assessment period by January 31 of the financial year. The remuneration policy must be submitted to the Annual General Meeting for approval at least every four years and when significant changes are made. The vote is advisory. The remuneration report is submitted to the Annual General Meeting every year.

The variable remuneration is linked to the climate-related target of achieving a 5% reduction in energy intensity relative to production output by 2030, measured against energy intensity in 2023. An increase in energy efficiency can lead to a reduction in Scope 1 and Scope 2 emissions and is therefore climate-relevant. Depending on the business unit, 10% to 20% of short-term variable remuneration is linked to the achievement of sustainability-related targets. In the LTI program for the Executive Board and those members of the Management Forum who are subject to the long-term incentive system, the four ESG criteria, including energy efficiency, are weighted at 20%. If only some, but not all, of the criteria are met, the bonus is paid out on a pro-rata basis. If none of the defined targets are achieved in the calculation year, the bonus is not paid out at all. In the reporting period, three of the bonus-relevant ESG targets were achieved (incident rate, waste reduction, proportion of women in senior leadership), but the climate-relevant energy target for 2024 was not. Therefore, no portion of the approved remuneration was climate-related during the reporting period. Further information on the remuneration system and incentives paid can be found in the Remuneration Policy published on the Semperit website and the Remuneration Report 2024, which will be published in due time before the Annual General Meeting. Semperit's emissions reduction target – a 10% reduction in Scope 1 and Scope 2 emissions by 2030, measured against 2023 – is not integrated into the incentive systems, but it is supported by the energy efficiency target.

Disclosure Requirement GOV-4 – Statement on due diligence

Semperit's due diligence processes in the area of ESG are based on the UN Guiding Principles on Business and Human Rights, the UN Convention on the Rights of the Child, the UN Convention on the Elimination of All Forms of Discrimination against Women, the core labor standards of the International Labour Organization (ILO) and the ILO Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises and the International Bill of Human Rights.

In order to meet the corporate due diligence to respect and protect human rights, the "OECD Due Diligence Guidance for Responsible Business Conduct" recommends the six steps described below. In line with this recommendation, the Semperit Group also implements measures in other areas, such as Group-wide risk, purchasing and supply chain management, to avoid violations of laws and Semperit standards. It also develops activities to raise awareness and transfer knowledge, which are described in this Sustainability Statement – see table below.

List of information provided on the due diligence process

Key elements of due diligence	Reference in Sustainability Statement
a) Integrating due diligence into governance, strategy and business model	ESRS 2 SBM-3 (see S1 and S2) E5-1 S1-1 S2-1 G1-1
b) Engaging affected stakeholders in all key stages of the due diligence process	ESRS 2 SBM-2 (see S1 and S2) E5-2 E2-1 S1-1 S2-1 G1-1

Key elements of due diligence	Reference in Sustainability Statement
c) Identifying and assessing negative impacts	E1-1 E2-1 S1-3 G1-2
d) Taking action in response to those negative impacts	S1-4 G1-3 G1-4
e) Tracking the effectiveness of those efforts and communicating	S1-2 G1-3

Semperit fulfills its due diligence obligations through a continuous improvement process that includes identification, assessment, prioritization and monitoring. This is an ongoing task to which various levels and functions of the company contribute, and which is reflected in numerous company policies and processes.

1. Embedding and public commitment:

- Definition and anchoring of the principles of due diligence in the company's concepts and policies (e.g. in the rules of procedure, strategies, codes of conduct, HSEQ and other policies).
- Declarations of commitment and proof of compliance with them (e.g. Modern Slavery Act Statement, United Nations Global Compact Principles, UN Women Empowerment Principles and Diversity Charter).
- Integration of these principles into the management systems.

2. Identification and assessment:

- Identification and assessment of actual or potential negative impacts from direct or indirect business activities and relationships.
- Assessment of impacts, risks and opportunities as part of the annual classic risk management and IRO analysis according to the ESRS requirements.

3. Integration, elimination, avoidance or mitigation:

- Incorporating the findings from the impact assessments into relevant company processes, such as management, quality, remuneration and reporting systems.
- Taking appropriate measures, such as knowledge transfer between sites and functions, training and awareness raising, introducing and maintaining the whistleblowing system and conducting employee surveys.

4. Monitoring:

- Reviewing the effectiveness of measures and procedures to prevent, mitigate or eliminate negative impacts.

- Conducting internal and external audits (e.g. quality audits, risk audits, Business Partner Checks, ISO standard audits, TfS audits, auditing of the Sustainability Statement by the auditor).
- Assessment and monitoring by EcoVadis, CDP, Integrity Next, UN Women Empowerment Principles, Dow Jones, etc.

5. Communication:

- Transparent communication of the measures taken and their effectiveness via internal channels, such as the Sustainability Council, notices at sites, on the intranet and in the relevant committees and working groups, and via external channels, such as the integrated Annual Report, the Annual General Meeting, the company website or communication with investors, the media and other stakeholders.
- Publication of reports, statements and data such as the Sustainability Statement, Modern Slavery Act Statement, UNGC Communication on Progress, UN Women Empowerment Principles, EcoVadis and CDP reports, as well as internal and external communications.

6. Taking responsibility:

- Development and implementation of remedial measures.
- Proactive cooperation with organizations and initiatives, such as Together for Sustainability, Wirtschaftsverband der deutschen Kautschukindustrie (WDK, Trade Association of the German Rubber Industry) or topic-specific roundtables.

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

The Group Risk Management & Assurance department is responsible for the central coordination, moderation and monitoring of enterprise risk management (ERM) across the Group. Identifying, assessing and managing sustainability risks and opportunities is an integral part of risk management and is carried out in collaboration with the ESG department.

The ERM approach pursued by Semperit and integrated into the company's organization focuses on risks and opportunities as decision-relevant components and ensures that they are taken into account in both strategic planning and implementation and in managing operational performance.

Semperit's Risk Policy reflects the design of the risk management system, which includes the elements of risk strategy and policy, risk management process, organizational structure, methods and tools, as well as reporting and communication.

The risks and opportunities in the ESG context that have been identified as material in the materiality analysis according to the ESRS requirements are incorporated into the risk management process. This process includes risk identification, assessment, control and monitoring. The assessment of ESG risks and conventional corporate risks has been largely harmonized in terms of assessment criteria and scales.

The Semperit Group's internal control system (ICS) aims to ensure the effectiveness, efficiency and profitability of business activities, as well as the reliability of reporting and compliance with relevant legal requirements. In addition, it supports the early detection and monitoring of ESG risks that may result from inadequate monitoring systems and fraudulent actions. The Internal Audit department and the Risk Management & Assurance department work in close cooperation with the respective specialist departments to continuously improve and expand the ICS, including in the ESG areas. The responsibility for implementing and monitoring the ICS and the risk management system lies with the management of the respective business units. The Executive Board of Semperit AG Holding, in turn, defines overarching, Group-wide framework conditions and regulations. To ensure that these are implemented, regular reviews are carried out at both sites and at the headquarters.

The ERM process is based on the internationally recognized framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and aims to identify, evaluate and manage risks at an early stage. In addition to meeting legal requirements (compliance), the strategic focus is on the early identification of potentially negative developments in the areas of strategy, sustainability, operating activities, and the market and financial environment of the Semperit Group. In 2023 and 2024, the impacts, risks and opportunities in the areas of environment, social and governance were identified and evaluated as part of a comprehensive materiality analysis in accordance with the requirements of the ESRS. The material risks identified in this new evaluation process were partially incorporated into the risk catalog and the ERM process. The company is working on a more in-depth, granular integration in 2025.

Relevant risks are identified in workshops with the specialist departments and by means of expert interviews, and their potential financial effects, probabilities of occurrence and priorities are evaluated and ranked. In addition, responsibilities are assigned and measures defined to manage the risks. The process integrates both bottom-up and top-down approaches so that potential new risks are discussed at management level and included in the risk catalog if relevant.

Semperit systematically integrates the results of the risk assessment and internal controls related to sustainability reporting into relevant internal functions and processes, and uses the insights gained as a basis for strategic and operational decisions. This is done in close coordination between the ESG, Compliance, Risk Management, Accounting and Controlling departments.

The ESG risks assessed as material are communicated to the responsible departments in regular coordination meetings and taken into account when planning and implementing measures to improve sustainability performance. The results are also incorporated into the further development of existing policies and standards. Descriptions of the most important risks identified, and countermeasures can be found in the disclosure under IRO-1 and the topic-specific chapters of this declaration.

The Executive Board is continuously informed about the results of risk management and internal controls. The Supervisory Board and the Audit Committee receive standardized quarterly management reports, which are discussed at the meetings of the committees. At least once a year, these reports include a detailed overview of the identified risks, including those in the area of ESG, and contain the assessment of the probability of occurrence, potential financial effects and the measures taken to control and mitigate risk. In addition, significant changes in the risk situation, new risks and progress in implementing risk-mitigating measures are presented quarterly. Independently of this, material ESG impacts, risks and opportunities are also presented quarterly to the Executive Board, the Strategy and ESG Committee and the Sustainability Council, where they are reviewed, discussed and approved for further implementation. The reporting supports the committees in taking decisions based on the current risk situation and in making strategic adjustments if necessary. It also ensures that the company's risk exposure is always in line with the defined risk tolerance as well as with Semperit's strategy and sustainability targets.

Disclosure Requirement SBM-1 – Strategy, business model and value chain

Semperit Strategy 2030 in terms of sustainability

The Semperit Group is a global pioneer in the production of elastomer products and applications for industrial customers with a history of 200 years. As part of the Semperit 2030 strategy, growth-oriented action taking into account ESG (environmental, social and governance) issues has been identified as a driver for the future. This principle is an integral part of the company's strategic orientation and influences decision-making in product development, production operations, material and personnel procurement, and workplace design.

By optimizing processes and resource use, Semperit aims to reduce emissions, energy consumption, waste and accident rates. This strengthens the sustainability balance and simultaneously increases profitability. Semperit strives for cost leadership through resource efficiency and energy-saving technologies in order to maintain competitive prices and minimize ecological impacts.

The Semperit Group's business strategy focuses on innovation, operational excellence and customer proximity. Building long-term customer relationships remains a key strategic priority. Sustainability criteria are integrated into procurement processes, where feasible, to also contribute to sustainable development in the upstream value chain.

The divisional structure of Semperit was introduced in 2023 and simplified operations and improved the scalability of the business. The main business units – Semperit Industrial Applications (SIA) and Semperit Engineered Applications (SEA) – optimize growth, reduce complexity and enable innovation.

- The SIA division focuses on cost leadership, standardization of high-performance products and volume increase through efficient processes.
- The SEA division specializes in high-value niche markets where agility and advanced technological solutions are key.

The main product categories include hydraulic and industrial hoses, conveyor belts, handrails, profiles for windows, doors and facades, cable car rings, ski foils, products for railway superstructures, and the production of molds and precise liquid silicone parts. Additional disclosures on the Semperit Group's products can be found in the E5 section, disclosure E5-5 Resource outflows – products. There were no significant changes in the product range during the reporting period. The second and final closing for the sale of the medical business to Harps and thus the end of the contract manufacturing of surgical gloves took place on June 30, 2024.

Semperit does not sell any products that are banned in certain markets.

In the reporting period, the Semperit Group generated total revenue of EUR 676.6 million, entirely in the primary sector "manufacturing of chemicals" MCP (Manufacturing of Chemicals and Polymers).

Within the primary sector MCP, Semperit produces components for the following sectors:

- CCE (Construction and Engineering)
- HHG (Household goods n.e.c)
- MCM (Construction Materials)
- MEL (Electronics and electrical equipment)
- MFB (Food and Beverages)
- MME (Machinery and Equipment)
- MMI (Medical Instruments)
- MMV (Motor Vehicles)
- MPB (Pharma and Biotechnology)
- MQC (Mining, Quarrying and Coal)
- TOT (Other Transportation)
- TRT (Road Transport)

As part of its sustainability strategy "Move Hearts and Minds", Semperit focuses on improving processes and products of the current business model to prevent or at least minimize negative environmental and social impacts. The ESG objectives presented under GOV-1 and the corporate strategy place a stronger focus on the European market, while the importance of the Asian market has decreased. This is due to the geographical shift following the sale of the medical business and the corresponding restructuring. As a component supplier for larger industries, Semperit works closely with original equipment manufacturers (OEMs) and distribution partners. Semperit's sustainability strategy covers all products and services, all geographic areas where Semperit operates, the various customer categories and all employees. The total number of employees of the Semperit Group, including a breakdown by geographic area as of the end of 2024, can be found in section S1 under disclosure S1-6.

The Semperit Group's business model

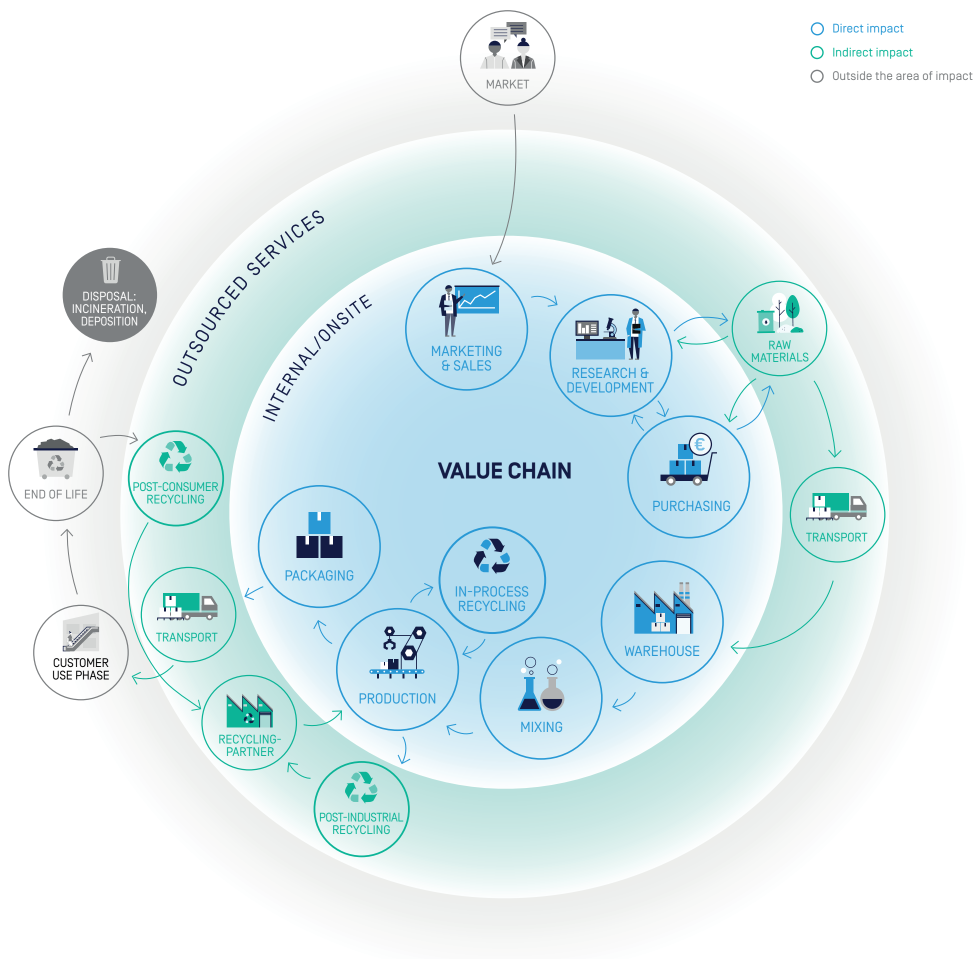
To manufacture its products, the Semperit Group purchases large quantities of raw materials such as rubber (natural and synthetic rubber), chemicals, fillers and strengthening agents made of textile and steel, as well as energy (gas, electricity), among other things. Raw material prices and energy costs can be subject to significant market-related fluctuations. If price increases cannot be passed on to customers, or only in part or with a delay, this can have a negative impact on earnings.

Monopolistic and oligopolistic supply situations exist with regard to some raw material and chemical suppliers, or energy and water suppliers, so that the Semperit Group has only limited negotiation options. Geopolitical unrest and conflicts can increase the negative impact on earnings described above. A bottleneck in individual raw materials or finished products, constraints on imports, restrictions due to geopolitical tensions or international constraints and sanctions, or the loss of a key supplier can lead to a loss of production and a negative impact on the financial and earnings position of the Semperit Group. The management of appropriate safety stocks, multiple sourcing and the reduction of dependence on individual suppliers, the conclusion of long-term contracts and price adjustment clauses with suppliers, as well as the continuous review of these with regard to their sustainability performance, counteract these risks.

Semperit has implemented a cross-functional process of demand forecasting and operational planning to meet customer requirements while optimizing performance parameters such as inventory levels. For customers, this means reliable supply as Semperit continuously monitors and adjusts its production capacities and process efficiency accordingly. For other stakeholders, including employees, suppliers and investors, Semperit's business practices and focus on continuous operating improvements demonstrate a commitment to sustainable stability and growth.

The value chain of the Semperit Group

The value chain of the Semperit Group comprises several steps and processes, ranging from the procurement of raw materials and production to the customer use phase and recycling. The social, ecological and economic impacts (inside-out perspective) arise not only within the company's own sites, but also in upstream and downstream areas of the value chain. Likewise, the opportunities and risks arising from the upstream and downstream processes of the value chain have a financial impact on the company (outside-in). Semperit's sustainability management, the process of materiality analysis and the identification of impacts, ESG risks and opportunities, as well as the Sustainability Strategy 2030, cover these areas and the related business relationships with suppliers, customers and other stakeholder groups. Semperit acts as a component supplier to original equipment manufacturers (OEMs), system manufacturers and distributors in the B2B sector without direct sales and has no contact with end consumers.



The following information in brackets represents the key stakeholders of the Semperit Group for the respective process step. See overview of stakeholders under SBM-2.

MARKET Diverse customer needs and market requirements are the most important drivers for the strategic orientation of the Semperit Group and its activities. Semperit attaches great importance to close cooperation with existing customers and suppliers as well as the development of new markets. (1, 2, 3, 5, 6, 7, 9, 10, 11)

RESEARCH & DEVELOPMENT (R&D) Research and development work in the areas of materials, products and processes is based on the knowledge that Semperit generates through stakeholder dialogues, targeted market monitoring and applied research. In close cooperation with the Production department, the Research and Development (R&D) department of the Semperit Group develops the various formulations for rubber compounds, which form the starting point for all further steps. In addition to the continuous improvement of starting materials, the R&D work and strategic orientation of the company focus on the new and continuous development of existing products and production processes as well as a corresponding range of services. (1, 4, 6, 9, 10, 11, 12, 13)

PURCHASING The centrally organized Purchasing department is then responsible for the procurement of direct materials for production and indirect goods. These include raw materials and secondary raw materials (rubber, latex, carbon black), process chemicals, reinforcing and packaging materials (including steel, textiles, paper, wood and plastic), energy (gas, heating oil, electricity and steam) as well as logistics and the necessary infrastructure such as machinery or vehicles, office equipment and services. Further information on the organization and activities of the Purchasing department can be found in section G1 Business conduct (1, 4, 5, 6, 7, 9, 10, 11, 12)

WAREHOUSE & INTERNAL TRANSPORT The term “warehouse” refers to a place where all goods received by Semperit as well as semifinished and finished products are stored. Compliance with various safety measures must be ensured. Transportation within the individual sites between departments and warehouses is covered by internal logistics. (1, 4, 8)

MIXING The value-adding processes of the Semperit Group start with compounding, which consists of ordering raw materials, producing semifinished products, in this case rubber components, and delivering them to the internal divisions after quality control. (1, 4, 6, 8, 9, 10, 13)

PRODUCTION In the upstream process step, mixing, Semperit produces the rubber compound as the starting product. The composition of the respective compound depends on the future purpose. Depending on the segment, the compounds can subsequently be processed into all Semperit products such as hoses, conveyor belts, window profiles or elastomer sheets. Production works closely with the Research and Development department at every stage. The knowledge generated in this process is passed on directly internally and is an essential part of the operationalization of raw material, product and process innovation. (1, 4, 6, 8, 9, 10, 11)

IN-PROCESS & POST-INDUSTRIAL RECYCLING As far as possible, mixing and raw material waste is recycled in the mixing plant or in product manufacturing by returning it to the production process (in-process recycling). Waste from the post-industrial sector that cannot be recycled in the process is currently recycled for energy recovery (incineration). In the area of post-industrial and post-consumer recycling, Semperit is currently researching possibilities to cover these recycling processes in the future. However, in order to contribute to circular economy, Semperit relies on cooperation with external partners in post-industrial recycling (devulcanization as an outsourced service) at the moment, which helps to devulcanize production waste from window, door and facade seals and to integrate the resulting recycling material back into the company’s own production cycle of profile production. Further information on this project can be found in section E5 Circular economy under disclosure E5-5. (1, 4, 6, 10, 11, 12, 13)

PACKAGING The finished products are packaged according to their properties and customer specifications. The most important packaging materials include cardboard, wood and plastic. Through better data management and internal and external measures, Semperit has been able to save cardboard and plastic at selected sites over the last two years and to reuse selected packaging internally and in collaboration with suppliers, see section E5 Circular economy. (1, 4, 5, 6, 8, 9)

MARKETING & SALES The market-oriented sales, product management and back-office teams use a strong customer-oriented approach to identify potential and initiate product innovation in cooperation with research and development (R&D) to meet market requirements. Made-to-stock products (primarily Semperit Industrial Applications division): Semperit’s sales teams identify and sell those products that best fit customers’ requirements based on their specifications. Engineered-to-order products (primarily Semperit Engineered Applications division): The global sales teams work together with customers and product management to design and develop a customized solution that meets customer’s needs. (1, 2, 3, 4, 5, 6, 7, 11, 12)

TRANSPORTATION Procurement and transportation of raw materials from suppliers are the first steps in value creation (inbound logistics), extend to the availability of raw materials and compounds both in production (intralogistics) and between the individual sites (intercompany logistics) and end with the arrival of the product at the customer’s site (outbound logistics). With the exception of intralogistics within the sites, all other transportation services are provided by third parties (outsourced services). Various chemicals are required for the manufacture of elastomer products. Strict regulations must be observed and complied with when handling these substances, from transportation to storage and processing. In the EU, for example, the requirements of the REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and Deforestation Regulations must be continuously monitored and complied with. (1, 4, 6, 8)

CUSTOMERS: USE PHASE & POST-CONSUMER RECYCLING The use phase follows the packaging and shipment of products. Semperit is a component manufacturer; finished products are installed in systems at the customer’s premises and either installed directly or sold on to the end customer. The divisions of the Semperit Group have a broad customer portfolio ranging from OEMs (original equipment manufacturers) and system manufacturers to distributors and wholesalers, retailers and institutions in numerous industries such as healthcare, technology, agriculture and construction industries, among others. Therefore, Semperit does not always have information on where the products are located during the use phase. At the end of the products’ life, depending on their composition, they are either sent for thermal incineration or disposed of in accordance with regulations. Solutions for post-consumer recycling currently available on the market are being analyzed on an ongoing basis; at present, Semperit as a component manufacturer has limited options to identify and recover end-of-life products that are integrated into system solutions at the end of their life cycle (reverse logistics). (2, 3, 4, 5, 6, 9, 10, 11)

RICO GROUP At the Rico Group, procurement and transportation of raw materials are the first steps in the value chain. Upstream and downstream logistics are handled by third parties. Incoming goods and raw materials are stored in compliance with safety measures. The raw material, such as liquid silicone or thermoplastic, is processed into customer-specific end products. Before a product goes into series production, specifications are clarified with the customer. Mold production also includes the development of customized overall concepts. The sales and customer service teams use a strong customer-oriented approach to identify potential and develop product innovations through technical solutions in collaboration with R&D. Special focus is placed on automation, advanced tool concepts and optimized injection processes.

The Härtereitechnik Rosenblattl GmbH (HTR) hardening plant, which belongs to the Rico Group, specializes in efficient vacuum hardening, nitriding, annealing and deep-freezing processes for components used in toolmaking. The logistics vary depending on the order. HTR offers customers a pick-up and delivery service using its own transporters, supported by optimized capacity planning. In contrast, goods for service production are delivered directly by the suppliers. Incoming goods from customers are divided up according to specification and steel material and then subjected to the heat treatment process. Before delivery to the customer, the components are checked for quality and carefully packed.

Disclosure Requirement SBM-2 – Interests and views of stakeholders

Social responsibility, close relationships with all stakeholders, and taking their expectations and requirements into account are an integral part of Semperit's sustainability strategy.

The company's most important stakeholders affected (A) by the material IROs (see disclosures under SBM-3) or who use (U) the reporting are listed in the table below. The numbering of stakeholders indicates which IROs (see table under SBM-3) impact them and where these impacts occur in the processes of the value chain (see disclosures under SBM-1).

The list covers both internal and external stakeholders – they are included in the company's strategic and sustainability-related considerations in a dialog format. This is done, among other things, through stakeholder interviews, employee dialogs, customer surveys, the SemperLine whistleblower hotline, ongoing customer discussions, social media, trade fairs, audits, capital market communication, such as investor calls, press conferences or the Annual General Meeting, and other formats. Semperit is in daily contact with many external stakeholders, such as customers and suppliers. This is to ensure that the concerns and interests of the individual groups are known and can be balanced with each other and with the interests of the company, so that long-term successful development is possible.

The company's own employees and their interests and rights are one of the most important pillars of the company's stakeholder involvement. The basis for this is the dialog that Semperit maintains with its employees, as well as regular consultations and negotiations with employee representatives. Further information can be found in section S1, disclosures S1-2. One way in which the company proactively involves its employees is through regular, institutionalized surveys. Another Group-wide survey is planned for 2026 to obtain direct feedback from the workforce. In addition, Semperit offers anonymous communication channels through the platforms SemperLine and "Speak up!" for voicing concerns and suggestions. The feedback from employees to their superiors is systematically recorded and evaluated as part of the performance management cycle. In addition, town halls, team meetings and other formats are used to promote exchange and communication. More detailed information on employee engagement activities and specific employee engagement measures can also be found in section S1 under S1-2.

The interests, views and rights of workers in the value chain are also an integral part of the Sustainability Strategy 2030, the corporate strategy and the business model. Semperit is committed to respecting human rights and promoting fair working conditions, including health and safety as well as diversity and inclusion along the entire value chain. The anchoring of interests and viewpoints in the corporate strategy and business model is ensured by managing supply chain responsibility, Business Partner Checks of suppliers, customers and other business partners, and transparency through ESG ratings, audits and continuous reporting. For more information on these concepts, please refer to sections S2 and G1.

STAKEHOLDER GROUPS	**SUSTAINABILITY TOPICS**	**INTEGRATION FREQUENCY**	**INTEGRATION AND DIALOG FORMATS**
1. Supervisory Board (U)	ESG risks and opportunities, sustainable financial market, sustainability strategy and target setting, implementation of new laws and policies in the sustainability area	Ongoing	Meetings, individual and group discussions, interviews
2. Shareholders (A)	ESG ratings, targets and risks in the area of sustainability, sustainable financing, greenhouse gas emissions, future business alignment (Green Deal, green investments, etc.)	Ongoing	Individual and group discussions, conferences, information events, road shows, telephone calls, Annual General Meeting, annual press conference
3. Banks and financial institutes (U)	ESG ratings, targets and risks in the area of sustainability, sustainable financing, future business alignment (Green Deal, green investments, etc.), ESG-based financing	Ongoing	Individual and group discussions, conferences, telephone calls, stakeholder interviews, negotiations
4. Employees (U, A)	Social standards, occupational health and safety, diversity, attractive employer, waste, energy, greenhouse gas emissions, etc.	Ongoing	Employee dialogues and survey, internal media, town hall meetings, management calls, employee events, staff meetings, mentoring programs, group conferences
5. Customers (U, A)	Raw material selection, greenhouse gas emissions, certificates and audits, responsibilities, health and safety, water and waste	Ongoing	Customer meetings, customer survey, social media, trade shows, media
6. Suppliers, business partners (U, A)	Raw material selection, energy, greenhouse gas emissions, certificates and audits, efficiency, market developments	Ongoing	Dialogues, events, trainings, talks, supplier surveys, audits
7. NGOs as representatives of environment and society (U, A)	Circular economy and waste management, human rights and social standards, Green Deal	Ongoing	Dialogues, one-to-one meetings, specialist events, answers to enquiries, media
8. Local stakeholders (residents) (A)	Health and safety, waste, water, corporate management, emissions, employee indicators	Ongoing	Personal conversations, factory tours, neighborhood meetings, press conferences
9. Political decision makers (U)	Greenhouse gas emissions, energy, innovative performance, employee indicators	Ongoing	Events, submissions
10. Science, research (U, A)	Circular economy, raw material selection, smart technologies	Ongoing	Round tables, R&D cooperation, speeches, discussions, cooperation in master theses and dissertations
11. Media (U)	Future alignment of the company and the product portfolio, circular economy, effects caused by climate change	Ongoing	Press meetings, press releases and press conferences, trade shows, interviews, individual interviews, phone calls, informal exchange
12. Networks, associations (U, A)	Greenhouse gas emissions, circular economy, human rights, supply chain, material use, social standards	Ongoing	Participation of Executive Board members, managers or technical experts in initiatives, forums and events, memberships
13. Students (U)	Social standards, diversity, attractive employer, waste, energy, greenhouse gas emissions, etc., raw materials circular economy	Ongoing	Student dialogues, open days, traineeships, R&D cooperations, lectures, participation in master theses and dissertations

The interests of the stakeholders are taken into account in day-to-day business as well as in Semperit's ongoing due diligence processes and long-term strategic planning. There was no significant change in strategy or business model in the 2024 financial year. In addition to the structured materiality analysis, channels are available to stakeholders to express themselves and participate, either directly at the factory gates or via SemperLine and other means of communication, which are publicly accessible online and offline. The structured materiality analysis of the IROs either involves key stakeholders directly, or their opinions and concerns are reported to local managers, who then incorporate them into the materiality assessment process.

The corresponding committees (see GOV-1) discuss and incorporate the results into Group-wide policies and procedures as well as in business strategies, but also in the objectives regarding ESG matters. The ESG and Risk department submit a report on the materiality analysis, which takes full account of the interests and views of the stakeholders concerned, to the Executive Board and the Supervisory Board. The Sustainability Council regularly informs the Executive Board about current issues and developments and, as the highest decision-making body, bears ultimate responsibility for the company's sustainable orientation, including the consideration of stakeholder interests.

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

In 2023, Semperit identified the impacts, risks and opportunities in accordance with the requirements of the ESRS for the first time. The final material impacts, risks and opportunities for 2024 can be found in the table below, including a description of whether they are concentrated in the company's own activities or in the upstream and downstream value chain (column 3), which stakeholders are affected (column 4), whether the impacts are potential or actual (column 5), in which time horizons they are expected (column 6) and which measurable targets (column 9) and key measures actually implemented in the reporting year (column 10; further disclosures on planned measures can be found in the respective topic-specific sections) were set. In identifying and assessing the IROs, all geographic areas relevant to Semperit, its sites and assets, inputs, outputs and distribution channels were taken into account (for further disclosures on the materiality process, see IRO-1). The influence on the company's strategy, business model and action plans is described in more detail in the list of material IROs under IRO-1 and in the topic-specific sections of the Sustainability Statement.

Semperit waives the disclosure of the assessment of the expected financial effects during the transition period. No significant financial effects in connection with the relevant risks and opportunities on the financial position, financial performance or cash flow were identified in the current financial year. There is no significant risk of a material adjustment to the carrying amounts of the assets and liabilities reported in the associated consolidated financial statements in the next reporting period.

1 See overview of Semperit stakeholders under SBM-2.
Numbers in parentheses (#) indicate IRO numbers, which are used as IRO references in the topic-specific ESRS sections.

E1 – Climate change

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Climate change mitigation		Own operations	4, 5, 6, 7	A	S, M, L		(#1) Process emissions in their own operations contribute to rising global greenhouse gas emissions (GHG), which ultimately lead to climate change: global warming, increased frequency of extreme weather events (floods, droughts, storms, forest fires), loss of biodiversity, rising sea levels and global ocean acidification.	(#2) Regulations to mitigate climate change may affect traditional industry and Semperit's business model by requiring the company to adapt to changing market dynamics. Such a transition would require significant investment to future-proof its operations and business model (transition risk).		-10% Scope 1 and Scope 2 emissions per good product by 2030 (base year 2023)	Energy Excellence Program with measures such as machine replacement, building insulation, installation of LED lights, motion sensors and automation (see project list E1, E1-3); Installation of own photovoltaic systems at sites
		Upstream and downstream value chain	5, 6, 7	A	S, M, L		(#3) GHG emissions in the company's value chain contribute to rising global GHG emissions, which ultimately lead to environmental changes: global warming, increased frequency of extreme weather events (floods, droughts, storms, forest fires), loss of biodiversity, rising sea levels or global ocean acidification.				
Climate change adaptation		Own operations	4		L			(#4) Investments in the adaptation of production facilities to climate change (e.g. flood protection, storm protection, installation of air conditioning systems, other cooling technology if Semperit sites are affected by water stress, etc.) (transition risk).		-	Site-specific climate risk prevention and adaptation measures such as flood reservoirs (Odry, CZ) or flood protection (Hat Yai, TH); Annual review of risk assessment and mitigation measures at affected sites
		Own operations	4		L			(#5) Damage, destruction or failure of production facilities due to extreme weather events (floods, hail, earthquakes, etc.) or storm-related accidents (physical risk).			
Energy		Own operations	4, 5, 6	A	S, M, L		(#6) The consumption of electricity, heating and cooling energy in Semperit's own production is associated with GHG emissions, followed by the consequences of global warming.			-5% energy per good product by 2030 (base year 2023)	Energy Excellence Program (for project list, see E1, E3)
		Upstream and downstream value chain	5, 6	A	S, M, L		(#7) The consumption of electricity, heating and cooling energy along the value chain is associated with GHG emissions, followed by the consequences of global warming.				

E2 – Pollution

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Air pollution		Own operations	4, 8	P	M, L		(#8) Pollution from volatile organic compounds (VOCs), dust, particles, ammonia, chlorine gas, flue gas or other pollutants in own operations contributes to the negative environmental impacts caused by industrial undertakings. This can degrade air quality, affect underwater life and plant growth, increase soil acidification and indirectly disrupt natural habitats at local level. Globally, these industrial impacts contribute to changes in climate patterns, cloud formation and precipitation, and contribute to broader environmental changes.	(#9) Cost increase due to infrastructure and machinery expansion and renewal, triggered by stricter environmental regulations, legal requirements for permissible emission limits and outdated equipment (transition risk).		-	Preventive measurement of relevant pollutants in accordance with the threshold values set by local authorities or site management; Strict compliance with REACH and other regulations on chemical substances and material compliance
		Own operations	4, 8	P	S, M, L		(#10) Air pollution in industrial undertakings can have short- and long-term negative impacts on the health of exposed workers and indirectly on affected communities. Respiratory diseases caused by particles in the air can have long-term respiratory and cardiovascular effects.			-	
Microplastics		Own operations	4, 8	P	S, M, L		(#11) Rubber and waste contamination from own operations can lead to the presence of dust and particles smaller than 0.5 mm outside the plants, which are harmful to soil organisms and plants.			-	Operational Excellence initiatives with a focus on process efficiency and waste minimization
		Upstream and downstream value chain	4, 5, 6, 8	P	S, M, L		(#12) Rubber and waste pollution along the value chain caused during raw material production, transportation, product use and end-of-life, leads to the emission of microplastics and rubber particles into the environment. This can cause physical and chemical harm to soil organisms and the uptake by plants.			-	Sustainability in the supply chain – supplier certification by EcoVadis, supplier initiatives by Together for Sustainability; The Circularity Initiative, which focuses on product durability and potential end-of-life recycling

E5 – Resource use and circular economy

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Resource inflows, including resource use		Upstream value chain, own operations	4, 5, 6, 7, 10, 12	A	S, M, L	(#13) Contributing to the reduction of global demand for primary resources by substituting them with alternative sustainable raw materials (e.g. bio-based or recycled raw materials), which ultimately leads to an increased demand for alternative raw materials in the rubber market and thus supports the expansion of circular approaches within the industry.			(#14) Potential long-term cost savings through the application of circular economy principles (longevity, durability, reparability of materials and products) through maintenance and by optimizing the product life cycle. Focus on state-of-the-art technology in new business opportunities and acquisitions.	-	Circularity Initiative – cross-divisional program focusing, among other things, on scaling recycled and bio-based materials in Semperit products. Special product lines with extended lifespans, such as conveyor belts with increased resistance
		Upstream value chain	6, 7, 12	A	S, M, L		(#15) The extraction and production of chemical and industrial primary materials in general contributes to the depletion of natural resources and increases environmental impacts (land, deforestation, air and water pollution).		(#16) Reducing the cost of raw material procurement through material efficiency or elimination and efficient product and process design.	75% coverage of expenses to suppliers certified by EcoVadis by 2030	Supply chain due diligence through Business Partner Checks and ESG assessments by EcoVadis and TfS with a focus on quality, sustainability and regulatory compliance
		Own operations	4, 5, 6		L			(#17) Higher operating and investment costs due to increased material procurement costs as a result of potential geopolitical conflicts and climate change restrictions (transition risk).		-	Supplier diversification across regions and countries; Supply chain due diligence through Business Partner Checks
Resource outflows related to products and services		Upstream value chain, own operations, downstream value chain	4, 5, 6, 7, 10, 12	A	M, L	(#18) The use of circular materials, the development of circular products and the emphasis on their advantages for the environment and customers in industrial markets create the need for new circular supply chains and solutions that would not exist otherwise.			(#19) Focus on waste and end-of-life recycling, which requires innovative circular solutions, offers new business opportunities, e.g. for shredded or devulcanized rubber products.	-	Circularity Initiative – cross-cutting program that focuses, among other things, on circularity of materials and products, such as material reuse and recovery with reintroduction into the production process.
		Own operations, downstream value chain	5, 6		L			(#20) Changes in customer demand and preferences towards sustainable production and products with a focus on a circular economy might lead to a loss of customer trust if not implemented (transition risk).		-	Circularity Initiative – cross-divisional program that focuses, among other things, on structured analysis of customer demand and competitors' initiatives on circular solutions.

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Waste		Own operations, downstream value chain	5, 6, 8	A	S, M, L		(#21) Waste generated in production and downstream value chain ends up in landfills or is incinerated in some markets, contributing to GHG emissions (downstream Scope 3 emissions).	(#22) Stricter regulations or increased costs in relation to waste disposal from own production processes, particularly from single-use plastic consumption (transition risk).			Operational excellence initiatives to reduce waste; Circularity Initiative – cross-divisional program focusing, among other things, on the reuse and recycling of waste materials, external recovery of rubber waste that cannot be prevented or reduced, and on building appropriate supply chains with collaborators and customers; Product carbon footprint for products containing recycled and other sustainable raw materials
		Own operations, downstream value chain	4, 5, 6	P	M, L	(#23) Reducing process waste at Semperit and, where this is not possible, converting excess material that would otherwise be disposed of into recycled materials. This leads to establishment of new business models in the long term (creation of new recycling markets in collaboration with business partners and customers) and thus contributes to the scale up of the circular economy in the rubber industry.			(#24) Potential cost savings from opportunities to recycle and reuse waste instead of paying for waste disposal.	-7% waste per good product by 2030 (base year: 2023)	
		Own operations, downstream value	5, 12		M, L			(#25) Stricter rules for recycling scrap and waste, especially for shredded rubber (transitional risk).		-	

S1 – Own workforce

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Working conditions	Safe employment	Own operations	4, 5	P	S, M, L		(#26) Fear of layoffs during economic downturns can affect the emotional well-being of employees.			-	No employment without written agreement with fixed terms, working hours and times that comply with local laws; Flexible working time models (flexitime and part-time arrangements), remote work Collective agreements; Group Bonus Policy (STI, LTI); Benefits for the social or financial security of employees, such as accident or health insurance, contributions to pension schemes; Regular quality management audits at all sites; Publicly accessible, anonymous whistleblowing hotline SemperLine
Working conditions	Working hours	Own operations	4	P	S, M		(#27) Overtime and irregular working hours can have a negative impact on the health and well-being of employees.				
Working conditions	Adequate remuneration	Own operations	4	A	S, M, L	(#28) Secure and adequate income increases employee satisfaction and motivation and ensures a decent standard of living for them.					
Working conditions	Social dialog; Freedom of assembly, works councils, employees' rights to information, consultation and co-determination; Collective bargaining, workforce covered by collective agreements	Own operations	4, 5	A	S, M, L	(#29) Active employee participation and representation through works council promotes a fair, inclusive and safe working environment, which contributes to higher satisfaction, employee retention and general well-being.		(#30) Loss of revenue and operating losses due to possible strikes (transition risk).		-	
Working conditions	Health protection and safety	Own operations	4	P	M, L		(#31) Rising temperatures (due to climate change and extreme weather events) can lead to an increase in heat-related illnesses and negatively affect the general health and well-being of employees in the workplace if no adequate buildings and infrastructure are provided.	(#32) Increase in operating costs due to effects on employee health caused by rising temperatures (climate change) if no appropriate buildings and infrastructure are provided (physical risk).		-	
Working conditions	Health protection and safety	Own operations	4	P	S, M, L		(#33) Injuries (including temporary and permanent effects) and accidents, including fatal accidents have a material impact on the individuals affected and their families, and can also affect the emotional well-being of others in the workplace.	(#34) Incidents or accidents that may occur when the company fails to follow safety regulations, e.g. operating instructions, occupational safety instructions, occupational safety obligations, may result in reputational damage and/or (financial) sanctions (physical risk).		8% reduction of the incident rate annually	"Safety first": daily production meetings always start with the topic of safety; Focused occupational safety campaigns such as "Focus on Safety Again!" in 2024; Designated safety officers at each site; Monthly reporting on unsafe actions and working conditions; Reduction of accident rate as one of the bonus-relevant KPIs in the Group Bonus Policy

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Equal treatment and equal opportunities for all	Gender equality and equal pay for equal work	Own operations	4	P	S, M, L		(#35) Unaddressed gender discrimination and unequal pay in workplaces that lack inclusive, fair structures and defined processes could widen the gender pay gap and cause long-term economic disadvantage for individuals.			+0.5 PP overall increase of female ratio annually +1 PP increase of female ratio in leadership annually +1 PP increase of female ratio in senior leadership annually	D&I Global Council and D&I Local Councils – global and local focus groups of dedicated employees across organizational hierarchies, functions, sites and business areas, focusing on identifying and implementing D&I initiatives with a focus on gender, age, disability and cultural inclusion; Integration of the D&I target (quota of women) into the variable compensation system; Women International Network (kick-off Q1 2025) – a dedicated network initiative with a focus on inclusion, empowerment and inspiration of female colleagues in their daily work
			4	A	S, M, L	(#36) Proactively ensuring equal opportunities and justice for all, especially gender equality, improves the mental and emotional well-being of society. The vision is to make the industry attractive to employees of all genders and in particular to encourage women to study technical professions and pursue a career in technical fields.					
	Further training and skills development		4	A	S, M, L	(#37) Promoting knowledge and learning of employees and strengthening their attractiveness as employees in view of the complex requirements of the industrial labor market (e.g. digitalization, industrial and chemical expertise, etc.).				-	Wide range of mandatory and voluntary training: e-learning and classroom training for white-collar workers with a focus on compliance, sustainability and cybersecurity, on-the-job and classroom training for blue-collar workers with a focus on process knowledge and occupational safety
	Employment and inclusion of people with disabilities		4	A	S, M, L	(#38) Promoting knowledge and innovation through diversity of employees and inclusion of people with disabilities increases awareness. The different perspectives, experiences and abilities of a diverse workforce increase a team's creativity and problem-solving skills and create a more inclusive work environment for people with disabilities.				-	D&I Global Council and D&I Local Councils – global and local focus groups of dedicated employees across organizational hierarchies, functions, sites and business areas, focusing on identifying and implementing D&I initiatives with a focus on gender, age, disability and cultural inclusion

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders1	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
	Diversity		4	P	M, L		(#39) Creating a non-inclusive work culture that might contribute to lower morale among employees and potential future workers in the market, their lack of commitment and low work motivation by tolerating social inequalities, creates systemic barriers and reduces opportunities for marginalized groups.			+0.5 PP overall increase of female ratio annually +1 PP increase of female ratio in leadership annually +1 PP increase of female ratio in senior leadership annually	Integration of the D&I target (quota of women) into the variable compensation system Women International Network (kick-off Q1 2025) – a dedicated network initiative with a focus on inclusion, empowerment and inspiration of female colleagues in their daily work
			4	A	M, L	(#40) Creating an inclusive workplace culture that contributes to increased employee satisfaction, commitment and job fulfillment also improves social equality, creative collaboration and innovation in the elastomer industry in general.			(#41) Competitive advantage through the attractiveness of the company as an employer thanks to the diversity and inclusion of the workforce. Different skills, perspectives and experiences are covered, which tends to make teams more efficient and productive.		

S2 – Workers in the value chain

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Working conditions	Health protection and safety	Upstream value chain	6, 7	P	S		(#42) Accidents, injuries or temporary or permanent damage to the health or even deaths of employees in the value chain that can occur if business partners fail to properly follow safety regulations and preventive measures.			75% coverage of expenses to suppliers certified by EcoVadis by 2030	Due diligence in the value chain: Business Partner Checks and ESG assessments of suppliers through EcoVadis and TfS audits Signing of the Supplier Policy and the CoC Publicly accessible, anonymous whistleblowing hotline SemperLine
Other work-related rights	Child labor	Upstream value chain	6, 7	P	S		(#43) Business partners who allow child labor under unsafe and exploitative conditions can cause serious health risks and physical injury, as well as educational deprivation and other serious human rights violations.				
	Forced labor	Upstream value chain	6, 7	P	S		(#44) Business partners who support forced labor or force people to work under threat of violence or other forms of intimidation can cause serious health risks and physical harm, as well as other gross violations of workers' rights, dignity, restrictions of freedom and other serious human rights violations.				

G1 – Business conduct

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Corporate culture		Own operations	4	P	S, M, L		(#45) If management does not translate laws and regulations into a fair and transparent corporate culture, this can lead to negative effects on trust and integrity with the Code of Conduct, erosion of trust among employees and the public, disregard for social norms, and the containment of long-term prosperity.			-	Corporate values as the backbone of the Code of Conduct; Annual performance reviews of employees based on corporate values
Protection of whistleblowers		Upstream value chain, own operations, downstream value chain	4, 5, 6, 8, 10, 12	A	S, M, L	(#46) Without the protection of whistleblowers reporting unethical or illegal activities, compliance cases would not be reported, and legal consequences would not be avoided, which would have a negative impact on business relationships, corporate image and corporate responsibility.				0 violations of compliance-relevant laws and regulations	Publicly accessible, anonymous whistleblower hotline SemperLine
Management of relationships with suppliers, payment		Upstream value chain, own operations	5, 6	P	S, M, L	(#47) Promoting sustainability in the supply chain through fair business relationships, ESG assessments and audits of suppliers helps to improve sustainability standards in the elastomer industry in general.				75% coverage of all expenditures to suppliers certified by EcoVadis by 2030	Supply chain due diligence through Business Partner Checks and ESG assessments by EcoVadis and TfS with a focus on quality, sustainability and regulatory compliance
Corruption and bribery	Prevention and detection, including training	Own operations	4	A	S, M, L	(#48) Training as a risk prevention measure promotes a culture of responsibility and transparency, builds trust among stakeholders and promotes a sustainable and fair economy, thereby reducing the risk of unethical practices within the company, its value chain and in the market.				0 violations of compliance-relevant laws and regulations	Wide range of mandatory and voluntary training: e-learning and classroom training for white-collar workers with a focus on compliance, sustainability and cybersecurity; On-the-job and classroom training for blue-collar workers with a focus on process knowledge and occupational safety; Publicly accessible, anonymous whistleblower hotline SemperLine
	Incidents	Own operations, downstream value chain	4, 5, 6	A	S, M, L		(#49) Corruption incidents lead to the erosion of trust among employees, customers, suppliers, investors and the general public and contribute to broader problems in society, such as economic inequality and reduced trust in the fairness of the industry market and the effectiveness of regulatory mechanisms.				

Semperit takes a proactive approach to identifying material impacts and risks that could affect its business model, value chain and strategic decisions. As part of the Strategic Foresight Project 2022, Semperit conducted a megatrend study to assess potential future scenarios and their impact on the resilience of the business model. These scenarios were derived from the results of a multidimensional trend radar that shows the influence and probability of various macrotrends.

Resilience of strategy and business model was evaluated in a trend analysis with scenario building as part of Strategic Foresight. In this process, relevant macro and megatrends were grouped into three categories based on the need for action and time horizon: Act (short- to medium-term trends with a high probability of occurrence and a high level of influence on the company), Prepare (medium- to long-term high probability of occurrence and potentially high materiality for the company), and Watch (long-term trends that the company should monitor). The ESG trends identified in the Act category were circular economy, waste and recycling, energy production, diversity and inclusion, training and upskilling, future workforce, regulatory requirements, agile business models, positive impact enterprise business models, and digitalization. The resilience assessment considered short-, medium- and long-term time horizons. The short-term perspective focused on immediate operational challenges, while the long-term perspective focused on strategic goals related to megatrends. This trend assessment was incorporated into the weighting of the IROs in the materiality analysis, among other things.

The key trends have revealed four possible future scenarios for Semperit, its value chain, its business model and its strategy. The scenario analysis also considered the possibility of global warming of 1.5 degrees Celsius as set out in the Paris Agreement. The scenarios were carried over into the strategic planning of business units and into the comprehensive strategy process 2023, which resulted in a realignment of the Semperit Group into two divisions and a clear formulation of the long-term goals for 2030. The SIA division prioritizes process innovation and resource efficiency to ensure long-term competitiveness and achieve sustainability goals such as reducing emissions and reusing materials. The SEA division relies on flexible production models, technological innovation and resilience in its value chain to meet the demand for customized and sustainable solutions. By strategically promoting sustainability, operational efficiency and technological innovation, Semperit is also able to adapt to dynamic developments in its environment and take advantage of them.

The study identified risks such as geopolitical disruptions, resource scarcity and increasing regulatory pressure in the context of ESG. Expected risks include higher investment in R&D, supply chain disruptions and potential talent shortages in highly specialized areas. In addition to the risks, Semperit has also identified material opportunities, such as advances in material technology and resource efficiency by closing material loops. These topics are discussed in more detail in the E5 Resource use and circular economy section. Further information on identified opportunities and risks can be found in the disclosures under IRO-1.

The goal of Semperit's sustainability strategy "Move Hearts and Minds" is to improve existing processes of the current business model in such a way that negative ecological and social impacts are prevented or at least minimized. This also includes some topics and areas that are not provided for by the ESRS and that Semperit measures and reports on separately. As in previous years, this Sustainability Statement also reports on the achievement of objectives in the sustainability strategy (see target achievement in the topic-specific sections). The following key figures are considered company-specific and go beyond the scope of the ESRS key figures:

- **Environment – circular waste** (recycled waste and by-products, IROs #13-16, 18-20, 23-24) refers to the amount of waste and by-products from the production process that have been recycled internally or externally and returned to the production process. This key figure is not included in the ESRS, but for Semperit it makes its proactive commitment to the circular economy measurable and the development towards circular raw materials and products controllable.
- **Governance – Sustainability in the supply chain: 75% coverage of all expenditures to suppliers certified by EcoVadis by 2030** (IROs #15-16, 42-44, 47) – In order to improve the sustainability of its own business model and to verify compliance with its high standards in the supply chain, mitigate risks in a timely manner and seize opportunities, especially with regard to sustainable raw materials, Semperit assesses the sustainability of all suppliers using EcoVadis. This indicator is not provided for by the ESRS, but it represents a strategically important building block for the environmental and social due diligence in the supply chain and the Corporate Sustainability Due Diligence Directive, as well as for the Group-wide financing of the Semperit Group, which is also linked to this indicator.

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

Semperit uses established processes such as Group-wide risk management, budget and medium-term planning, and ad hoc strategic projects to identify and assess ESG impacts, risks and opportunities (IROs). This also includes tools for fulfilling due diligence in business processes, such as the Business Partner Check with business partners in the value chain or due diligence checks in corporate transactions. Further elements of the process for identifying IROs include stakeholder involvement, ESRS workshops, surveys, internal and external roundtables with experts, use of databases and scientific publications, as well as ongoing media and regulatory screening.

The materiality process

Semperit's sustainability reporting in accordance with the European Sustainability Reporting Standards (ESRS) is based on a materiality analysis. It serves to identify the company's major impacts on people and the environment (inside-out perspective; impact materiality) and the financial effects of sustainability aspects on the company (outside-in perspective; financial materiality). The results of the materiality analysis are not only the starting point for standard-compliant and transparent reporting for the Semperit Group. The insights gained in the course of its implementation are also an important basis for decisions regarding the development or adaptation of strategies, goals and measures to reduce negative impacts and risks and to realize positive impacts and opportunities. Since any changes in the company and its environment – such as market developments, ecological, social and regulatory developments or changes in the portfolio – make it necessary to regularly re-evaluate the IROs, Semperit conducts an annual update of the materiality analysis and a stakeholder survey every four years.

The identification and assessment of impacts on people and environment is not only carried out as part of the formalized materiality analysis. It is part of Semperit's due diligence process to identify potential negative impacts at an early stage, to avoid them and, if necessary, to remediate them. Fulfilling this obligation is an ongoing task to which various levels and functions of the company contribute, and which is reflected in the company's policies and processes. Semperit fulfills its due diligence process in a continuous improvement process of identifying, evaluating, prioritizing and monitoring, see the more detailed explanation under the disclosure GOV-4.

In preparation for sustainability reporting in accordance with the ESRS requirements, Semperit identified material environmental, social and governance topics along the value chain as early as 2023. This was done in consideration of micro, macro and megatrends as well as strategic and legal aspects. The starting point for collecting the potentially material topics was the sustainability topics of the ESRS on the one hand and, on the other hand, the topics already identified in previous materiality analyses. The list of topics with the potentially material topics created in this way was subjected to an evaluation by various stakeholders. In interviews with 33 internal and external stakeholders, the social, ecological and market-related impacts of Semperit in connection with these topics were qualitatively assessed.

When selecting the stakeholders, Semperit made sure to interview people with different professional and social backgrounds, perspectives, genders and relationships of interest to Semperit in order to gain as comprehensive a picture as possible of which topics are important to the company's stakeholders. Among others, the following stakeholder groups were interviewed: customers, suppliers, non-profit organizations, financial experts and bank representatives, sustainability experts, students and representatives of universities of applied sciences, external consultants, members of the Supervisory Board, the works council and Semperit employees from different sites and departments. Further disclosures on Semperit's stakeholders can be found under SBM-2.

In the next step, the impacts identified in the stakeholder interviews were supplemented by those IROs that were assessed as relevant in established internal processes and evaluations. These include the Strategic Foresight project, the trend radar and future scenarios, internal surveys, the climate scenario analysis, the budgeting and mid-term planning process, and the ESG risk catalog. Based on this, an internal analysis of potential ESG-related risks and opportunities and their financial effects on the company was carried out. The basis for this was the impact that could arise directly from Semperit's business activities or indirectly in the upstream and downstream areas of the value chain and along the product life cycle, as well as the Semperit Group's dependence on natural and social resources. This comprehensive analysis enabled the inclusion of industry risks (e.g. tightened chemical regulations, shortages of raw materials and supply bottlenecks or shortages of skilled workers), specific challenges (e.g. impact of microplastics, pollution from emissions, etc.), opportunities (e.g. circular economy, sustainable raw materials) or country specifics (e.g. national regulations and policies, income differences, cultural particularities, etc.) enabled a far-reaching approach, which was also maintained at this level of detail in 2024.

The result was a consolidated list of sustainability aspects and the corresponding IROs based on the extensive ESRS catalog of topics. This was followed by workshops with internal experts on the topic-related environmental, social and governance standards of ESRS. The workshops with responsible persons from areas such as Procurement and Supply Chain, Research and Development, Health, Safety, Environment and Quality (HSEQ), Logistics, Compliance, Legal, HR, Risk Management, Corporate Development, Business Development and Product Management served to evaluate the effects from an inside-out perspective. In this step, adjustments were also made to the identified IROs as a result of the purchase of the Rico Group and the sale of the glove business. Topics were considered material if they were associated with material actual or potential, positive or negative impacts of Semperit on people or the environment along the entire value chain in the short, medium or long term. The risks and opportunities identified and described in the process were not quantitatively assessed in 2023. This was done as part of the 2024 update and deepening of the materiality analysis according to ESRS.

Updated and deepened materiality analysis 2024

Based on the results of the materiality analysis from 2023, Semperit further deepened the IRO analysis in 2024 to ensure ESRS compliance. In doing so, a comprehensive IRO analysis was again carried out along the entire value chain. The impacts were carefully assigned to the upstream, downstream and own operations in order to accurately locate the impacts, risks and opportunities in the business model and value chain and then to be able to assess them quantitatively.

Impact assessment

In the first step, impacts were assessed for completeness in accordance with the ESRS list of topics. The consolidation of the existing impacts, which are mostly composed of several drivers, was carried out based on scientifically sound sources, studies and general media research and was supported by external consultants. The quantitative assessment was then updated and validated by the ESG team and internal experts from various departments.

As in the previous year, the quantitative assessment was carried out on a five-point scale, taking into account the parameters and time horizons specified in ESRS 1. The assessment of the individual impacts was determined mathematically from the assessment of the relevant individual parameters (probability, extent, scope, irreversibility). In doing so, the description of individual scale levels was specified in more detail in order to be able to distinguish them better from one another and to facilitate the assessment of the impacts.

Parameter: extent	**Impact on the environment**	**Impact on people and society**
Minimal or negligible impact	Changes are often imperceptible and do not significantly alter natural processes or ecosystems.	Any (negative) impact that does not violate the right to life, health or access to basic necessities.
Very minor impact	Changes are small and local, with limited and short-term effects on natural processes or ecosystems.	Very minor impact on human rights, health, etc.
Minor impact	Changes are more material and can affect larger areas or multiple aspects of the ecosystem but are still manageable and often mitigable.	Impact on human rights, health and limited access to basic necessities (including education, livelihood, etc.).
Material impact	Changes are substantial and can lead to long-term or far-reaching effects on natural processes, ecosystems and biodiversity.	Critical human rights violations and very limited access to basic necessities (including education, livelihood, etc.).
Severe impact	Changes are profound, often irreversible and can lead to critical damage to ecosystems, loss of biodiversity and material changes in natural processes.	Leads to death or health issues that can result in material impairment to quality of life and/or life expectancy.

Parameter: scope	Environment	People and society
Surrounding area	Impacts that affect the immediate surroundings of operations and are associated with limited stages of the value chain at a single site.	Impacts affect a small group (100-1,000 people), e.g. a small group of employees or neighbors.
Local community	Impacts that extend across multiple facilities in a limited area (region or neighborhood) and affect multiple core processes.	Impacts affect several or larger groups of people (1,000-10,000 people), e.g. all employees at a specific site.
City level	Impacts that affect larger geographic areas, such as a city or state, that occur at different stages of the value chain in connection with own core processes or at supplier/customer sites.	Impacts affect specific communities or several directly involved individuals (10,000-100,000 individuals), e.g. suppliers, business partners.
Country level	Impacts that affect a large geographic area, such as a nation or continent, that occur across multiple stages in the value chain associated with own core processes or at supplier/customer sites across the country.	Impacts affect most indirect stakeholders and a broad range of communities (100,000-1 million individuals), e.g. customers or employees (also along the value chain).
Global level	Impacts on the global environment that occur across multiple stages in the value chain and are a result of own core processes and the activities of suppliers and customers worldwide.	The general public is affected (>1 million people).

Parameter: irremediability	Environment	People and society
Very easy to remedy with (very) little effort	Impacts are reversible in the short term and without great effort, e.g. short-term disturbance of the local fauna due to a temporary increase in the noise level of a production plant.	Impacts are reversible in the short term and without great effort, e.g. negative impacts on customers due to minor production stoppages and product recalls.
Can be remedied with some effort	Short-term impacts that can be reversed with some effort – e.g. microplastic pollution in production, which can be avoided by preventive measures.	Short-term impacts that can be reversed with some effort, e.g. company-wide training measures to raise awareness or improve employee misconduct.
Difficult to remedy, requires considerable effort	Impacts that result in long-term consequences of up to a year, e.g. overuse of groundwater for industrial processes.	Impacts that lead to long-term consequences of up to one year, e.g. recovery from an occupational accident.
Very difficult to remedy, requires (very) great effort	Impacts that result in long-term consequences that are difficult, but not impossible, to reverse, e.g. soil contamination from chemical leaks.	Impacts have long-term consequences that are difficult, but not impossible, to reverse, e.g. a data breach that led to the disclosure of sensitive customer data.
Cannot be remedied	Impacts that will result in permanent consequences, e.g. the extinction of species.	Impacts will have lasting consequences, e.g. death from an occupational accident with serious consequences for household income.

Transfer of ESG risks from Group-wide risk management to IRO analysis

In addition to anchoring the sustainability strategy, advancing Group-wide targets and preparing for future challenges, the annual reassessment of ESG risks is an important part of the Semperit Group’s sustainability work.

To this end, the ESG team identifies and evaluates material risks and opportunities annually. This step involves all relevant corporate divisions, including Risk Management, Human Resources, HSEQ, Production and Innovation as well as the various Semperit sites. The allocation of risks and opportunities by category corresponds to the structure of the already established internal Group-wide risk management system.

In its Group-wide risk management, Semperit pays particular attention to ecological, social, financial and economic issues and challenges. In order to be able to react to changes in a timely manner, internal and external developments as well as effects from the area of ESG are identified and evaluated in order to be able to subsequently take them into account in management and in the IRO analysis according to ESRS. External developments relate, for example, to financial effects for Semperit due to climate change, changes in market situations, competitive conditions or customer behavior. Additional environmental risks in this context, such as water scarcity and other climate-related weather events, were identified based on the climate scenario analysis conducted in 2023 and included in the ESG risks and opportunities catalog. Further disclosures on the climate risk and scenario analysis can be found in section E1 Climate change and in the following chapter under IRO-1.

As part of the evaluation of ESG risks and opportunities, current and potential measures to mitigate risks and utilize opportunities are collected, and responsibilities and time horizons are defined, discussed and documented. The risks and their effects on the valuation of assets and liabilities are analyzed and taken into account in the consolidated financial statements.

Assessment of risks and opportunities

In 2024, risks and opportunities identified in the materiality analysis were compared with the existing ESG risks and opportunities catalog, which is integrated into the internal Group-wide risk management system. They were reviewed for completeness and relevance and updated or supplemented as necessary. Subsequently, all risks and opportunities were quantitatively assessed by the ESG team, internal risk management and internal (site-specific) subject matter experts on a five-point scale (taking into account the parameters specified in ESRS 1) in accordance with the financial thresholds of the internal risk management system. Specifications regarding the procedure, thresholds and other criteria are set out in the internal Risk Policy, which is approved by the Executive Board. An annual review of the policy and compliance with it is carried out as part of the review in accordance with Rule 83 of the Austrian Code of Corporate Governance. The latest review carried out did not give rise to any objections.

The assessment of the individual risks and opportunities was determined mathematically from the assessment of the relevant individual parameters of probability of occurrence and extent. All risks and opportunities with a value greater than or equal to 2.5 were identified as material. This does not include risks in the area of human rights violations, which are classified as high risks even without a high probability of occurrence. A precise monetary estimate of the financial effects of the risks and opportunities has not yet been made due to the high level of complexity.

Final list of material topics

To determine the final material topics for the 2024 Sustainability Statement, the IROs' mean values were calculated from the above parameters. All impacts with a value greater than or equal to 3 and all risks and opportunities with a value greater than or equal to 2.5 were considered material. Finally, the list of material topics was validated by the Sustainability Council, approved by the Executive Board and submitted to the Audit Committee and the Strategy and ESG Committee for information.

Material ESRS topics 2024

ESRS	ESRS topic	ESRS subtopic	ESRS sub-subtopic
E1	Climate change	Climate change adaptation	
		Climate change mitigation	
		Energy	
E2	Pollution	Pollution of air	
		Microplastics	
E5	Resource use and circular economy	Resource inflows, including resource use	
		Resource outflows related to products and services	
		Waste	

Material ESRS topics 2024

ESRS	ESRS topic	ESRS subtopic	ESRS sub-subtopic
S1	Own workforce	Working conditions	Secure employment
			Working time
			Adequate wages
			Social dialog
			Freedom of association, the existence of works councils and the information, consultation and participation rights of workers
			Collective bargaining, including rate of workers covered by collective agreements
			Health and safety
		Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value
			Training and skills development
			Employment and inclusion of persons with disabilities
			Diversity
S2	Workers in the value chain	Working conditions	Adequate wages
			Health and safety
		Other work-related rights	Child labor
			Forced labor
G1	Business conduct	Corporate culture	
		Protection of whistleblowers	
		Corruption and bribery	Prevention and detection including training
			Incidents
		Management of relationships with suppliers including payment practices	

Disclosure Requirement related to ESRS 2 IRO-1 and E1 – Description of the processes to identify and assess material impacts, risks and opportunities

As part of the preparation for the CSRD, but also to meet the requirements of the EU Taxonomy Regulation, a scientifically sound analysis of climate scenarios and the vulnerability of Semperit assets was carried out in 2023, which, among other things, also represents the basis for assessing climate-related risks in E1 (IROs #2, #4, #5). The risk management process implemented by Semperit involves the Group's entire value chain. This is a central component of the approach to comprehensively identify and evaluate risks and opportunities. The value chain is also reflected in the risk catalog, which serves as the basis for each risk assessment. Likewise, Semperit's risk catalog takes into account all relevant sources of risk along the entire value chain, including climate-related transition risks. Transition risks describe how global society, demographics and the economy could change over the next century under different scenarios (see section E1, disclosure SBM-3). These risks are systematically identified, evaluated and integrated into the valuation process; the identification and evaluation of transition risks is an integral part of the risk assessment. Both operational processes and external factors along the value chain are taken into account to ensure that all relevant aspects are included in the analyses.

Climate-related physical risks (see tabular overview in section E1 under SBM-3) were modeled and valued using S&P's Climanomics scenario model. The model's results are based on following sources, among others: Jupiter Intelligence Climate Score Global, SwissRe CatNet, UNESCO Land Subsidence International Initiative, scientific journals and news reports. In addition, the Shared Socioeconomic Pathways (SSPs) of the Intergovernmental Panel on Climate Change (IPCC) were used for socio-economic changes from today to 2100 in order to derive possible greenhouse gas emission scenarios and climate policies of the future and thus also consider transition risks.

However, Climanomics does not allow for a focused assessment of climate-related risks, which are assessed as part of the Group-wide risk management process. Climanomics was used to model the complexity of the change in various climate risks over a short, medium and long-term period in the different scenarios.

The time periods were determined based on the existing Risk Management Policy:

- **Short-term time horizon** (1 year): focuses on immediate risks that already arise from current climate variability, such as extreme weather events (fluvial flooding, heat waves). In this phase, preventive measures to minimize damage and short-term operational adjustments are implemented.
- **Medium-term time horizon** (up to 5 years): this considers progressive changes in physical risks such as water stress or temperature increases. This is the primary planning horizon for investments in infrastructure and resilient technologies that extend the useful life of assets and minimize risks.
- **Long-term time horizon** (more than 5 years): covers long-term, potentially material climate changes such as rising temperatures or increasing water scarcity. Strategic investments and capital allocations are geared towards resilience to long-term risks.

In line with standard practice, the "most likely scenario" SSP2-RCP 4.5 and the "worst case scenario" SSP5-RCP 8.5 were applied. The SSP2-4.5 "Middle of the Road" scenario assumes that historical trends will continue, and that the achievement of sustainable development goals will be slow and inconsistent, leading to global warming in the range of 2.1 to 3.5°C by 2100. The SSP5-8.5 "Fossil-fueled Development" forecasts rapid fossil-fuel based technological development that will drive resource- and energy-intensive lifestyles worldwide, and projects severe warming in the range of 3.3 to 5.7°C by 2100. In addition, net-zero emissions scenarios from the International Energy Agency (IEA) and NGFS scenarios were also considered.

A company's vulnerability depends on the extent to which its assets and operations may be susceptible to these climate-related hazards in terms of the generation of physical gross risks. As part of the analysis, Semperit's vulnerability was calculated based on the possible annual change in absolute and relative economic assets compared to a constant asset value over a decade.

The climate scenario and vulnerability analysis was carried out on 20 assets in 2023, including all 16 Semperit production sites and four sites of strategic suppliers. Chronic and acute climate risks were forecast in the scenarios described above for the short, medium and long term for the next nine decades up to 2100. The risks identified and analyzed are listed in section E1 under SBM-3.

The results show that of the 20 sites analyzed, three of own operations (Sempertrans in Bełchatów, Poland; Sempertrans India in Roha, India; and Semperflex Optimit in Odry, Czech Republic) will be affected by water stress by more than 10% of the asset value by 2100 in the SSP2-4.5 scenario. The impact on the assets of the remaining sites in the SSP2-4.5 scenario will be less than 5% change in asset value by the end of the 21st century. In general, there is no material difference between most of the assets in the two scenarios examined. The vulnerable sites are located on different continents, but the assets most at risk are in Eastern Europe. This is largely due to the region's already low precipitation levels (500-700 mm per year) and water use in these hydrological basins. The remaining risks are low for all sites, decades and scenarios and do not significantly affect any assets.

The results of the climate scenario and vulnerability analysis were presented to the at-risk sites, the Executive Board, the Sustainability Council and the Strategy and ESG Committee. In addition, the risks were integrated into the Group-wide risk management system, which is used to define and implement appropriate risk-mitigating measures.

As part of the regular risk management process, the main site-specific transition risks are also identified and assessed with the involvement of local internal experts. These risks are incorporated into the regular risk management process together with the physical risks. A scenario analysis of the transition risks and their impact on Semperit's business model was carried out as part of the Strategic Foresight process at the end of 2022 and will be incorporated into the short-, medium- and long-term strategic and financial planning of the divisions, which are responsible for the ongoing analysis and assessment of the different future scenarios and transition risks in their markets. The analyzed scenarios also took into account, among other things, the possibility of global warming of 1.5 degrees in line with the Paris Agreement. Further information on the process can be found in the disclosure under SBM-3.

The critical assumptions related to climate-related risks are also considered in financial reporting (see section 1.4 of the Notes to the consolidated financial statements). For example, climate-related risks such as water stress, energy availability or regulatory changes are considered in the useful life and valuation of assets, especially physical assets. Financial forecasts for determining capital expenditure (capex) include investments in decarbonization, technological upgrades or risk reduction; increased energy prices, carbon pricing and other climate-related expenses are factored into cost structures. Revenue forecasts also include assumptions about market shifts towards sustainable products and compliance costs.

Currently, almost all of Semperit assets and processes require material financial and transformative efforts to be compatible with and competitive in a carbon-neutral economy. The assessment and monitoring of all climate-related and other risks, as well as the implementation of risk-mitigating measures, are explained in more detail in disclosure GOV-5.

As part of the climate risk analysis carried out by the Semperit Group, the climate hazards of permafrost thawing, ocean acidification, saltwater intrusion, glacial lake overflow and solifluction were not considered relevant for any sites at the time of the initial analysis and were therefore not included in a detailed analysis. For the Odry site in the Czech Republic, these risks were subject to a targeted risk assessment to exclude the vulnerability of the EU Taxonomy-aligned assets.

The assessment of which climate risks have no material financial or operational impact on the Semperit Group's sites and are therefore not included in the analysis was carried out in consultation with the climate risk experts who conducted the risk analysis as part of the Climanomics methodology (in accordance with the S&P Global Sustainable methodology). The decision is based on a systematic and transparent relevance test supported by recognized scientific standards and best practices for climate risk analysis (e.g. Climanomics methodology). As part of future updates or re-execution of the climate risk analysis, the materiality of these risks will be re-evaluated to ensure that potential changes in the risk situation are identified and addressed at an early stage.

Reasons for excluding the following risks:

- **Thawing permafrost:** The Semperit Group's sites are not located in any regions with permafrost soils. Since permafrost only occurs in certain geographical areas (predominantly in the north), the risk of permafrost thawing does not pose an immediate threat to Semperit sites.
- **Acidification of oceans:** Since the business activities of the Semperit Group do not involve any maritime production sites or marine resources, there is no exposure to the effects of ocean acidification. Consequently, this risk is only of minor relevance for the Group's production sites and operating units.
- **Saltwater intrusion:** This affects coastal regions and groundwater supplies that are affected by seawater infiltration. With the exception of the production site of SIMTEC Silicone Parts, LLC in Florida, which is located near the coast, the Semperit Group's sites are not located in coastal regions at risk.
- **Solifluction (ground creep):** Solifluction typically occurs in cold, humid climates, especially in regions with permafrost or seasonally frozen soils. Since Semperit's sites are not in such climatic zones, there is no immediate danger from this risk.
- **Glacial lake outburst:** The potential threat from glacial lake outbursts affects sites in the immediate vicinity of glaciers or in river valleys that are characterized by glacial runoff. None of the Semperit sites is located in such a geographical location.

Disclosure Requirement related to ESRS 2 IRO-1 and E2– Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

Semperit's potential and actual impact in the context of pollution, as well as the associated risks and opportunities, are assessed as part of the Group-wide materiality analysis. This is done with the involvement of potentially affected stakeholders, who may be directly affected by any pollution or other negative impacts of Semperit. Local residents or representatives of affected communities are either directly involved in the Semperit materiality analysis, or their opinions and concerns are reported to local HSE (Health, Safety, Environment) Officer or site management and thus incorporated into the evaluation process. The insights gained are taken into account when creating and updating internal policies and in strategic planning.

All of the Group's production sites were assessed in terms of material pollution-related impacts, risks and opportunities, since chemicals are used in rubber compounds that can pollute the air, water or soil. Sites without mixing operations have a lower risk of pollution. Of the sites with mixing operations – Wimpassing (AT), Bełchatów (PL), Hückelhoven (DE), Roha (IN) and Hat Yai (TH) – only Wimpassing (AT) has carried out a comprehensive environmental impact assessment in this context. Further disclosures on the methodology can be found in section E2, disclosure E2-2 Actions and resources. Semperit had hardly any measurable data on pollution-related impacts, risks and opportunities in the upstream and downstream value chain in 2024 to be able to evaluate them quantitatively, and this report primarily addresses the IROs in its own production plants (IROs #8-11), where Semperit can take directly measurable action.

Emissions of air pollutants along the upstream and downstream value chain, but also in the company's own production (IROs #8-10), represent a negative impact of Semperit's business activities on the environment. These emissions are caused, for example, by production of purchased materials and energy, by transport and logistics services, by incineration of waste and by wastewater treatment. In Semperit's upstream value chain, non-renewable materials and chemicals, including petroleum-based materials and chemicals, are processed. If not handled with care, and without appropriate protective measures, these processes can cause environmentally harmful emissions of air pollutants, affect ecosystems and biological diversity, and contribute to climate change.

Air pollutants released by activities in the upstream and downstream value chain and by Semperit's own operations indirectly contribute to the formation of ground-level ozone and photochemical smog, which can affect air quality and visibility and can harm both ecosystems (IRO #8) and human health (IRO #10). In addition, NOx and sulfur dioxide (SO_2) lead to the formation of acid rain, which acidifies the soil, contaminates watercourses and damages forests and aquatic ecosystems. These environmental impacts can lead to respiratory and cardiovascular diseases. Especially at larger sites such as Wimpassing (AT) or Odry (CZ), which are located in close proximity to residential areas, noise, light, dust and odors caused by production processes, logistics or construction work can lead to adverse effects for local residents.

The release of microplastics is another negative environmental impact that can occur both in-house (IRO #11) and along the value chain (IRO #12). In the internal production processes, synthetic polymer particles (SPM), which the ESRS defines as microplastics (plastic particles smaller than 5mm), are used in small proportions of approximately 0.2% of the annual raw material volume. SPM is not released but is properly processed directly in injection molding machines via manual or automated dosing systems in accordance with the work instructions. However, SPM can still enter the environment through improper storage, cleaning or transport of containers.

Microparticles of elastomers can also be released downstream in the value chain through abrasion of elastomer products such as conveyor belts, rubber mats or cable car rings. Fine dust and microparticles can penetrate the soil, where they can cause physical and chemical damage to soil organisms, which in turn are ingested by animals and plants and thus ultimately enter the food chain.

Pollution and particularly non-compliance with environmental regulations can lead to legal sanctions, reputational damage and financial loss (IRO 9). The increasing awareness of the public and regulatory authorities for environmental protection increases the likelihood of stricter regulations and controls. In addition, negative effects on the health and well-being of local residents can lead to social tensions and resistance to operational activities. For these reasons, Semperit places a strong focus on careful compliance with environmental regulations at the international and national level.

Semperit does not disclose any information on E2-5 "Substances of concern and substances of very high concern" of the ESRS Disclosure Requirements due to the non-material quantities of these substances used annually and the ongoing work to eliminate them. Nevertheless, it is a top priority in business practice to ensure that all chemical substances used are registered, because Semperit is only a downstream customer in the chemical raw materials chain but still bears responsibility for product and material compliance. Further information on concepts, measures and means in connection with the REACH regulation can be found in section E2.

Disclosure Requirement related to ESRS 2 IRO-1 and E5 – Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy

Assessing impacts associated with extraction and use of different raw and other materials, as well as with their recycling, is an ongoing process at Semperit, into which new findings and specific information are continuously incorporated. At the same time, the company also evaluates the financial risks and opportunities associated with them. The IROs related to resource use and circular economy are evaluated with the involvement and consultation of various stakeholders from the upstream and downstream value chain, as well as internal and external experts. For example, Semperit works together with customers, suppliers and universities, consults external experts on recycling research, product and waste classification, and is in regular contact with the trade association of the Wirtschaftsverband der deutschen Kautschukindustrie (Association of German Rubber Manufacturing Industry), the Deutsches Institut für Kautschuktechnologie (German Institute for Rubber Technology), official state government agencies, the Industriellenvereinigung (Federation of Austrian Industries) and the Wirtschaftskammer (Austrian Economic Chamber) in order to be able to evaluate IROs in a well-founded manner and manage them in a targeted way.

The implementation of a circular economy can help to reduce Semperit's negative environmental impact. In the upstream value chain, Semperit is working with suppliers to convert to recycled and sustainable raw materials (IROs #13, 15, 18, 19). Semperit processes a large amount of synthetic rubber every year. The extraction of these non-renewable, predominantly petroleum-based materials can, if not done carefully, contribute to climate change, pollution and the loss of biodiversity (IROs #15, 16). These materials must therefore be used efficiently and sparingly, increasingly recycled and, where available, replaced by suitable environmentally friendly alternatives, such as the substitution of conventional synthetic rubber with synthetic rubber based on sustainable raw materials (renewable and/or recycled). Partial substitution of synthetic rubber with natural rubber is also an option, although it does not necessarily improve the environmental performance. This is because the large-scale extraction of this renewable raw material is also associated with negative environmental impacts, such as deforestation, the expansion of monocultures and the use of synthetic chemical pesticides.

In the downstream value chain, the development of take-back systems, partnerships for reuse and recycling, and the promotion of the longest possible product use through repair and upcycling services are crucial to improving the ecological balance of products (IROs #19, 22-25).

Closing resource loops involves costs and efforts for Semperit (IROs #17, 20, 22, 25). High investment costs for new technologies, necessary adjustments in the supply chain and increased demand regarding product design and material recovery as well as the risk of increased scrap and potential customer complaints pose a financial risk for the company. On the other hand, the integration of recycled materials, the development of product take-back systems, durable products and recycling infrastructures, as well as the reduction of waste through reuse can also offer financial benefits (IROs #14, 16, 19, 24).

From Semperit's perspective, the use of recycled rubber or reclaimed carbon black, the recycling of waste, chemicals or reinforcing materials, and the integration of ESG assessment criteria into raw material procurement processes can reduce negative environmental impacts along the entire value chain. The concepts, measures and targets the company pursues in this regard and the results achieved in 2024 are presented in section E5.

Disclosure Requirement related to ESRS 2 IRO-1 and G1 – Description of the processes to identify and assess material impacts, risks and opportunities related to business conduct

The materiality analysis process described under IRO-1 also identified following material impacts in the area of G1 Business conduct. Beyond that, no material opportunities or risks were identified in connection with business conduct. The Group Risk Management & Assurance department regularly collects and evaluates operational, legal, strategic and reputational risks for Semperit sites, as well as on an ad hoc basis as needed. In doing so, internal and external risks are assessed – including those related to the topic of business conduct (IROs #45-49). In 2024, a total of 20 risk assessments were carried out at 15 sites, covering 74% of the sites. In addition to the on-site inspections, regular risk discussions and cross-departmental risk workshops with internal experts, focusing on corruption risks, among other things, are held. These results were evaluated as part of the IRO analysis, as described in more detail under IRO-1.

In addition, standardized Business Partner Checks are carried out to screen business partners and help the company to monitor and efficiently manage the essential IROs #45-49. They are mandatory for companies that are located in high-risk countries (according to the Transparency International Corruption Index <55) or have an increased risk profile for other reasons. Business Partner Checks are carried out for suppliers, customers, dealers and other third parties with the aim of identifying risks in advance of a collaboration and, if necessary, implementing risk-minimizing measures. These measures can go as far as terminating the business relationship. For the time being, the Business Partner Checks will apply to direct business partners in high-risk countries with a purchasing volume of over EUR 300,000 and are a first step towards more detailed checks and controls of the upstream and downstream supply chain (IRO #47).

In addition to working in partnership with external stakeholders, internal stakeholders are also in focus. Semperit regards it as a positive impact (see IRO #46) to promote a transparent corporate culture through measures such as the SemperLine – whistleblower hotline – and the comprehensive awareness campaign “Speak up!” and to identify material IROs through these channels. All reports are followed up in a structured manner, and appropriate measures are derived and implemented promptly, if necessary, to minimize risks from reputational damage or sanctions due to undetected corruption or other ethical conflicts. In the long term, this contributes to promoting a culture of transparency, trust and responsibility towards all stakeholders, as well as to sustainable, fair and ethical business practices. Further information on the prevention and detection of corruption and bribery and on reported cases can be found in section G1, disclosures G1-3 and G1-4.

Further information on the management of material impacts, risks and opportunities in connection with the strategy and business model can be found in the disclosures under SBM-3. Corporate due diligence is explained in more detail under GOV-4.

Changes to the previous year’s report and outlook

Compared to the previous reporting period, the process for assessing materiality at Semperit has changed significantly. In 2023, the materiality analysis was aligned with the requirements of the European Sustainability Reporting Standards (ESRS), which in some cases required a revision of the previous methodology. The procedure was changed in 2023 to complete the transition from the Global Reporting Initiative (GRI) Standards to the ESRS. So far, primarily only Semperit’s impact on the environment and society has been assessed. For an ESRS-compliant Sustainability Statement, a comprehensive assessment of all IROs was carried out in 2024. The process is based on a detailed and structured methodology and relies on expert knowledge and scientific sources with external support.

The next validation of the materiality assessment is planned for 2025, as Semperit considers an annual review necessary to ensure that all relevant topics are continuously and currently considered.

Disclosure Requirement IRO-2 – Disclosure requirements in ESRS covered by the undertaking’s sustainability statement

The following index shows the Disclosure Requirements followed in preparing the Sustainability Statement based on the results of the materiality assessment (see list of material topics at IRO-1), including the NaDiVeG matters page numbers containing the corresponding information in the Sustainability Statement.

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ESRS topics that were assessed as not material as a result of the 2024 materiality analysis and that are not reported in this Sustainability Statement:

Non-material ESRS topics 2024

ESRS	ESRS topic	ESRS subtopics
E3	Water and marine resources	Water
		Marine resources
E4	Biodiversity and ecosystems	Direct impact drivers of biodiversity loss
		Impacts on the state of species
		Impacts on the extent and condition of ecosystems
		Impacts and dependencies on ecosystem services
S3	Affected communities	Communities' economic, social and cultural rights
		Communities' civil and political rights
		Rights of indigenous people
S4	Consumers and end-users	Information-related impacts for consumers and/or end-users
		Personal safety of consumers and/or end-users
		Social inclusion of consumers and/or end-users

Since Semperit uses water only for the production process, primarily for cooling purposes in closed water circuits and not as a component of the products, Semperit does not report on E3 Water and marine resources as it is immaterial. Furthermore, no information is provided on E4 Biodiversity, as the materiality of the direct impact of and on biodiversity for Semperit is not available at present. In addition, S4 Consumers and end-users is not considered material either: Semperit acts exclusively as a component supplier to original equipment manufacturers (OEMs), system manufacturers and distributors in the B2B sector without direct sales and has no contact with end consumers. In order to prevent negative impacts due to a potential lack of minimum social protection and transparency towards consumers and end users, Semperit takes measures with regard to data protection, information security, consumer protection and tax transparency, which are explained in section G1 company-specific disclosures. Only IROs that affect topics under E2 Pollution and residents near production sites were identified under S3 Affected communities. For this reason, these IROs are addressed in section E2, but no separate information is provided under S3.

As already described under IRO-1, Semperit uses established company processes and strategic projects such as Group-wide risk management, budget and medium-term planning, and Strategic Foresight to assess materiality and to determine the information to be provided on the material topics. This also includes instruments for fulfilling due diligence in ordinary and special business processes, such as the Business Partner Check with business partners in the value chain or due diligence audits in the case of inorganic corporate growth, through which information and data are collected. Semperit prefers primary data as a source of information and uses secondary data only secondarily. The most important sources of information and data for the ESRS indicators are internal databases and systems (SAP, Business Data Warehouse, SuccessFactors, machine and production databases), external databases (Dow Jones Tool, ecoinvent, S&P Capital IQ and scientific sources). Key figures are calculated; only in exceptional cases (such as Scope 3 emissions) are they estimated through approximation. Thresholds are only used if the data volumes exceed an economically reasonable scope (such as the classification of some rare raw materials according to the ESRS categories, see section E5 Circular economy). Wherever estimates and thresholds are used, this is indicated and explained in the accompanying text for the respective figure.

In addition, the Semperit Sustainability Statement below provides disclosures on datapoints in the ESRS 2 and in the topic-specific ESRS that arise from other EU legislation (ESRS 2 Appendix B), as well as requirements under the topic-specific ESRS to be considered when reporting on the Disclosure Requirements in ESRS 2 (ESRS 2 Appendix C).

List of datapoints in general and topic-related standards arising from other EU legislation (ESRS 2 Appendix B)

						Page references			
Disclosure Requirement and related datapoint	**Material for Semperit**	**(1) SFDR reference[1)]**	**(2) Pillar 3 reference[2)]**	**(3) Benchmark Regulation reference[3)]**	**(4) EU Climate Law reference[4)]**	**(1)**	**(2)**	**(3)**	**(4)**
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Material datapoint	Indicator No 13 Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816[5)], Annex II		73 ff		73 ff	
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)	Material datapoint			Commission Delegated Regulation (EU) 2020/1816, Annex II				73 ff	
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Material datapoint	Indicator No 10 Table #3 of Annex 1				80 ff			
ESRS 2 SBM-1 Involvement in activities related to the fossil fuel sector, paragraph 40 (d) i	Non-material (Semperit is not active in the fossil sector)	Indicator No 4 Table #1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453[6)], Table 1: Qualitative information on Environmental risks, and Table 2: Qualitative information on Social risks	Commission Delegated Regulation (EU) 2020/1816, Annex II		-	-	-	
ESRS 2 SBM-1 Involvement in activities related to chemicals production, paragraph 40 (d) ii	Non-material (Semperit is not active in the relevant sector)	Indicator No 9 Table #2 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		-		-	

Disclosure Requirement and related datapoint	Material for Semperit	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]	Page references (1)	(2)	(3)	(4)
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Non-material (Semperit is not active in the relevant sector)	Indicator No 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818[7)], Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II		-		-	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv	Non-material (Semperit is not active in the relevant sector)			Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II				-	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14	Material datapoint; not reported during the transition period				Regulation (EU) 2021/1119, Article 2 (1)				134 ff
ESRS E1-1 Undertakings excluded from the EU Paris-aligned benchmarks, paragraph 16 (g)	Material datapoint (Semperit is not excluded)		Article 449a of 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 12.1 (d) to (g), and Article 12 (2)			134 ff	134 ff	
ESRS E1-4 GHG emission reduction targets, paragraph 34	Material datapoint	Indicator No 4 Table #2 of Annex 1	Article 449a of 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		141 f	141 f	141 f	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Material datapoint	Indicator No 5 Table #1 and Indicator No 5 Table #2 of Annex 1				143 f			

Disclosure Requirement and related datapoint	Material for Semperit	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]	Page references (1)	(2)	(3)	(4)
ESRS E1-5 Energy consumption and mix, paragraph 37	Material datapoint	Indicator No 5 Table #1 of Annex 1				143 f			
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Material datapoint	Indicator No 6 Table #1 of Annex 1				143 f			
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions, paragraph 44	Material datapoint	Indicators No 1 and 2 1 Table 1 of Annex 1	Article 449a of 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), Article 6 and Article 8 (1)		144 ff	144 ff	144 ff	
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Material datapoint	Indicator No 3 Table #1 of Annex 1	Article 449a of 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)		144 ff	144 ff	144 ff	
ESRS E1-7 GHG removals and carbon credits, paragraph 56	Non-material				Regulation (EU) 2021/1119, Article 2 (1)				-
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	Material datapoint; not reported during the transition period			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II				-	

						Page references			
Disclosure Requirement and related datapoint	**Material for Semperit**	**(1) SFDR reference[1)]**	**(2) Pillar 3 reference[2)]**	**(3) Benchmark Regulation reference[3)]**	**(4) EU Climate Law reference[4)]**	**(1)**	**(2)**	**(3)**	**(4)**
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)	Material datapoint; not reported during the transition period		Article 449a of 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				-		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)	Material datapoint; not reported during the transition period		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral				-		
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities, paragraph 69	Material datapoint; not reported during the transition period			Commission Delegated Regulation (EU) 2020/1818, Annex II				-	
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Non-material	Indicator No 8 Table 1# of Annex 1 Indicator No 2 Table #2 of Annex 1 Indicator No 1 Table #2 of Annex 1 Indicator No 3 Table #2 of Annex 1				-			
ESRS E3-1 Water and marine resources, paragraph 9	Non-material	Indicator No 7 Table #2 of Annex 1				-			
ESRS E3-1 Dedicated policy, paragraph 13	Non-material	Indicator No 8 Table #2 of Annex 1				-			

Disclosure Requirement and related datapoint	Material for Semperit	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]	Page references (1)	(2)	(3)	(4)
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Non-material	Indicator No 12 Table #2 of Annex 1				-			
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Non-material	Indicator No 6.2 Table #2 of Annex 1				-			
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations, paragraph 29	Non-material	Indicator No 6,1 Table #2 of Annex 1				-			
ESRS 2 – SBM-3 – E4, paragraph 16 (a) i	Non-material	Indicator No 7 Table #1 of Annex 1				-			
ESRS 2 – SBM-3 – E4, paragraph 16 (b)	Non-material	Indicator No 10 Table #2 of Annex 1				-			
ESRS 2 – SBM-3 – E4, paragraph 16 (c)	Non-material	Indicator No 14 Table #2 of Annex 1				-			
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	Non-material	Indicator No 11 Table #2 of Annex 1				-			
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Non-material	Indicator No 12 Table #2 of Annex 1				-			
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Non-material	Indicator No 15 Table #2 of Annex 1				-			
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Material datapoint	Indicator No 13 Table #2 of Annex 1				161 ff			
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Material datapoint	Indicator No 9 Table #1 of Annex 1				161 ff			
ESRS 2 SBM3 – S1 Risk of incidents of forced labor, paragraph 14 (f)	Non-material	Indicator No 13 Table #3 of Annex I				-			
ESRS 2 SBM3 – S1 Risk of incidents of child labor, paragraph 14 (g)	Non-material	Indicator No 12 Table #3 of Annex I				-			

Disclosure Requirement and related datapoint	Material for Semperit	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]	Page references (1)	(2)	(3)	(4)
ESRS S1-1 Human rights policy commitments, paragraph 20	Material datapoint	Indicator No 9 Table #3 and Indicator No 11 Table #1 of Annex I				170 ff			
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21	Material datapoint			Commission Delegated Regulation (EU) 2020/1816, Annex II				170f f	
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Material datapoint	Indicator No 11 Table #3 of Annex I				170 ff			
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Material datapoint	Indicator No 1 Table #3 of Annex I				170 ff			
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Material datapoint	Indicator No 5 Table #3 of Annex I				173 f			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Material datapoint	Indicator No 2 Table #3 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		185 f		185 f	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Material datapoint	Indicator No 3 Table #3 of Annex I				185 f			
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Material datapoint	Indicator No 12 Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		186 f		186 f	
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Material datapoint	Indicator No 8 Table #3 of Annex I				186 f			

Disclosure Requirement and related datapoint	Material for Semperit	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]	Page references (1)	(2)	(3)	(4)
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Material datapoint	Indicator No 7 Table #3 of Annex I				187			
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)	Material datapoint	Indicator No 10 in Table #1 of Annex I and Indicator No 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		187		187	
ESRS 2 SBM-3 – S2 Significant risk of child labor or forced labor in the value chain, paragraph 11 (b)	Material datapoint	Indicators No 12 and No 13 Table #3 of Annex I				188 f			
ESRS S2-1 Human rights policy commitments, paragraph 17	Material datapoint	Indicator No 9 Table #3 of Annex 1und Indicator No 11 Table #1 of Annex 1				189 ff			
ESRS S2-1 Policies related to value chain workers, paragraph 18	Material datapoint	Indicators No 11 and No 4 Table #3 of Annex 1				189 ff			
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Material datapoint	Indicator No 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		189 ff		189 ff	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19	Material datapoint			Commission Delegated Regulation (EU) 2020/1816, Annex II				189 ff	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Material datapoint	Indicator No 14 Table #3 of Annex 1				192			

Disclosure Requirement and related datapoint	Material for Semperit	(1) SFDR reference[1)]	(2) Pillar 3 reference[2)]	(3) Benchmark Regulation reference[3)]	(4) EU Climate Law reference[4)]	Page references (1)	(2)	(3)	(4)
ESRS S3-1 Human rights policy commitments, paragraph 16	Non-material	Indicator No 9 Table #3 of Annex 1 and Indicator No 11 Table #1 of Annex 1				-			
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Non-material	Indicator No 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		-		-	
ESRS S3-4 Human rights issues and incidents, paragraph 36	Non-material	Indicator No 14 Table #3 of Annex 1				-			
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Non-material	Indicator No 9 Table #3 of Annex 1 and Indicator No 11 Table #1 of Annex 1				-			
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Non-material	Indicator No 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		-		-	
ESRS S4-4 Human rights issues and incidents, paragraph 35	Non-material	Indicator No 14 Table #3 of Annex 1				-			
ESRS G1-1 United Nations Convention against corruption, paragraph 10 (b)	Non-material	Indicator No 15 Table #3 of Annex 1				-			
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)	Non-material	Indicator No 6 Table #3 of Annex 1				-			
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Material datapoint	Indicator No 17 Table #3 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		200 ff		200 ff	

Disclosure Requirement and related datapoint	Material for Semperit	(1) SFDR reference[1]	(2) Pillar 3 reference[2]	(3) Benchmark Regulation reference[3]	(4) EU Climate Law reference[4]	Page references (1)	(2)	(3)	(4)
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Material datapoint	Indicator No 16 Table #3 of Annex 1				200 ff			

[1] Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019, on sustainability-related disclosures in the financial services sector (OJ L 317, 12/09/2019, p. 1).
[2] Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013, on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 06/27/2013, p. 1).
[3] Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 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, 06/29/2016, p. 1).
[4] Regulation (EU) 2021/1119 of the European Parliament and of the Council of June 30, 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, 07/09/2021, p. 1).
[5] Commission Delegated Regulation (EU) 2020/1816 of July 17, 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, 12/03/2020, p. 1)
[6] Commission Implementing Regulation (EU) 2022/2453 of November 30, 2022, amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards disclosure of environmental, social and governance risks (OJ L 324, 12/19/2022, p. 1).
[7] Commission Delegated Regulation (EU) 2020/1818 of July 17, 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, 12/03/2020, p. 17).

Disclosure and Application Requirements in Topical ESRS that are applicable in conjunction with ESRS 2 General disclosures (ESRS 2 Appendix C)

ESRS 2 Disclosure Requirement	Related ESRS paragraph	Paragraph/ page references
GOV-1 The role of the administrative, management and supervisory bodies	ESRS G1 Business conduct (paragraph 5)	ESRS 2, p. 72; G1, p. 193
GOV-3 Integration of sustainability-related performance in incentive schemes	ESRS E1 Climate change (paragraph 13)	ESRS 2, p. 72; E1, p. 133
SBM-2 Interests and views of stakeholders	ESRS S1 Own workforce (paragraph 12)	ESRS 2, p. 72; S1, p. 166
	ESRS S2 Workers in the value chain (paragraph 9)	S2, p. 188
	ESRS S3 Affected communities (paragraph 7)	(not material)
	ESRS S4 Consumers and end-users (paragraph 8)	(not material)
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS E1 Climate Change (paragraphs 18 to 19)	E1, p. 133
	ESRS E4 Biodiversity and ecosystems (paragraph 16)	(not material)
	ESRS S1 Own workforce (paragraph 13 to 16)	S1, p. 166
	ESRS S2 Workers in the value chain (paragraph 10 to 13)	S2, p. 188
	ESRS S3 Affected communities (paragraph 8 to 11)	(not material)
	ESRS S4 Consumers and end-users (paragraph 9 to 12)	(not material)
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	ESRS E1 Climate change (paragraph 20 to 21)	ESRS 2, p. 72
	ESRS E2 Pollution (paragraph 11)	ESRS 2, p. 72
	ESRS E3 Water and marine resources (paragraph 8)	(not material)
	ESRS E4 Biodiversity and ecosystems (paragraph 17 to 19)	(not material)
	ESRS E5 Resource use and circular economy (paragraph 11)	ESRS 2, p. 72
	ESRS G1 Business conduct (paragraph 6)	ESRS 2, p. 72

2. Environmental information

Information on EU Taxonomy in accordance with Article 8 of Regulation (EU) 2020/852

In order to achieve the EU's goal of becoming climate-neutral by 2050 as part of the Green Deal, capital must be directed into sustainable activities. For this purpose, the EU has developed the EU Taxonomy, a uniform and transparent classification system of environmentally sustainable business activities. According to the provisions of EU Taxonomy Regulation, Semperit must disclose the proportion of revenue, capital expenditures (capex) and operational expenditures (opex) that are related to environmentally sustainable activities and are therefore taxonomy-eligible and, if the criteria are met, even taxonomy-aligned.

The following disclosure of information on EU Taxonomy is based on Taxonomy Regulation (EU) 2020/852, Delegated Regulation (EU) 2023/2485 amending Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2486. In addition, the associated published FAQs on EU Taxonomy were reviewed for content relevant to Semperit. Accordingly, the report contains information on the proportion of Semperit's business activities covered by EU Taxonomy (taxonomy-eligible and taxonomy-aligned) as well as required qualitative information. All six environmental objectives of the EU Taxonomy were used to determine the key figures (revenue, capex, and opex) relating to business activities. The Semperit Group activities that correspond to EU taxonomy can primarily be assigned to the environmental objective "climate change mitigation" and "transition to a circular economy".

The principles of EU Taxonomy

The EU classification system distinguishes between taxonomy-eligible and taxonomy-aligned business activities. A business activity is taxonomy-eligible if it can be assigned to the economic activities listed in the delegated acts. Taxonomy alignment, on the other hand, can only be demonstrated if – as described below – all technical screening criteria, DNSH criteria, and minimum social safeguards for labor and human rights are verifiably met.

According to the EU Taxonomy, business activities are considered "environmentally sustainable" if they:

1. Substantially contribute to at least one climate objective

A so-called substantial contribution must be proven by complying with certain criteria (technical screening criteria). Semperit Group's EU Taxonomy-relevant business activities in terms of revenue as well as significant capital expenditures and operating expenditures contribute to the environmental objectives "climate change mitigation" and "transition to a circular economy" and can be categorized into the following four major topics:

Energy

- Products (Activity 3.5 Manufacture of energy efficiency equipment for buildings)
- Photovoltaic systems (Activities 4.1 Electricity generation using solar photovoltaic technology; 7.6 Installation, maintenance and repair of renewable energy technologies on-site)

Water

- Optimization of water and treatment systems (Activity 5.2 Renewal of water collection, treatment and supply systems)

Vehicles

- Transport – acquisition, financing, renting, leasing and operating e-vehicles (Activity 6.5 Purchase, financing, renting, leasing and operation of vehicles)

Buildings

- Building management (Activities 7.2 Renovation of existing buildings; 7.3 Installation, maintenance and repair of energy efficiency equipment; 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings; 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings; 7.6 Installation, maintenance and repair of renewable energy technologies on-site; 7.7 Acquisition and ownership of buildings)

2. Do no significant harm to the other environmental objectives of the EU (DNSH)

The achievement of the five other environmental objectives of the EU must not be significantly impaired by the achievement of an objective (Do No Significant Harm; DNSH). The requirements of the delegated acts for fulfilling the DNSH principle primarily relate to legal and official provisions as well as technical screening criteria. Semperit has carried out a climate scenario and vulnerability analysis for 16 of its own sites and four sites of strategic suppliers, particularly in order to meet the DNSH criteria with regard to the environmental objectives of climate change mitigation and climate change adaptation. Further information on the methodology and results of the climate scenario analysis can be found in section E1, under the information on IRO-1 and in section E1, information E1-1.

3. Respect minimum social safeguards for protection of occupational safety and human rights

According to the taxonomy regulation criteria, minimum social requirements (Minimum Social Safeguards; MSS) must also be met for activities to be classified as "ecologically sustainable". Compliance with social standards, in the areas of labor and human rights or health and safety, is ensured at Group level for all companies and sites with the help of various tools, processes, concepts and activities as well as a diverse range of services and training. Information on the Group-wide guidelines, the human rights due diligence processes, as well as the measures taken, and achievements can be found in the respective sections, as shown in the ESRS 2 section under "Disclosure Requirement GOV-4 – Statement on due diligence". To ensure that minimum social safeguards are met throughout the Group, an extensive analysis of the following frameworks and their integration into Group-wide processes is conducted annually, particularly in the areas of Procurement, Legal and Compliance, HR, Tax, Sales and Customer service, to which Semperit is committed:

- OECD Guidelines for multinational enterprises
- UN Guiding Principles on Business and Human Rights
- ILO core labor standards and ILO Declaration on Fundamental Principles and Rights at Work
- International Bill of Human Rights

Taxonomy-eligible revenue

From revenue, only the thermally insulating door, window and facade profiles from the product group Profiles of the Semperit Industrial Applications division and activities related to their production can be recognized as taxonomy-eligible category 3.5 (Manufacture of energy-efficient building equipment) for the time being. Due to its heat-insulating and sealing properties, profiles increase the energy efficiency of buildings and thus make a positive contribution to reducing greenhouse gas emissions in this area.

An economic activity in this category is an eligible activity in the sense of Article 10(1)(i) of Regulation (EU) 2020/852 if it meets the technical screening criteria determined in this section. Other product groups from the Semperit portfolio are currently not mentioned in the classification system, which is not geared to components, such as the products from Semperit and Rico, but to system solutions in many criteria.

It is important that these products must fulfill the so-called technical screening criteria. In the case of window products, these criteria relate to the heat flow (U-value) and, in the case of insulation products, to thermal conductivity (lambda value). No alignment with the EU Taxonomy criteria could be demonstrated because the supporting documents and the underlying calculations are only partially available. Accordingly, Semperit will continuously assess the criteria and their development in the coming years and work on product optimization.

Taxonomy-eligible capex and opex

Activities and thus the associated capital and operating expenditures (capex/opex), which can currently be designated as taxonomy-eligible, relate primarily to the topics and activities of circular economy, energy, water, transportation and building technology as described above.

Taxonomy-aligned capex and opex of Semperit

A significant proportion of capital expenditure in the 2024 reporting period was invested into the ecologically sustainable construction of the energy-efficient production hall DH5 at the Odry site (Hoses, Division SIA). Investments in connection with this building construction are largely in line with the technical criteria of activity 7.7 Acquisition and ownership of buildings. Under this category, buildings constructed after December 31, 2020, must meet the technical screening criteria of category 7.1 Construction of new buildings, which stipulate a significantly reduced primary energy demand. Thanks to the energy-efficient construction method, a primary energy demand value below the specified threshold value and energy efficiency class B can be achieved for the DH5 production hall, thereby fulfilling the technical screening criteria. In addition, the DNSH criteria are met by conducting a climate risk analysis and implementing measures directly during the construction of the building. Water-related risks in the medium and long term, such as flooding and water scarcity, have been mitigated at the Odry site, among other things, by recirculating water systems and water collection trays that secure the water supply at the site and protect it from flooding. In order to fully comply with the taxonomy, the minimum safeguards must also be met. Semperit complies with Article 18 of the EU Taxonomy Regulation, the OECD Guidelines, the UN Guiding Principles, the ILO Fundamental Principles and the International Bill of Human Rights.

Procedure for collecting key figures

In 2024, the key figures were again collected by the responsible experts at the Semperit Group sites and consolidated and reviewed centrally by Group Accounting and Group ESG. This avoided double counting. The option of applying a materiality threshold for opex expenditure was not utilized.

The following steps and re-evaluation of existing processes are carried out annually to ensure that the data collected is complete:

- Overview of the economic activities relevant to Semperit with support from the NACE codes (Statistical Classification of Economic Activities in the European Community),
- Integration of Semperit's EU Taxonomy Handbook into the Group Accounting Manual and corresponding communication to local managers,
- Training and/or updating and providing training documents to experts in the respective local capex-opex project and finance departments at Semperit sites,
- Classifying all capex and opex projects by project managers, in terms of taxonomy eligibility, relevant activity and further effects on ESG criteria,
- Review of this assessment by Accounting, Controlling and ESG to verify the completeness of the list of activities before the key figures are collected,
- Analyzing and optimizing the reporting processes that contribute to collecting the relevant data,
- Dry run: test and trial phase with data collection by the persons responsible for finance in the third quarter of the year to ensure appropriate data quality in the annual financial statements,
- Annual financial statements: collection of data on revenue, capex and opex for the environmentally sustainable activities by the persons responsible for finance in the annual financial statements,
- Evaluation of the substantial contribution to the environmental goal and the DNSH requirement with regard to the other environmental goals (based on compliance with legal requirements) for relevant projects, such as the construction of the new DH5 hall at the Odry site,
- Verification of compliance with the criteria of the minimum social safeguards at Group level.

Based on the activities listed by the EU, the activities relevant to Semperit in 2024 were reviewed together with internal and external experts to ensure they were complete. No additional relevant activity was identified compared to 2023. "Technologies & Trademarks" has been added to the account structure as an additional posting account. This category has been relevant since 2023 due to the acquisition of the Rico Group but does not include any amounts taxonomy-eligible amounts.

Notes on the disclosure tables

For the disclosure of the key performance indicators (KPI) in accordance with the Taxonomy Regulation, Semperit uses the disclosure templates which are regulated in the Annexes to Delegated Regulation (EU) 2021/2178, Delegated Regulation (EU) 2023/2486 and Delegated Regulation (EU) 2022/1214.

The following abbreviations for the six environmental objectives are used in the disclosure tables where necessary:

- Climate Change Mitigation: **CCM**
- Climate Change Adaption: **CCA**
- Pollution Prevention and Control: **PPC**
- Water and Marine Resources: **WTR**
- Circular Economy: **CE**
- Biodiversity and Ecosystems: **BIO**

Crossed out fields in the disclosure templates indicate that these fields do not need to be filled.

Proportion of turnover from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024			2024	Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	**Code (2)**	**Turnover (3)**	**Proportion of Turnover (4)**	**CCM (5)**	**CCA (6)**	**WTR (7)**	**CE (8)**	**PPC (9)**	**BIO (10)**	**CCM (11)**	**CCA (12)**	**WTR (13)**	**CE (14)**	**PPC (15)**	**BIO (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		EUR	**%**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**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)																			
3.5. Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	0.00	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.00%**		
Of which Enabling			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	0.00%	E	
Of which Transitional			0.00%	0.00%	0.00%						No	No	No	No	No	No	0.00%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**										
3.5. Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	−91,767,413.53	13.56%	EL	EL	N/EL	N/EL	N/EL	N/EL								14.00%	E	
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**−91,767,413.53**	**13.56%**	**100.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**14.00%**	**E**	
A. Turnover of Taxonomy eligible activities (A.1 + A.2)		**−91,767,413.53**	**13.56%**	**100.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**14.00%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities (B)		**−584,805,795.77**	**86.44%**																
TOTAL (A + B)		**−676,573,209.30**	**100.00%**																

[1] Y – Yes, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective
N – No, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective
N/EL – (Not eligible) Taxonomy-non-eligible activity for the respective environmental objective
[2] EL – (Eligible) Taxonomy-eligible activity for the respective environmental objective

Proportion of capex from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024			2024	Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	**Code (2)**	**Capex (3)**	**Proportion of capex (4)**	**CCM (5)**	**CCA (6)**	**WTR (7)**	**CE (8)**	**PPC (9)**	**BIO (10)**	**CCM (11)**	**CCA (12)**	**WTR (13)**	**CE (14)**	**PPC (15)**	**BIO (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) capex, year N-1 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		EUR	**%**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**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)																			
7.7. Acquisition and ownership of buildings	**CCM 7.7** CCA 7.7	6,852,307.88	9.81%	J	J	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	4.63%	E	
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**6,852,307.88**	**9.81%**	**9.81%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**4.63%**		
Of which Enabling			100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	100.00%	E	
Of which Transitional			0.00%	0.00%							No	No	No	No	No	No	0.00%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**										
3.5. Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	2,306,407.28	3.30%	EL	EL	N/EL	N/EL	N/EL	N/EL								1.84%		
5.2. Renewal of water collection, treatment and supply systems	**CCM 5.2** CCA 5.2	275,368.62	0.39%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.04%		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5** CCA 6.5	2,034,984.61	2.91%	EL	EL	N/EL	N/EL	N/EL	N/EL								1.15%		
7.2. Renovation of existing buildings	**CCM 7.2** CCA 7.2	0.00	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.00%		
7.3. Installation, maintenance and repair of energy efficiency equipment	**CCM 7.3** CCA 7.3	3,960,976.99	5.67%	EL	EL	N/EL	N/EL	N/EL	N/EL								1.18%		
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	**CCM 7.4** CCA 7.4	**0.00**	**0.00%**	**EL**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**0.03%**		

Financial year 2024			2024			Substantial Contribution Criteria				DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	**Code (2)**	**Capex (3)**	**Proportion of capex (4)**	**CCM (5)**	**CCA (6)**	**WTR (7)**	**CE (8)**	**PPC (9)**	**BIO (10)**	**CCM (11)**	**CCA (12)**	**WTR (13)**	**CE (14)**	**PPC (15)**	**BIO (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) capex, year N-1 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		EUR	**%**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	**CCM 7.5** CCA 7.5	**419,669.74**	**0.60%**	**EL**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**								**0.18%**		
7.6. Installation, maintenance and repair of renewable energy technologies	**CCM 7.6** CCA 7.6	481,669.94	0.69%	EL	EL	N/EL	N/EL	N/EL	N/EL								1.00%		
7.7. Acquisition and ownership of buildings	**CCM 7.7** CCA 7.7	56,827.58	0.08%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.03%		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**9,535,904.76**	**13.65%**	**100.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**5.45%**		
A. Capex of Taxonomy eligible activities (A.1+A.2)		**16,388,212.64**	**23.46%**	**100.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**10.09%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities (B)		**53,454,984.86**	**76.54%**																
TOTAL (A + B)		**69,843,197.50**	**100.00%**																

1) Y – Yes, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective
N – No, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective
N/EL – (Not eligible) Taxonomy-non-eligible activity for the respective environmental objective
2) EL – (Eligible) Taxonomy-eligible activity for the respective environmental objective

Proportion of opex from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024			2024	Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	Opex (3)	Proportion of Opex (4)	CCM (5)	CCA (6)	WTR (7)	CE (8)	PPC (9)	BIO (10)	CCM (11)	CCA (12)	WTR (13)	CE (14)	PPC (15)	BIO (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) opex, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	Y; N; N/EL[1]	Y; N; N/EL[1]	Y; N; N/EL[1]	Y; N; N/EL[1]	Y; N; N/EL[1]	Y; N; N/EL[1]	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)																			
7.7. Acquisition and ownership of buildings	**CCM 7.7** CCA 7.7	**378,496.17**	**1.04%**	EL	EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	**1.99%**	E	
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**378,496.17**	**1.04%**	**1.04%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**1.99%**		
Of which Enabling			100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	100.00%	E	
Of which Transitional			0.00%	0.00%							No	No	No	No	No	No	0.00%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**	**EL[2]; N/EL**										
3.5. Manufacture of energy efficiency equipment for buildings	**CCM 3.5** CCA 3.5	2,867,057.63	7.91%	EL	EL	N/EL	N/EL	N/EL	N/EL								9.90%		
5.2. Renewal of water collection, treatment and supply systems	**CCM 5.2** CCA 5.2	15,210.35	0.04%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.02%		
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5** CCA 6.5	842,413.14	2.32%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.99%		
7.2. Renovation of existing buildings	**CCM 7.2** CCA 7.2	0.00	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.93%		
7.3. Installation, maintenance and repair of energy efficiency equipment	**CCM 7.3** CCA 7.3	251,582.81	0.69%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.77%		

Financial year 2024			2024	Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	**Code (2)**	**Opex (3)**	**Proportion of Opex (4)**	**CCM (5)**	**CCA (6)**	**WTR (7)**	**CE (8)**	**PPC (9)**	**BIO (10)**	**CCM (11)**	**CCA (12)**	**WTR (13)**	**CE (14)**	**PPC (15)**	**BIO (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) opex, year N-1 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		EUR	**%**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y; N; N/EL[1]**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	**CCM 7.4** CCA 7.4	10,648.17	0.03%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.01%		
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	**CCM 7.5** CCA 7.5	23,181.01	0.06%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.08%		
7.6. Installation, maintenance and repair of renewable energy technologies	**CCM 7.6** CCA 7.6	26,605.67	0.07%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.44%		
7.7. Acquisition and ownership of buildings	**CCM 7.7** CCA 7.7	3,138.95	0.01%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.01%		
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**4,039,837.71**	**11.15%**	**100.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**13.15%**		
A. Opex of Taxonomy eligible activities (A.1+A.2)		**4,418,333.88**	**12.19%**	**100.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**15.14%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities (B)		**31,821,242.21**	**87.81%**																
TOTAL (A + B)		**36,239,576.09**	**100.00%**																

[1)] Y – Yes, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective
N – No, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective
N/EL – (Not eligible) Taxonomy-non-eligible activity for the respective environmental objective
[2)] EL – (Eligible) Taxonomy-eligible activity for the respective environmental objective

Scope of taxonomy eligibility and alignment per environmental objective – disclosure for the year 2024

Proportion of turnover/Total turnover	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	13.56%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Proportion of capex/Total capex	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	9.81%	13.65%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Proportion of opex/Total opex	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1.04%	11.15%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Revenue within the scope of the EU Taxonomy – detailed information 2024

According to the classification of Semperit products based on the EU Taxonomy data, only the Profiles from the division Semperit Industrial Applications are taxonomy-eligible. Excluded from this are merchandise and services, which have a comparatively low share of revenue. Thus, the taxonomy-eligible revenue percentage makes about 13.6% for the 2024 financial year (similar compared to 14% in the previous year). The indicated percentage and information result from the denominator, which corresponds to the revenue of the Semperit Group and the Rico Group in the IFRS consolidated financial statements of EUR 676.6 million. In contrast, the numerator – revenue of EUR 91.8 million for the Profiles division (see section “Performance of Sectors and Divisions” in the Consolidated Financial Statement of the Group) – is limited to the products that make a significant contribution to reducing greenhouse gas emissions based on the EU Taxonomy information.

Capex within the scope of the EU Taxonomy – detailed information 2024

The percentage of taxonomy-eligible capital expenditures (capex) results from the denominator – the sum of additions to property, plant and equipment and intangible assets (incl. IFRS 16) of continued operations – and totals EUR 69.8 million (compared to EUR 260.8 million in the previous year), see additions to property, plant and equipment and intangible assets according to Segment reporting in the consolidated financial statement plus EUR 7.4 million additions to IFRS 16. This is compared to the numerator of EUR 16.4 million, which is made up of the taxonomy-eligible activities and the related capital expenditures in the various subject areas as described in the table. The key figures were determined excluding the discontinued Surgical Operations business unit at the Wimpassing site. The percentage changes in capex compared to the previous year are the result of the significantly lower total capex in 2024.

The most significant investment relates to the taxonomy-aligned production building DH5 at the site in Odry, CZ (for further explanations see “Taxonomy-aligned capex and opex of Semperit” above). Further capex activities are collected in relation to various ancillary activities in EU Taxonomy areas of energy, transport and building management. These investments in this context were primarily in the area of infrastructure installation to improve building management and optimize energy use. Semperit also invests in the expansion of energy measurement systems to be able to specifically measure consumption and generate further measures based on these results. Here, the higher taxonomically-eligible capex under activity 7.3 can be attributed to the DH5 project. The focus in transport is on e-mobility (purchasing or leasing vehicles and small vehicles) and compliance with maximum emission limits, which have also increased compared to the previous year. An updated car policy has been in effect since 2021, promoting the switch to fully electric or hybrid company vehicles and thus a conscious decision in favor of e-mobility.

Opex within the scope of the EU Taxonomy – detailed information 2024

The percentage of taxonomy-eligible operating expenses (opex) results from the denominator – the sum of operating expenses from direct non-capitalized costs for research and development expenses, IT services, building renovation measures, short-term leasing, maintenance, and repair expenses – including directly attributable personnel costs – and amounts to EUR 36.2 million (compared to EUR 38.1 million in the previous year. This is compared to the numerator of EUR 4.4 million, made up of the taxonomy-eligible activities and the corresponding operating expenses in the various subject areas as described in the table (opex details).

In connection with sales-related opex activities, the focus is on improving the production processes for manufacturing taxonomy-eligible products. This refers to the maintenance of production machinery as well as other process improvement work. These expenses are lower in the reporting year 2024 than in the previous year (9.9% taxonomy eligibility under activity 3.5 in 2023 compared to 7.9% in 2024). Another important factor of expenditures from the EU Taxonomy’s perspective in the reporting year was the improvement and maintenance of vehicles under 6.5. Other opex-relevant expenditures regarding ancillary activities were made in connection with building renovations and maintenance projects, such as the renewal and conversion of lighting systems to LED or work during building insulation.

Standard disclosure templates for the Disclosure Requirements according to Article 8(6) and (7)

Template 1 – Nuclear and fossil gas related activities

Line	Activities	Revenue KPI yes/no	Capex KPI yes/no	Opex KPI yes/no
	Nuclear energy related activities			
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No	No	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	No	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	No	No
	Fossil gas related activities			
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No	No	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	No	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	No	No

As Semperit is not involved in any activities in this area, no further reporting on nuclear energy and fossil gas is provided.

EU Taxonomy outlook

In order to guarantee the best possible data and reporting quality, further optimizations will be implemented towards process automation, standardization and document storage. It can be assumed that in the following years, the key figures for taxonomy-eligible activities and taxonomy-aligned activities may change due to various parameters. On the one hand, this effect results from dynamic regulatory development and the expansion of EU Taxonomy and CSRD and, on the other hand, from the potential expansion of Semperit's business activities and product portfolio through organic and inorganic growth, which could make new activities relevant in the future.

The key figures for expenses and investments are directly linked to the overarching energy, emissions and waste targets of the Semperit Group, which are anchored in the Sustainability Strategy 2030. Particularly the new production hall in Odry could result in further taxonomy-aligned investments and operating expenses, for example in connection with planned expansion of PV systems and closed water systems at this site. With regard to future projects in circular economy, further taxonomy-eligible or taxonomy-aligned activities could also arise under activity 2.7 Sorting and material recovery of nonhazardous waste, which is why the category has already been included in the reporting process, although no amounts were reported under this category in 2024. Overall, it can be assumed that lower figures will continue to be reported for taxonomy-aligned activities than for taxonomy-eligible activities. This is because all the specified criteria (Technical Screening Criteria, Do No Significant Harm and Minimum Social Safeguards) must be met in order to be considered taxonomy-aligned.

ESRS E1 Climate change

The careful use of resources – with a focus on energy efficiency and the corresponding reduction of Scope 1 and Scope 2 emissions, avoidance of waste and scrap – as well as the gradual substitution of critical primary materials with recycled materials are important environmental and climate-related goals that Semperit pursues in its own production and value chain. The European Union and its regulatory authorities are increasingly taking measures to reduce carbon dioxide emissions, with the aim of achieving climate neutrality in Europe. In order to take this development into account, Semperit is gradually stepping up its efforts to make corporate decisions in favor of ecological and social impacts. In the future, Semperit will also continuously implement measures to minimize negative effects as far as possible. In addition, Semperit will drive the integration of climate-relevant targets into Group-wide revenue and investment decisions as well as viable processes to further develop business models in such a way that they are resilient, sustainable and thus future-proof. Climate change mitigation will also gain importance on the market side, as customers, suppliers and investors increasingly expect measures and progress in the areas of climate change mitigation and adaptation to climate change. Semperit achieves continuous improvements through process and product innovation, internal knowledge building and an established prevention and emergency system to avoid environmentally harmful incidents. The following disclosures explain in detail how Semperit manages the impacts, risks and opportunities in the area of climate change as shown in the table.

Subtopic	Sub-subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Negative impacts	Risks	Measurable target defined	Key measures (implemented or continued in the reporting period)
Climate change mitigation		Own operations	4, 5, 6, 7	A	S, M, L	(#1) Process emissions in own operations contribute to rising global greenhouse gas emissions (GHG), which ultimately lead to climate change: global warming, increased frequency of extreme weather events (floods, droughts, storms, forest fires), loss of biodiversity, rising sea levels and global ocean acidification.	(#2) Regulations to mitigate climate change may affect traditional industry and Semperit's business model by requiring the company to adapt to changing market dynamics. Such a transition would require significant investment to future-proof its operations and business model (transition risk).	-10% Scope 1 and Scope 2 emissions per good product by 2030 (base year 2023)	Energy Excellence Program with measures such as machine replacement, building insulation, installation of LED lights, motion sensors and automation (see project list E1, E1-3); Installation of own photovoltaic systems at sites
		Upstream and downstream value chain	5, 6, 7	A	S, M, L	(#3) GHG emissions in the company's value chain contribute to rising global GHG emissions, which ultimately lead to environmental changes: global warming, increased frequency of extreme weather events (floods, droughts, storms, forest fires), loss of biodiversity, rising sea levels or global ocean acidification.			
Climate change adaptation		Own operations	4		L		(#4) Investments in the adaptation of production facilities to climate change (e.g. flood protection, storm protection, installation of air conditioning systems, other cooling technology if Semperit sites are affected by water stress, etc.) (transition risk).	-	Site-specific climate risk prevention and adaptation measures such as flood reservoirs (Odry, CZ) or flood protection (Hat Yai, TH); Annual review of risk assessment and mitigation measures at affected sites
		Own operations	4		L		(#5) Damage, destruction or failure of production facilities due to extreme weather events (floods, hail, earthquakes, etc.) or storm-related accidents (physical risk).		
Energy		Own operations	4, 5, 6	A	S, M, L	(#6) The consumption of electricity, heating and cooling energy in Semperit's own production is associated with GHG emissions, followed by the consequences of global warming.		-5% energy per good product by 2030 (base year 2023)	Energy Excellence Program (for project list, see E1, E3)
		Upstream and downstream value chain	5, 6	A	S, M, L	(#7) The consumption of electricity, heating and cooling energy along the value chain is associated with GHG emissions, followed by the consequences of global warming.			

[1] See overview of Semperit stakeholders in section ESRS 2 under SBM-2

Disclosure Requirement E1-1 – Transition plan for climate change mitigation

Semperit will adopt and publish a long-term transition plan for climate change mitigation as soon as this becomes mandatory for the company under the Corporate Sustainability Due Diligence Directive (CSDDD). Accordingly, the disclosure will be made at the earliest in the Sustainability Statement 2019 (as of March 20, 2025).

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

The processes associated with the Semperit Group's own operations, supply and value chain have an impact on environmental change, particularly in connection with climate change, increasing extreme weather events and loss of biodiversity. These factors not only affect the environment but also pose business risks and opportunities for the Semperit Group. This includes climate-related transition risks (see table "Material climate-related transition risks" below) and physical risks (see table "Material climate-related physical risks" and disclosures on climate scenario and vulnerability analysis below). Transition risks mainly arise from regulatory and political requirements, such as the introduction of a CO_2 tax, as well as from market-specific and socially motivated developments towards decarbonization and a circular economy. Physical risks, on the other hand, relate to the direct consequences of climate-related changes such as extreme weather events or heat extremes. Semperit assesses both types of risk in the short, medium and long term according to ESRS, as described in the disclosures on IRO-1 in the ESRS 2 section.

Climate Change Mitigation – Direct greenhouse gas (GHG) emissions from the use of fossil energy sources in production (IRO #1), such as the operation of machines, administration and office buildings, gas leaks during operations and production (coolants), vehicles (company cars, forklifts) or employee commuting, contribute negatively to global GHG emissions and the corresponding effects of climate change. These emissions lead to environmental changes such as global warming, increased frequency of extreme weather events, loss of biodiversity, rising sea levels and global ocean acidification. The indirect greenhouse gas emissions along the value chain (IRO #3), such as the purchase of energy sources (electricity, heating, cooling), activities of the upstream supply chain (purchased resources and materials) and the high electricity consumption due to the use of data centers, also contribute negatively to these global effects.

In view of these effects, regulatory and political requirements in connection with climate change mitigation may lead to transition risks with regard to the business model of the Semperit Group (IROs #2). Such transition risks can affect traditional industry and the Semperit Group's business model and require an adjustment to changing market dynamics. This relates in particular to the increase in national and international ESG requirements and stricter legal frameworks with regard to water, air and soil pollution (for more details see section E2) as well as waste and recycling (for more details see section E5). However, the potential loss of competitive advantage due to increasing CO_2 taxes or the implementation of carbon border adjustment mechanisms (CBAM), which are designed to ensure that imports to the EU bear the same carbon costs as products manufactured within the EU, also pose transition risks for Semperit. For more information on the impact of climate-related transition risks on the strategy and the business model, see IRO-1 in the ESRS 2 section.

Semperit places a strong emphasis on climate-conscious and sustainable suppliers, as well as lower-emission raw materials from secondary sources and natural origins. This is seen as a positive impact in the upstream value chain (IRO #13) to positively influence climate change complexity (for more information on these IROs identified under E5, see section E5). This also allows opportunities for decarbonization in the downstream value chain to be gradually exploited, including developing products with a reduced product carbon footprint and products that, as components, increase the energy efficiency of industrial solutions (such as window seals or conveyor belts) and thus reduce emissions, or developing sustainable packaging alternatives together with customers (IRO #18).

Energy – Energy consumption (heating, electricity, cooling, etc.) in administrative buildings and production facilities has a negative impact. Especially recycling processes are highly energy-intensive and thus associated with a large carbon footprint and high water consumption (IRO #6). Energy consumption along the value chain, such as energy consumption in data centers and energy-intensive manufacturing processes by suppliers, also contributes to greenhouse gas emissions, which increase the effects of global warming (IRO #7). In this context, geopolitical unrest and the associated volatility of global energy supply and prices also pose an operating and financial transition risk for Semperit's production sites (IRO #17).

Climate Change Adaptation – To be protected against the consequences of climate change and the corresponding extreme weather events, investment costs are necessary to ensure climate-resilient production facilities. Measures such as flood protection, storm protection, installation of air conditioning systems and various cooling technologies represent a potential financial burden in the future (IRO #4). Physical risks, such as damage, destruction or shutdown of production facilities due to extreme weather events (floods, drought, storms, etc.) or fire accidents, can also have a negative financial impact (IRO #5).

An analysis of the resilience of the business model in the context of climate-related changes in different future scenarios was carried out as part of the climate scenario analysis in 2023 and the strategic foresight modeling at the end of 2022. Further information on the methodology, process and results of the climate scenario analysis, the strategic foresight project and the resilience analysis can be found in the disclosures on IRO-1 and SBM-3 in the ESRS 2 section.

Interaction of the main climate-related IROs with strategy and business model

Transition risks include risks such as technological changes, regulatory adjustments, market changes and reputational damage. These transition risks are assessed in the resilience analysis for the short, medium and long term in terms of extent, probability and duration. The analysis shows the sensitivity of assets and business activities to the identified transition events. The methodology of the analysis is described in detail in the ESRS 2 section under IRO-1 – "Description of the processes to identify and assess material impacts, risks and opportunities".

The climate-related transition events described in the table below may affect the business model of entire industries, of Semperit or just the use of certain technologies. Changes in customer behavior and demand resulting from these risks must also be taken into account in strategy and planning. Extensive investments are required to meet the changing market and regulatory requirements, particularly in the areas of innovation, production and logistics. If the corporate strategy does not sufficiently consider the aspects of sustainability and climate change, this may also weaken the attractiveness of Semperit on the capital markets, which are geared towards sustainability. Both aspects – the fulfillment of regulatory requirements (IROs #2, #22, #25) and the necessary investments (IROs #4, #9) on the one hand and the consideration of sustainability aspects in the corporate strategy to strengthen attractiveness (IRO #2) on the other – have medium- or long-term effects and can lead to a weakening of the market position and a loss of market share. Suitable countermeasures not only help to reduce risk, but ideally even lead to opportunities and competitive advantages, for example, through an improved image or increased employee loyalty.

Material climate-related transition events (based on TCFD classification)

Policy and law	Technology	Market	Reputation
Limited response to new ESG developments and little consideration of regulatory requirements (e.g. CO_2 tax or CBAM) in corporate and innovative strategy. (IRO #2)	Investment costs for measures due to climate change adaptation of production facilities (e.g. flood protection, air conditioning, cooling techniques in case of water stress) to strengthen resilience to the effects of climate change. (IRO #4)	Little consideration of the potential impact of geopolitical unrest on ESG issues, particularly with regard to the volatility of global energy supply and prices, which pose an operational and financial risk to production sites. (IRO #17)	Loss of revenue and production due to strikes. (IRO #30)
Increase in national and international ESG requirements regarding water/air/soil pollution, waste (disposal of non-hazardous and hazardous waste), recycling, biodiversity, etc. and the resulting changes in market requirements as part of the fight against climate change. (IRO #22)	Cost increases due to modernization measures for outdated infrastructure and machines due to stricter legal requirements with regard to permissible emission limits. (IRO #9)		Lack of consideration of ecological and social criteria and changes in customer demand and reputation in the financial market towards sustainable production and a green product portfolio with a focus on decarbonization and circular economy. (IRO #20)
Stricter legal requirements for the recycling of waste, especially rubber waste. (IRO #25)			

Material climate risks (source: Commission Delegated Regulation (EU) 2021/2139)

Climate risk classification	Temperature	Wind	Water	Solid mass
Chronic	Changing temperature (air, freshwater, marine water)	Changing wind patterns	Changing precipitation patterns and types (rain, hail, snow/ice)	Coastal erosion
	Heat stress		Precipitation or hydrological variability	Soil degradation
	Temperature variability		Sea level rise	Soil erosion
			Water scarcity	
Acute	Heat wave	Cyclone, hurricane, typhoon	Drought	Avalanche
	Cold wave/frost	Storm (including blizzards, dust and sandstorms)	Heavy precipitation (rain, hail, snow/ice)	Landslide
	Forest and wildfires	Tornado	Flooding (coastal, river, pluvial, groundwater)	Land subsidence

The physical climate risks listed in the table were determined as part of a climate risk analysis for Semperit's activities and global sites. The climate-related risks of permafrost thawing, ocean acidification, saltwater intrusion, glacial lake outburst and surface soil erosion on slopes (solifluction) were not considered relevant for the sites at the time of the initial analysis and were therefore not included in the detailed analysis. The methodology of the climate risk analysis is described in detail in the ESRS 2 section under IRO-1 – "Description of the processes to identify and assess material impacts, risks and opportunities".

Based on this analysis, the resilience of the business to the identified climate hazards, such as water stress, river flooding, temperature rises and other physical events, was examined. This was done using the Climanomics methodology, which combines physical climate models with socio-economic factors. These models provide a risk assessment based on average annual losses (AAL). In addition, climate scenarios (SSP2-4.5 and SSP5-8.5) were considered to assess the impact on the long-term resilience of the business model. The analysis included 20 globally diversified sites, including 16 owned sites and 4 strategic supplier sites. Further details on the methodology are described in the ESRS 2 section under IRO-1 – "Description of the processes to identify and assess material impacts, risks and opportunities".

The results of the analysis show that water stress poses the greatest potential risk for individual sites. Sites in the Czech Republic, Poland and India are particularly affected, with the AAL increasing by more than 10% in some cases over the long term. The average annual loss (AAL) quantifies the average economic costs that can arise from changes in physical climate hazards. The AAL serves as a model figure based on statistical probabilities and does not directly reflect the underlying physical changes. An AAL of less than 5% indicates a scenario in which only a small or no noticeable impact on assets is to be expected. If the AAL is between 5% and 10%, this indicates moderate but not material risks, while an AAL of over 10% indicates significant and material impacts. In the latter case, results suggest that significant physical changes have already taken place and science-based forecasts confirm clear and demonstrable future trends. The AAL thus provides an important basis for assessing potential climate risks and developing appropriate risk reduction measures.

Other risks, such as temperature increases and wildfires, are less material, but are also part of long-term risk management. The majority of sites show no material increase in hazards due to physical climate risks by 2050.

In addition to the aforementioned analysis of climate risks, risk discussions are regularly held with both the respective management and the central functions at the sites. The discussions enable ongoing coordination and assessment of the identified risks, as well as the derivation of specific short-, medium- and long-term measures and adaptation solutions to strengthen the resilience of the business model and corporate strategy to climate change.

Resilience of the business model against risks related to climate change

A short- and medium-term adaptation of the strategy and the business model to the challenges posed by climate change can only be made to a limited extent and in stages. It is reflected in the focus on climate-friendly products (IRO #20) (see section E5 Circular economy, disclosure on E5-5 Resource outflows) and in investments in climate-neutral processes and assets (see disclosures on capex and opex alignment in the EU Taxonomy section). These strategic decisions are challenging to the extent that they are partly associated with considerable financial resources. For example, production, which is currently based predominantly on fossil energy sources and has relatively high energy consumption and thus greenhouse gas emissions, cannot be converted to climate-neutral processes in the short term.

Implementing a transition plan for climate change mitigation and transforming the business model involves significant organizational**,** technical and financial complexities. This requires a partial replacement of machines and an additional decarbonization of the raw material and thus the Semperit product portfolio (IROs #4, #9), which can only be done step by step because options are not or only partially available. Overall, a long-term transformation also depends on the decarbonization of industry and progress in research and technology. Without available options, Semperit cannot implement a transition plan.

In order to counteract possible transition risks with regard to the business model in the long term, Semperit's innovation potential is used, and products and services are adapted to changing market and climate conditions. This includes the development of sustainable, resource-saving solutions (IROs #14, #16, #19).

Employees are an essential part of Semperit's business and innovative potential. A central element of the climate change adaptation strategy is the further education and training of the workforce so that they are qualified for new future technologies and processes. Training programs are implemented step by step to build expertise in topics such as energy efficiency, climate-friendly production methods and risk management (see also section S1, disclosure S1-13).

Reducing the identified physical climate risks at the sites (climate change adaptation) is less complex than transforming the business model (climate change mitigation) and is taken into account in local expansion and modernization projects. Semperit has adequate financial management and respective access to financing sources in order to implement the necessary adaptation measures. This includes investments in climate-resilient infrastructure, more efficient production processes and resilient supply chains. Proactive financial planning and regular risk assessments monitor capital costs and ensure sustainable long-term financing options.

Identified risks related to assets, such as water stress or temperature increases, are specifically addressed by modernizing affected facilities or, if necessary, shutting them down and relocating them to other geographic regions (IROs #4, #5). The risk and resilience analysis, which is part of the regular risk management process, is used to continuously assess the condition and climate vulnerability of assets.

For general information on how management addresses the material impacts, risks, and opportunities associated with the strategy and business model, please refer to the disclosures in the ESRS 2 section under SBM-3. The implications of climate and ESG risks for business processes in general are described in the individual topic-specific disclosures IRO-1 in the ESRS 2 section.

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

Climate change mitigation and all related topics are of high strategic importance to Semperit and fall within the departmental responsibility of the CEO. The Sustainability Council meets quarterly and informs the Executive Board about important climate-related impacts, risks and opportunities in connection with the company's own activities and production, as well as those of the upstream and downstream value chain, or those that arise from regulatory and market developments. The Executive Board sets the targets and the associated key climate change mitigation measures in consultation with the Supervisory Board. The relevant energy and emissions data are recorded in the Health, Safety, Environment, Quality (HSEQ) department, which also monitors progress towards targets at the site and Group levels. In addition, the Sustainability Council is also responsible for identifying opportunities and risks, which is done together with the risk department, as well as for internal reporting, which is integrated into the internal control system. The ESG department is responsible for external reporting on all environmental, social and governance topics in accordance with ESRS.

In coordination with the Head of ESG, the Sustainability Council is responsible for defining operational priorities and promoting appropriate measures. At Executive Board meetings, relevant sustainability topics related to climate change as well as topic-specific, potentially material climate-related opportunities and risks are discussed as they arise. By anchoring sustainability directly at the Executive Board level (as described in ESRS 2 GOV-1), Semperit ensures that climate change mitigation and environmental protection are also taken into account in every future-oriented decision. The Executive Board subsequently informs the Supervisory Board, as well as the Audit and the Strategy and ESG Committees about current developments in the areas of environmental protection and climate change mitigation.

The Head of ESG acts as an interface between the decision-makers in production, sales and other relevant areas, such as the Innovation, Procurement or Risk departments, and Semperit's Executive Board. With regard to the specialist departments, the respective division heads are responsible for climate change mitigation and promote relevant environmental topics.

On the production side, the Technical Operations Directors of the divisions are the highest authority. They coordinate the control of relevant production parameters with a focus on energy efficiency and report directly to the Executive Board. In connection with environmental aspects, the current focus is primarily on increasing energy and material efficiency, which are crucial for climate change mitigation and a circular economy at Semperit, as well as on issues related to the decarbonization of the product portfolio, production and innovation performance. Together with the managing directors of the sites and the Operational Excellence department, the Operations Directors are responsible for implementing the measures necessary to achieve the goals. The Commercial Directors, together with the Operations and Finance Directors, are responsible for the strategically sustainable orientation of the business units.

On the product side, responsibility for climate-related topics, in particular the calculation of the carbon footprint and its optimization, lies with the business units and the Research and Development department (R&D), which drives new and further developments at the product level. This involves Semperit working closely with customers, suppliers and research institutions to develop needs-based solutions.

The most important policy in the context of climate change mitigation, climate change adaptation, energy efficiency and the use of renewable energies (IROs #1-7) is the Group-wide Health, Safety, Environment, Quality Policy (HSEQ Policy). Further requirements can be found in the Management of Resources Policy (see section E5 under disclosure E5-1), the Innovation Policy (see section E5 under disclosure E5-1), the Supplier Policy (see section G1 under disclosure G1-1) and the Code of Conduct (see section S1 under disclosure S1-1). These publicly available policies aim to continuously improve the quality of activities, processes and products both within the Semperit Group and in the supply chain, while protecting people and the environment. In the area of climate change mitigation and energy efficiency, the HSEQ Policy provides the framework for energy and emission reduction projects to increase the share of renewable energy and energy efficiency and reduce greenhouse gas emissions (IRO #1, #3, #6). All such projects are continuously monitored in Semperit's global Energy Excellence Program, and the results are evaluated monthly. Semperit is committed to a gradual conversion to the use of renewable energies, initially without strategic and measurable targets. With regard to the supply chain, the Supplier Policy, among other things, contains requirements for compliance with ecological criteria, such as efficient and resource-saving logistics to reduce greenhouse gases (IROs # 3, #7).

Climate change adaptation is also addressed in the Risk Management Guideline. This forms the central framework for the collection and evaluation of risks and opportunities, including the increasingly relevant climate risks (IROs #2, #4, #5), which are incorporated into the existing risk management process and treated equally with all other risks. This ensures that potential impacts of climate change, such as physical risks and regulatory changes, are systematically identified, assessed and addressed. At the same time, the policy enables targeted use of opportunities arising from climate-related developments. In this way, risk management supports the company's sustainable orientation and helps to secure long-term value.

The Executive Board is responsible for implementing the policies and also ensures compliance with national standards and ISO standards that are fundamental to achieving strategic goals, taking into account industry standards and best practices. All relevant requirements, responsibilities and detailed process descriptions for implementing internal policies are defined in the Semperit Combined Management System, which is applied throughout the Group. The environmental management system, which is certified according to ISO 14001, is integrated into the Semperit Combined Management System, as are the management systems certified according to ISO 9001, ISO 13485 and ISO 45001. They cover all employees, processes and activities at the sites where they are implemented. The management systems are geared towards a continuous improvement process based on the Plan-Do-Check-Act cycle. Their effectiveness and progress towards the set goals are verified and ensured by regular internal and external audits.

Company	Site	ISO 9001	ISO 13485	ISO 14001	ISO 45001	ISO 50001	IATF 16949
Semperit Technische Produkte Gesellschaft m.b.H.	Austria	x	x[2]	x	x		
Rico Elastomere Projecting GmbH	Austria	x	x	x			x
Härtereitechnik Rosenblattl GmbH	Austria	x		x			x
Semperit (Shanghai) Rubber & Plastic Products Co. Ltd.	China	x		x	x		
Semperflex Shanghai Ltd.	China	x		x	x		
Semperit Profiles Deggendorf GmbH	Germany	x		x	x	x	
Semperit Profiles Leeser GmbH	Germany	x				x	
Semperflex Rivalit GmbH	Germany	x		x	x		
M+R Dichtungstechnik GmbH	Germany	x				x	
Sempertrans India Private Limited	India	x		x	x		
Sempertrans Bełchatów Sp. z o.o.	Poland	x		x	x		
Sempertrans Maintenance France Nord S.A.S.	France	x					
Semperform Kft.	Hungary	x		x	x		
Semperit Industrial Products Inc.	USA	x[1]					
SIMTEC Silicone Parts LLC	USA	x	x				x
Semperflex Asia Corporation Ltd.	Thailand	x		x	x		
Semperflex Optimit s.r.o.	Czech Republic	x		x	x		
SILCOPLAST AG	Switzerland	x	x	x			

[1] 9001 certification includes service of handrails; the Profile business unit is currently not included in the scope.
[2] only for the surgical gloves segment (left the Semperit Group in H2 2024)

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

The most material environmental impact of Semperit's business activities is the emission of greenhouse gases (GHG), which contribute to climate change (IROs #1, #3). As part of its Sustainability Strategy 2030, Semperit is pursuing targets to reduce energy intensity and GHG emissions (see disclosures under E1-4) in order to mitigate these negative impacts.

Semperit has defined Group-wide measures and activities to increase the efficiency of production processes and reduce energy consumption (IRO #6). The Energy Excellence Team monitors the growing project portfolio in the areas of energy efficiency, process improvement and the expansion of renewable energy supply from company's own production, coordinates the transfer of know-how between sites, and collects and monitors key figures in order to achieve the set targets.

In 2024, the HSEQ and Operational Excellence departments further improved the relevant systems and project management tools to track planned and ongoing activities and their contribution to achieving objectives in a more consistent, flexible, and proactive manner across the Group. This included the creation of a standardized project register in a database and the further development of the system for standardized project recording and tracking, thus providing an overview of all current and planned projects throughout the Group, as well as their projected savings by 2030. Employees can also report energy-saving potential using the database. This potential is checked, and possible improvements are quickly implemented.

In order to achieve the climate-related targets by 2030, Semperit has allocated expenditures of more than EUR 11 million (see table below, incurred and future capex and opex) to expand environmentally sustainable activities at the production sites and to promote the use of sustainable technologies. This package of measures is evaluated and adjusted annually as part of the budget and medium-term planning process, submitted to the Sustainability Council for review and approved by the Executive Board and Supervisory Board. Operational implementation is the responsibility of the business units, supported by the HSEQ team and the Operational Excellence department, as described in E1-2. Semperit does not implement any nature-based solutions, i.e. measures to protect, conserve or restore terrestrial, freshwater or marine ecosystems.

EUR thousand	Significant capital expenditure (capex)	Significant operational expenditure (opex)
Climate-related funds accrued in 2024	7,664.8	300.0
Future climate-related funds from the 2025 budget	3,173.7	59.9

The funds required for climate-related measures are included in the capex and opex amounts in other operating expenses (see section 2.6 of the notes to the consolidated financial statements) and in intangible assets and property, plant and equipment (see sections 3.1 and 3.2 of the notes to the consolidated financial statements) as well as in disclosure requirements of the EU Taxonomy (see disclosures in accordance with Article 8 of Regulation (EU) 2020/852 on activities 3.5, 5.2, 6.5, 7.2, 7.3, 7.4, 7.5, 7.6, 7.7).

Climate-relevant measures in 2024

The following is an extract of key climate-relevant measures from the 2030 strategy in the form of a project plan, which were taken at the Semperit sites in the reporting year 2024 to achieve energy and GHG savings (IROs #1, #3, #6, #7).

Implemented in 2024 (actual savings in 2024):

- Wimpassing, Austria – new osmosis membranes for fresh water supply of steam boilers (1,426,854 kWh | 313,908 kg CO_2), own photovoltaic system, expansion phase 1 (354,289 kg CO_2)
- Thalheim, Austria – heat recovery for tempering furnaces (210,000 kWh | 8,400 kg CO_2), switch off vacuum pumps when the machine is at a standstill (23,000 kWh | 920 kg CO_2)
- Odry, Czech Republic – control system for start of vulcanization (227,028 kWh | 49,946 kg CO_2)
- Bełchatów, Poland – motor replacement for mixer 4 (87,976 kWh | 61,583 kg CO_2)
- Hückelhoven, Germany – optimization of salt recovery (37,265 kWh | 8,198 kg CO_2)
- Shanghai, China – re-insulation of steam pipes (471,357 kWh | 174,402 kg CO_2)
- Hat Yai, Thailand – increased steam efficiency (246,241 kWh | 91,109 kg CO_2), temperature optimization in the extrusion bath (29,454 kWh | 61,362 CO_2)

Implemented in 2023 with savings in 2024 (actual savings in 2024):

- Wimpassing, Austria – optimization of cooling overheated steam (239,140 kWh | 52,611 kg CO_2), new Beth filter (165,498 kWh | 72,819 kg CO_2)
- Odry, Czech Republic – optimization of vulcanization program (500,184 kWh | 110,040 kg CO_2), LED lighting (325,532 kWh | 172,532 kg CO_2)
- Hat Yai, Thailand – own photovoltaic system (624,623 kg CO_2)
- Sopron, Hungary – building isolation (225,259 kWh | 49,556 kg CO_2)

Key measures scheduled to start in 2025 (planned savings per year):

- Wimpassing, Austria – adjustment of steam superheating (1,540,000 kWh | 338,000 kg CO2)

- Odry, Czech Republic – own photovoltaic system on DH5 hall (320,760 kg CO_2)
- Thalheim, Austria – heat recovery for tempering furnaces (280,000 kWh | 11,200 kg CO_2), switch off vacuum pumps when the machine is at a standstill (3,400 kWh | 136 kg CO_2), converting to LED lighting in office buildings (6,000 kWh | 240 kg CO_2)
- Deggendorf, Germany – reduction of gas consumption in 2025 (466,000 kWh | 102,000 kg CO_2)
- Bełchatów, Poland – change of heat exchangers (planned savings: 180,000 kWh | 36,000 kg CO_2), reduction of mixing process operations (1,117,000 kWh | 782,460 kg CO_2), optimization of hot water temperature for ventilation (650,000 kWh | 136,500 kg CO_2)
- Roha, India – replacement of three mills with a cold feed extruder (156,000 kWh | 118,560 kg CO_2), installation of a new energy-efficient dust collector (70,303 kWh | 63,273 kg CO_2)

Notes on project savings

The energy savings are based on measurements, estimates and calculations. Relevant information is recorded at site level on the project registration platform. The calculation of CO_2 emissions occurs automatically and is based on the conversion factors of a market-specific electricity mix, which are also stored in the system. At sites with contracts that guarantee energy from renewable sources, only energy savings are recorded, with no savings in CO_2 emissions. Emission factors are also used to calculate the CO_2 emissions of all other fuels (gas, oil, etc.), with these mainly coming from the ecoinvent database (see E1-6 Explanations of emission factors). These are stored on the platform and updated annually. Indirect emissions are not taken into account.

- Energy savings: savings are either measured or estimated. This information is collected from the sites in the internal database. The disclosures listed above reflect completed projects for the year 2024.
- Emission savings: calculations are based on CO_2 emission factors (see section E1-6 for more information on emission factors).
- Electricity emission factors: calculations are based on the market-specific electricity mix as stored in the system, which automatically calculates the CO_2 emissions from project entries. If a site reports energy savings from electricity but uses green electricity contracts (0 CO_2 emission factor), only the energy savings, without CO_2 savings, are counted.
- Gas emission factors: in the project database, sites can specify the type of fuel saved. CO_2 emission factors based on the ecoinvent database are used for these calculations. No indirect emissions are used in calculating the savings.

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

Medium-term targets

Semperit has set itself the target of measurably and sustainably reducing emissions per unit produced. By 2030, the sum of relative Scope 1 and Scope 2 emissions, i.e. those greenhouse gas emissions that come from sources directly owned or controlled by the company, should decrease by 10% per good product (a unit of marketable output) (IRO #1). The base year 2023 was chosen to achieve an average representation of the future operating structure against the background of divestments (sale of the medical business) and acquisitions (purchase of the Rico Group). As shown in the table “Levers for reducing greenhouse gases and their contribution to target achievement” below, the relative target of -10% per good product corresponds to an assumed absolute reduction of 19,223 tonnes of CO_2 equivalents by 2030.

Target	Interim targets	Base year	Base value	Period	Target achievement in the reporting year
10% reduction in Scope 1 and Scope 2 emissions per good product[1] by 2030 compared to 2023	1.4% reduction in Scope 1 and Scope 2 emissions per good product[1] per year	2023	0.984 kg CO_2 equivalents per good product[1]	01/01/2024 to 12/31/2030	2.1% reduction in Scope 1 and Scope 2 emissions per good product[1] compared to 2023

[1] Good product is a unit of output that has been produced during the reporting period and marketed or stored for future sale.

The target is consistent with the limitations of Semperit’s greenhouse gas inventory in terms of Scope 1 and Scope 2 emissions (see table and explanations in disclosure E1-6) and covers all seven greenhouse gases regulated by the Kyoto Protocol. The market-based method is used to calculate the Scope 2 greenhouse gas emissions included in the target. The target does not include emissions from suppliers and other Scope 3 emissions from the value chain. Semperit is aware of the negative environmental impacts associated with Scope 3 emissions, in particular due to the high consumption of energy and resources along the entire value chain (IROs #3, 7), and is therefore already implementing climate-relevant measures, as described in disclosure E1-3 and in section E5, under disclosure E5-3.

Currently, there are no quantified targets for reducing Scope 3 emissions. Semperit is continuously working on optimizing the data quality with regard to Scope 3 activities, which should enable the basis for quantifying a target in the Scope 3 area.

The emissions reduction is supported by the target to reduce energy intensity by 5% per good product by 2030 compared to 2023 (IRO #6). The energy target is integrated into the variable remuneration of the Executive Board, senior management and all employees subject to the Group-wide bonus system. Further information on ESG performance criteria in the incentive system can be found in the disclosure in connection with GOV-3 in this and the ESRS 2 section. In the reporting year, the annual reduction target of 0.7% in energy intensity could not be achieved. The 3.9% increase in energy per good product compared to 2023 is attributable to a decline in the number of goods produced due to a lower order volume, despite high energy consumption. In addition to product manufacturing, various aspects influence energy consumption. Despite the lower order volume, test runs in the areas of mixing, material and product innovation as well as procedure and process adjustments are also carried out, and machines are started up after shutdowns, all of which is associated with high energy consumption.

Target	Interim targets	Base year	Base value	Period	Target achievement in the reporting year
5% energy reduction per good product[1] by 2030 compared to 2023	0.7% energy reduction per good product[1] per year	2023	2.78 kWh per good product[1]	01/01/2024 to 12/31/2030	+3.9% energy increase per good product[1] compared to 2023

[1] Good product is a unit of output that has been produced during the reporting period and marketed or stored for future sale.

The climate-relevant targets are not in line with the United Nations Paris Agreement, which aims to limit global warming to 1.5°C and recommends an emissions reduction of -42% by 2030 compared to the reference year 2020. The target has not been scientifically validated.

Both climate-relevant reduction targets apply to all 16 production sites of the Semperit Group with production output. The energy intensity is measured monthly and the development compared to the set target is communicated internally to the Executive Board and senior management so that corrective measures can be implemented quickly if necessary. The target achievement in the area of emissions is calculated annually at the end of the year based on the annual total energy consumption and energy mixes of the sites using current emission factors. A (bonus-relevant) short-term sub-target is a reduction of 0.7% of energy per year, measured against the current annual output between 2024 and 2030 compared to 2023.

Planned reductions in the context of own operations (t CO2e)	Base year 2023	2030 target
GHG emissions – Scope 1 and 2	105,045	85,823
Levers for reducing greenhouse gases and their contribution to target achievement		
Energy efficiency and consumption reduction		19,223
Material efficiency and consumption reduction		
Fuel switching		
Electrification		
Use of renewable energy		
Phase out, substitution or modification of product		
Phase out, substitution or modification of process		
Other		

Long-term targets

Semperit has not set any long-term climate-related targets that go beyond 2030.

Disclosure Requirement E1-5 – Energy consumption and mix

Energy consumption and mix (MWh)	2024
1) Fuel consumption from coal and coal products	0
2) Fuel consumption from crude oil and petroleum products	14,806
3) Fuel consumption from natural gas	91,952
4) Fuel consumption from other fossil sources	0
5) Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	127,409
6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**234,167**
Share of consumption from fossil sources in total energy consumption (%)	79.7%
7) Energy consumption from nuclear sources	**13,617**
Share of consumption from nuclear sources in total energy consumption (%)	4.6%
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	0
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	41,858
10) The consumption of self-generated non-fuel renewable energy	4,051
11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**45,908**
Share of renewable sources in total energy consumption (%)	15.6%
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	**293,693**
Total energy consumption of Semperit Group	**294,952**

[1] The Group's total energy consumption also includes the consumption of liquid nitrogen, ammonia and methanol, minus the share of electricity produced by own PV systems that was sold in the reporting year.

In 2024, four plants of the Semperit Group were responsible for over 70% of total energy consumption (IRO #6). These are the sites in Wimpassing, Odry, Bełchatów and Thalheim. In addition to the production and manufacture of rubber compounds, other factors also influence energy consumption, such as test runs in the area of material and product innovation, process and procedure adjustments, starting up machines after downtime, and lighting and heating or cooling buildings. Site-specific factors and changes resulting from the upstream and downstream value chain can also have an impact. For example, changes in pre-production or adjustments to the product range at individual sites can also affect Group-wide energy consumption.

In the reporting year, 79.7% of energy consumption was from fossil energy sources. The share of energy consumption from renewable sources (self-generated and purchased from third parties) in total energy consumption was 15.6%. The two Austrian sites of the Rico Group in Thalheim (HTR and Rico Elastomere) use only electricity from renewable sources. The exception to this is emergency generators, which are powered by fossil fuels. Half of the energy consumed at the American site Simtec is nuclear-based and the other half is natural gas-based. Silcoplast in Switzerland is also powered by nuclear energy.

Energy from own photovoltaic systems	**2024**	**Share in electricity consumption**	**Share in total energy consumption[1]**
Total installed system output	5 MWp		
PV electricity production	4,188 MWh		
PV electricity consumption	4,051 MWh	3%	1.4%
PV electricity sales	137 MWh		

[1] corresponds to the total energy consumption of the Group (including the consumption of liquid nitrogen, ammonia and methanol, minus the share of electricity produced by its own PV systems that was sold in the reporting year)

Around 47.5% of the total energy consumed across the Group is accounted for by the demand for electrical energy, 3% of which was covered by the company's own PV systems in 2024 (IRO #1, 2, 6). Since 2020, PV systems have been installed and expanded step by step at the Group's sites. To date, the sites in Wimpassing (1 MWp photovoltaic system), Thalheim (1.1 MWp), the two Chinese sites in Shanghai (each with approx. 400 kWp), Waldböckelheim (135 kWp), Hat Yai (1 MWp) and Odry (939 kWp) have their own photovoltaic systems. In total, these PV systems produced 4,188 MWh in 2024, which covered 1.4% of the Semperit Group's total energy consumption from its own PV systems, corresponding to 4,051 MWh.

Energy intensity based on net revenue

The Semperit Group's total energy consumption is used for activities in climate-intensive sectors.

MWh/EUR	2024
Total energy consumption from activities in high climate impact sectors (MWh)	294.952
Net revenue from activities in high climate impact sectors (EUR)	676.573.209
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/EUR)	**0,0004**

Connectivity of energy intensity based on net revenue with information on financial reporting

To calculate energy intensity, the consolidated revenue of the Semperit Group was used as the denominator (see consolidated financial statements, consolidated income statement and notes to the consolidated financial statements, section 2.2), since all business areas fall under sectors with a high climate impact.

EUR	2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity	676,573,209
Net revenue (other)	0
Total net revenue (financial statements)	**676,573,209**

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

Notes on Scope 1, 2 and 3 GHG emissions 2024, greenhouse gases considered, and emission factors used

In the reporting period, an absolute reduction of 4.9% in Scope 1 emissions and an absolute reduction of 22.0% in Scope 2 emissions was achieved in a location-based context, or 10.7% in a market-based context. This is primarily attributable to the portfolio changes, i.e. the removal of the energy-intensive sites from the Semperit Group. Semperit is currently not pursuing a target for reducing Scope 3 emissions.

Semperit has no knowledge of any emissions (Scope 2 and Scope 3) from the combustion or degradation of biomass in its own operations or in the value chain. Semperit does not use any contractual instruments in Scope 1 or 2 (0% of the purchased energy is covered by contractual instruments or certificates).

All seven greenhouse gases covered by the Kyoto Protocol were included in the calculation of the company's carbon footprint. These include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). The emission factors for fuels (natural gas, liquefied petroleum gas, heating oil, motor fuels, etc.) and the allocation of fuel-related emissions in Scope 1 and Scope 3 are based on data from the Environment Agency Austria (Umweltbundesamt) from December 2023 and were applied to all countries considered. Market-based greenhouse gas emissions from purchased, self-generated and consumed electricity were calculated based on the respective energy mix, with emissions for each primary energy source calculated using the emission factors from the ecoinvent database in the current version 3.11 (2024). The location-based greenhouse gas emissions also come from ecoinvent 3.11, as do the emission factors for the Scope 3 categories described below.

Total greenhouse gas emissions in categories Scope 1, 2 and 3 in 2024

t CO_2eq	Retrospective Base year 2023	Reporting year 2024	Milestones and target years 2030	Annual % target/base year
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions	26,828	25,501	24,145	–4.9%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0.0%	0.0%		
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions	95,026	74,151	85,523	–22.0%
Gross market-based Scope 2 GHG emissions	78,217	69,818	70,396	–10.7%
Significant scope 3 GHG emissions				
Total gross indirect (Scope 3) GHG emissions		805,038		
1) Purchased goods and services		294,280		
2) Capital goods		15,377		
3) Fuel and energy-related activities (not included in Scope1 or Scope 2)		27,471		
4) Upstream transportation and distribution		29,477		
5) Waste generated in operations		155,306		
6) Business traveling		2,457		
7) Employee commuting		8,015		
8) Upstream leased assets				
9) Downstream transportation		20,489		
10) Processing of sold products				
11) Use of sold products				
12) End-of-life treatment of sold products		252,166		
13) Downstream leased assets				
14) Franchises				
15) Investments				
Total GHG emissions				
Total GHG emissions (location- based)	121,854	904,690		
Total GHG emissions (market- based)	105,045	900,357		

The aforementioned GHG emissions inventory for 2024 (Scope 1-3) covers the entire group of consolidated companies.

Notes on the calculation of Scope 3 GHG gross emissions

Scope 3 emissions are indirect emissions that result from the extraction, production and processing of the energy sources used, but also emissions that result from activities in upstream and downstream areas of the Semperit value chain. According to the “GHG Protocol Corporate Standard”, these activities are divided into 15 categories. The above table shows the GHG emissions of the entire consolidation scope that are material and quantifiable in Semperit’s upstream and downstream value chain in all of these Scope 3 categories. Categories 2, 5, 7 and 12 were quantified for the first time in 2024. Categories 8, 10, 11, 13, 14 and 15, which are not listed, represent immaterial Scope 3 emissions that are not reported because they are insignificant in comparison to other categories. The Scope 3 emissions listed include the following primary data (around 45% of Scope 3 emissions) and estimates (around 55% of Scope 3 emissions) and follow different calculation methods:

1) **Purchased goods and services** represent emissions that arise in connection with raw materials procured from third parties during the reporting year. These emissions result from supplier-specific primary data and information from the ecoinvent database 3.11, multiplied by the quantity of the respective raw material procured in the reporting year. This includes all raw materials, reinforcing materials and packaging materials.

2) **Capital goods** include the 2024 capex amount, which is multiplied by the “Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6” emission factor of the U.S. Environmental Protection Agency using the “spend-based” method of the GHG Protocol. This was the most appropriate emission factor for capital goods in the industrial sector at the time of calculation (https://catalog.data.gov/dataset/supply-chain-greenhouse-gas-emission-factors-v1-2-by-naics-6). Currently, suppliers do not provide supplier-specific emissions data for capital goods, and Scope 3 emissions from capital goods are therefore estimated.
3) **Fuel and energy-related activities (not included in Scope1 or Scope 2)** show the emissions from Semperit’s energy supply chain, i.e. from the transport of fuels, which are reported under Scope 1 and Scope 2. The Scope 3 portions from fuels and energy arise when suppliers burn the fuel directly. This happens, for example, when fuel is delivered by truck, or when electricity is consumed. Semperit calculates these emissions using primary data by multiplying the amount of fuel and electricity by the corresponding emission factor from the ecoinvent database.
4) and **9) Transportation and distribution (upstream and downstream)** results from the sum of the kilometers driven for upstream, intercompany and downstream transport of goods the Semperit Group purchased from logistics service providers in the reporting year. The kilometers per means of transport (air, rail, truck and sea freight) represent primary data, which are multiplied by freight-specific emission factors from the ecoinvent database. The extent of loading is also taken into account in multiplication. Only the distances to Tier 1 business partners are included in the calculation.
5) Emissions from **waste generated in operations** arise from all waste, including waste from special occurrences and wastewater disposal (primary data). The primary data on waste and wastewater volumes reported by the sites are multiplied by the respective country-specific emission factors of the usual disposal method from the ecoinvent database. This not only takes into account the different common types of waste disposal, but also the country-specific process emissions.
6) **Business travel** causes different emissions depending on the means of transport and fuel, which are multiplied by the actual kilometers in Semperit’s emissions balance. Kilometers per means of transport and fuel are collected at the site level from internal systems and information from external travel agencies as primary data. Once a year, these are reported to the central ESG team for consolidation and conversion. Ecoinvent factors are also used here.
7) **Commuting employees** cause travel-related emissions, which in 2024 are an estimate by local HR managers of the average commuting kilometers per employee and means of transport and site on a given day. These were multiplied by the same emission factors from the ecoinvent database as the kilometers stored for business travel.
8) **End-of-life treatment of sold products** represent estimated emissions that result from the quantity of marketable goods (good product) produced per product group in the reporting year. For each product group, an estimate was made of the proportion of products that are incinerated, recycled or sent to landfill at the end of their life cycle (for more information, see the disclosures on product recyclability in section E5, E-5 Resource outflows). The product quantities per disposal type were multiplied by the corresponding emission factors of the respective disposal method from the ecoinvent database.

Semperit is continuously working on taking further steps in terms of data management that relate to Scope 3 activities. These include both increasing the share of primary data in the overall balance sheet by working with suppliers on data availability and quality, and calculating the product carbon footprint (PCF) using a proprietary PCF calculation model based on data from the ecoinvent database and raw material suppliers. Depending on the customer’s interest, the PCF calculation is gradually extended to the entire product portfolio in order to get closer to capturing the Group-wide Product Portfolio Carbon Footprint. This provides the company with insights that can be used to further reduce PCFs together with customers and suppliers.

Greenhouse gas intensity based on net revenue

The consolidated revenue of the Semperit Group was used as the denominator to calculate greenhouse gas intensity.

t CO_2e/EUR	2024
Total GHG emissions (location-based) per net revenue	0.0013
Total GHG emissions (market-based) per net revenue	0.0013

Connectivity of greenhouse gas intensity based on net revenue using information from financial reporting

The consolidated revenue of the Semperit Group was used as the denominator to calculate greenhouse gas intensity – see consolidated financial statements, consolidated income statement and notes to the consolidated financial statements, section 2.2.

EUR	2024
Net revenue used to calculate GHG intensity	676,573,209
Net revenue (other)	0
Total net revenue (in financial statements)	**676,573,209**

Disclosure Requirement E1-7 – GHG removals and GHG mitigation projects financed through carbon credits

Semperit focuses on reducing Scope 1 and Scope 2 emissions and did not take any measures to capture and store greenhouse gases in the reporting year – neither in its own activities nor in the upstream and downstream value chain. It also refrains from any offsetting measures or project financing through CO_2 certificates to reduce greenhouse gases.

Disclosure Requirement E1-8 – Internal carbon pricing

Currently, Semperit does not use internal carbon pricing to control climate-related measures.

Disclosure Requirement E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Anticipated financial effects from material physical risks

In the 2024 reporting year, the climate risk analysis conducted in 2023 did not identify any sites with material assets exposed to imminent and material physical risk from climate change. Nevertheless, the analysis has identified potential physical risks for three sites – Odry and Bełchatów in Central Europe and Roha in India – due to climate change impacts from 2040 onwards. These risks relate in particular to a possible shortage of water for production processes, which could affect assets and production capacity at these sites in the long term. The financial impact of these potential risks will be analyzed, quantified and disclosed in a timely manner in accordance with the reporting requirements during the three-year transition period. Scenario analyses and scientific climate modeling will be included in this process in order to be able to assess the uncertainties and the potential range of effects on the affected sites in more detail.

Semperit has also initiated preventive measures to mitigate risk, including a review of site strategies, investments in resilience-enhancing infrastructure and in adaptation to climate change. These measures are continuously monitored as part of the integrated risk management system. Further information on the management of material climate risks can be found under ESRS 2 SMB-3 and IRO-1.

Anticipated financial effects from material transition risks

Transition risks are regularly assessed in the Group-wide risk management process and addressed as needed. The financial impact of material transition risks and material climate-related opportunities will be quantified over the three-year transition period for this disclosure and disclosed in a timely manner. Further information on the management of material transition risks can be found in the disclosures under ESRS 2 SMB-3 and IRO-1.

Connectivity with financial reporting information

These disclosures will be made in connection with the financial impact in due time in three years.

ESRS E2 Pollution

Pollution from contaminants and microplastics represents a significant environmental burden on value chains throughout the industry, which can lead to ecological and health damage. Semperit attaches great importance to compliance with environmental regulations in order to protect the environment and the health of employees and local residents and to avoid legal sanctions and reputational damage. Most of the Semperit Group's raw materials are supplied by distributors or large manufacturing companies. Although Semperit requires these companies to practice environmental protection and social due diligence, the implementation of these requirements by suppliers is currently only checked in exceptional cases (further disclosures on sustainability in the supply chain and supplier audits can be found in sections E5 and G1). The following disclosures explain in detail how Semperit manages complex impacts, risks and opportunities related to pollution as shown in the following table.

Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Negative impacts	Risks	Measurable target	Key measures (implemented or continued in the reporting period)
Air pollution	Own operations	4, 8	P	M, L	(#8) Pollution from volatile organic compounds (VOCs), dust, particles, ammonia, chlorine gas, flue gas or other pollutants in own operations contributes to the negative environmental impacts caused by industrial undertakings. This can degrade air quality, affect underwater life and plant growth, increase soil acidification and indirectly disrupt natural habitats at local level. Globally, these industrial impacts contribute to changes in climate patterns, cloud formation and precipitation, and contribute to broader environmental changes.	(#9) Cost increase due to infrastructure and machinery expansion and renewal, triggered by stricter environmental regulations, legal requirements for permissible emission limits and outdated equipment (transition risk).	-	Preventive measurement of relevant pollutants in accordance with the threshold values set by local authorities or site management; Strict compliance with REACH and other regulations on chemical substances and material compliance
	Own operations	4, 8	P	S, M, L	(#10) Air pollution in industrial undertakings can have short- and long-term negative impacts on the health of exposed workers and indirectly on affected communities. Respiratory diseases caused by particles in the air can have long-term respiratory and cardiovascular effects.		-	
Microplastics	Own operations	4, 8	P	S, M, L	(#11) Rubber and waste contamination from own operations can lead to the presence of dust and particles smaller than 0.5 mm outside the plants, which are harmful to soil organisms and plants.		-	Operational Excellence initiatives with a focus on process efficiency and waste minimization
	Upstream and downstream value chain	4, 5, 6, 8	P	S, M, L	(#12) Rubber and waste pollution along the value chain caused during raw material production, transportation, product use and end-of-life, leads to the emission of microplastics and rubber particles into the environment. This can cause physical and chemical harm to soil organisms and to uptake by plants.		-	Sustainability in the supply chain – supplier certification by EcoVadis, supplier initiatives by Together for Sustainability; The Circularity Initiative, which focuses on product durability and potential end-of-life recycling

[1] See overview of Semperit stakeholders in the ESRS 2 section under SBM-2

Disclosure Requirement E2-1 – Policies related to pollution

Environmental protection policies in Semperit's own operations

The most important concepts with regard to environmental protection in the company (IROs #8-11) include monitoring and strict adherence to legal requirements and reducing emissions by investing in infrastructure at the production sites. Semperit currently has no strategic plans or measurable objectives for environmental protection at Group level. The sites are responsible for regularly monitoring and evaluating compliance with local legal requirements and all specified limit values. The Group's ISO-certified management systems, in particular the environmental management system according to ISO 14001, regulate the uniform procedure for risk identification, prevention of pollution (of air, soil and water) and the principles of action in the event of an incident, and help to ensure that pollution is prevented or mitigated and that any negative impacts on employees and local residents can be minimized. For an overview of the ISO certificates, see section E1 Climate change, disclosure E1-2.

The communities affected by material pollution IROs of Semperit Group are the residents living near production sites, who may feel disturbed by air, noise and light pollution in the neighborhood of the sites. These impacts are measurable and directly influenceable by the company. This does not mean that other communities along the value chain are not affected, only that these potential impacts are outside of Semperit's scope of information and influence.

The HSEQ and Management of Resources Policies, which are publicly accessible via the Semperit website, define that Semperit production sites must maximize occupational and environmental safety and mitigate risks of pollution (air, soil and water) to the lowest level in order to protect all potentially affected parties, including employees and local residents, from health and safety hazards. Semperit ensures safe storage and handling of chemicals and hazardous substances to prevent incidents and accidents. In the event of an incident that affects communities or might harm the environment, Semperit will immediately contain the accident and limit the impact. The People Policy, which is also published online, contains concepts for protecting employees and residents from possible pollution and other adverse effects on their quality of life.

Semperit's policies on air and pollution are strongly influenced by following two regulations on the use of chemical substances, which significantly impact the selection of raw materials, health and safety in the workplace, and product and process design (IROs #8-10):

REACH (Registration, Evaluation and Authorisation of Chemicals) and implications for product composition

The aim of Regulation (EC) No. 1907/2006 (REACH Regulation) is to expand knowledge about chemical substances and their use and to make industry more responsible for managing the IROs that chemicals may pose to health and the environment. A REACH registration must therefore be carried out for each chemical substance that is produced in or imported into the EU in quantities of more than one tons per year per manufacturer/importer. In a registration dossier, the manufacturer/importer must describe and identify the risks associated with the substance.

Semperit supports the objective of REACH, which is in line with its own commitment to ensure responsible production, use and handling of Semperit products and to avoid the use of substances of concern and substances of very high concern. Semperit does not disclose any information on the ESRS Disclosure Requirements E2-5 "Substances of concern and substances of very high concern" due to the insignificant quantities of these substances used annually. Nevertheless, it is Semperit's highest priority to ensure that all chemical substances used are registered, as Semperit is a downstream customer in the chemical supply chain but still bears responsibility for product alignment. Semperit works closely with national and EU platforms that provide recommendations for REACH compliance measures, which include working with customers and suppliers to obtain all necessary information about chemical substances used in Semperit products. When approving new raw material sources for European sites, the raw material purchasing department checks whether new sources are registered in accordance with the REACH Regulation. This ensures that only REACH-registered raw materials are used in Europe.

2012/18/EU (Seveso-III Directive)

Semperit places a high value on compliance with the Directive 2012/18/EU (Seveso-III Directive) on the control of major-accident hazards involving dangerous substances. This directive applies to companies where certain quantities of dangerous substances are present and sets out special requirements for facility safety. If Seveso substances are stored in quantities exceeding the thresholds defined in the directive, the site is classified as a Seveso plant. This classification entails special requirements for facility safety. The site in Bełchatów (PL) is the only Semperit site classified as a Seveso plants; strict compliance with all relevant guidelines is one of the most important local concepts of this conveyor belt production site.

Environmental protection concepts in the upstream and downstream value chain

In its upstream value chain (IRO #12), Semperit processes non-renewable, fossil and synthetic materials for the most part, which should be used as efficiently and sparingly as possible, increasingly recycled and replaced by renewable and environmentally friendly alternatives. In 2024, Semperit developed a concept for classifying sustainable, non-fossil materials for the first time, that includes recycled and biological materials. The aim of this concept is to make the proportion of sustainable raw materials in products measurable and to successively increase it in order to save primary fossil resources and to minimize the negative impacts in the upstream and downstream value chain (for a more detailed explanation, see section E5 Circular economy). Overall, 19% of raw materials used, including packaging, were considered sustainable in 2024 (including raw materials for surgical gloves until June 2024 and excluding raw materials from the Rico Group). This means that a total of 21,600 tons of either recycled raw materials or raw materials of (partly) biological origin were used at Semperit sites in the reporting year.

Semperit's concepts for environmental protection in general (IROs #8-11) are defined in the HSEQ and Management of Resources Policies and are carried into the supply chain via the Supplier Policy. Semperit requires suppliers to sign the Supplier Policy and provide evidence of an ESG assessment, such as EcoVadis. Failure to achieve the set minimum score in EcoVadis must be explained by the supplier. These suppliers are required to achieve the set minimum score and to implement preventive measures for environmental protection, including measurement and handling of harmful substances, to protect potentially affected communities from unreasonable burdens and to continuously improve their sustainability performance. Further disclosures on supplier assessments and the goal of spending 75% of all expenses only on suppliers with a ESG rating by 2030 can be found in sections E5 Circular economy and G1 Business conduct. Beyond that, Semperit currently has no further strategic concepts or goals with regard to pollution caused in the manufacturing process of raw materials in the upstream or downstream value chain but is aware of its responsibility and wants to contribute to a post-fossil circular economy as far as possible (as described in more detail in section E5).

Challenges in the downstream value chain (IRO #12) mainly relate to rubber abrasion of products manufactured by Semperit, which can occur during use due to product wear, particularly under extreme weather conditions and heavy use. Semperit focuses on concepts to extend product durability and resilience, which are described in the E5 Circular economy under E5-5 Resource Outflows. The microparticles released due to product wear are seen as a shared responsibility between Semperit and its customers for a product-friendly and lifespan-maximizing application of the rubber components.

Disclosure Requirement E2-2 – Actions and resources related to pollution

Semperit implements a range of preventive measures to avoid and reduce pollution (IROs #8-12), such as substituting substances and compounds that have negative impacts (preventing pollution at the source), and using the best available techniques, such as renewal of the filter systems in Wimpassing to reduce noise and air pollution (see table below) to minimize the environmental impact of production processes and protect affected communities. Furthermore, employees are protected, for example, by monitoring contact time with substances classified as toxic or CMR (carcinogenic, mutagenic or reprotoxic) (IRO #10).

The majority of measures to prevent pollution and to protect any affected communities are implemented at the company's own production sites (IROs #8-11). This is where the company has direct influence and can protect the immediate environment and local residents from negative impacts through preventive measures. This focus on measures and resources for the company's own operations and their immediate surroundings does not imply that there is no impact on the environment and communities in the upstream or downstream value chain. However, the most important levers for improvement are within the company's own activities and in the physical proximity of the company's production sites.

In order to prevent production-related pollution, but also noise, odor and emission pollution for local residents (IROs #8-12), Semperit continuously measures potential negative impacts. At the Odry site, where impacts have been identified, these are, for example, measured more frequently than stipulated by the authorities in order to contain impacts in the event of problems by acting immediately.

The time horizons for implementing measures, such as refitting dust filters or investing in measuring devices and cleaning, vary depending on the site and the specific local requirements. Fine dust and other particles, such as microplastics (synthetic polymer microparticles), that are released during production processes are continuously collected, filtered or sorted and properly disposed of so as not to enter the immediate environment of the production sites (IRO #11).

The most important preventive measures in production include compliance with legal and regulatory requirements and limits and the elimination of avoidable emissions (IRO #9). These measures, which are tailored to local needs, are defined in the annual budget and midterm planning process and approved by the Executive Board. The management of the IROs is under the responsibility of the site management and the local HSE managers. At the Group level, the R&D team monitors the selection and use of chemical raw materials, while the HSEQ team controls compliance with guidelines and ISO standards, as well as defining the most important measures in the area of environmental protection.

Selected examples of environmental protection measures at Semperit sites during the reporting period can be found in the following table.

Site	Example measures relating to pollution	Planning and implementation horizon	Involved stakeholder groups	Allocated resources and means
Odry, Czech Republic	Regular reports to local and national authorities on air, water and soil pollution and other environmental issues. Informing affected local communities (residents and municipalities) about measures and potential impacts of e.g. light pollution on the quality of life.	Regular process, several times a year	Local residents (direct neighbors), employees, the municipality of Odry and its authorities, the Ministry of the Environment, external experts such as measurement laboratories and security services	Allocated resources: HSE manager, site management
	Active cooperation and regular exchange with local authorities (municipality, office for matters relating to the Oder River, Czech Ministry of the Environment, external laboratories, security services).	Several times a year and as needed		
Bełchatów, Poland	Pollutant levels are measured at defined intervals and random samples are submitted to an external laboratory for analysis once a year.	Annually	Employees, customers, authorities	Examination of samples: up to EUR 10,000 per year, environmental fee to local authority: approx. EUR 1,300 per year
	Expansion of measures planned to include 90 pollutants.	2025 - 2026		
Wimpassing, Austria	Replacement of filter systems to reduce noise and air pollution.	Between 2022 and 2024	Residents, employees, customers	Allocated resources: production, maintenance
Wimpassing, Austria	Substitution of aromatic oil (CMR, Seveso-III).	2024	Residents, employees, customers	Allocated resources: R&D, production
Group-wide/ across sites	Review of the REACH list of SVHC substances (substances of very high concern) and their active elimination.	Ongoing with semi-annual review	Residents, employees, customers	Allocated resources: R&D

Measures relating to the REACH Regulation

The REACH Regulation applies to European locations. Nevertheless, Semperit R&D is required to design compound recipes in accordance with the REACH Regulation across the Group and thus for all production sites. According to the REACH Regulation, customers are informed immediately if a product exceeds the 0.1% threshold for substances of very high concern.

Semperit currently uses a few CMR substances (carcinogenic, mutagenic, toxic to reproduction), but is continuously working on replacing them, provided that the technical properties and customer requirements allow it. In 2024, Semperit successfully replaced one CMR substance each at the plants in Wimpassing (AT) and Odry (CZ). To increase occupational safety, a system for monitoring CMR contact time was introduced for employees, which enables recording exposure times and taking appropriate protective measures. At Group level, a list of substances was defined that should be avoided as much as possible in the mixing plants. This list serves as a support to further reduce the use of potentially hazardous substances and to promote safer alternatives.

The Rico site in Thalheim (AT) is also subject to legal and customer obligations to ensure material compliance of silicone products. To this end, an internal system has been implemented that globally tracks and evaluates the specific approvals and material requirements, such as those of REACH, RoHS, TSCA, California Prop. 65 and other relevant regulations. A designated material compliance officer assesses the plausibility of the content based on the verification documents provided by the material suppliers and externally conducted laboratory analysis reports. In order to prove the continuous maintenance of material conformity to customers and authorities, the applicable legal and material-specific requirements are reviewed and evaluated at regular intervals, and appropriate measures are initiated in the event of changes.

Measures relating to the Seveso-III Directive

Semperit carries out comprehensive analyses to ensure that all relevant hazardous substances are identified and monitored. Thresholds for storage quantities are legally defined for each environmental hazard class. Each Seveso raw material is assigned to the appropriate environmental hazard class in the central material database at the Wimpassing (AT) site. To monitor the stock level, the threshold defined for the respective environmental hazard class is specified in a formula that ensures the monitoring of stock levels to keep them within the defined limits. The only Seveso plant, the Semperit plant in Bełchatów (PL), complies with all relevant guidelines. This ensures that Semperit adheres to the standards of facility safety and minimizes the risks of serious accidents. Through these measures and monitoring of the threshold values, Semperit ensures that not only the legal requirements are met, but also a preventive contribution to safe working conditions and environmental protection is provided. For example, an aromatic oil that falls under the Seveso Directive was eliminated in Wimpassing (AT).

In the reporting year, no material violations of laws and regulations regarding pollution were recorded at the Group's sites. No further special investments or mitigation measures were necessary than those described under E2-6.

Stakeholder engagement is crucial to identify such risks and avoid negative impacts on affected communities in the neighborhood of operations. To this end, Semperit relies on publicly accessible communication channels and personal dialog. Neighbors of the sites always have the opportunity to exchange views with local HSE and site management to raise their concerns or observations regarding the IROs #8-11. Their concerns are evaluated and addressed by the local team. Further opportunities for involvement of affected communities, which are defined and implemented according to local needs at the site, include factory tours, open days, neighborhood meetings and press conferences. In addition, the freely accessible Semperit whistleblowing hotline SemperLine is available around the clock anonymously for feedback.

If negative impacts occur in the upstream and downstream value chain (IRO #12), all external stakeholders, such as affected residents or business partners, also have the opportunity to report their concerns via Semperit's online or physical contact channels or via the whistleblower hotline. All cases are handled by the Group-wide Compliance Department. Further disclosures can be found in section S1 under S1-3 and in section G1 Business conduct.

Disclosure Requirement E2-3 – Targets related to pollution

Semperit pursues a vision of "zero accidents" (IROs #8-11) in environmental protection and occupational safety in its own operations. Each of the Group's sites is required by guidelines and enabled by the management systems to steer production processes in such a way that there is no extraordinary impact on the environment or violation of laws and other legal requirements in the area of environmental protection. In doing so, they contribute to keeping the air, water and soil free of pollutants, and avoid impairing the health and quality of life of employees and residents. The use of substances of very high concern and substances of concern must be avoided. Semperit currently has not set any Group-wide, quantitatively measurable targets in relation to pollution.

The implementation and effectiveness of guidelines and measures for IROs #8, 9, 10 and 12 are measured in an internal reporting and project management system, where pollution hazards, events and incidents are documented, ideas for improvement and projects are reported by employees on site and responsibility for implementation is assigned. Once an incident has been recorded and all negative effects have been mitigated, the responsible HSE manager conducts a root cause analysis and, if necessary, adjusts procedures and training to avoid the risk of recurrence in the future. The statistical overview of environmental incidents is visualized on a daily basis at the site and Group level using the "Green E" – similar to the Heinrich Pyramid used in occupational safety – and communicated to employees and management as a notice and on the intranet.

The efficiency of processing concerns reported by affected communities in the company and along the value chain (IROs #8-12) is measured by the number of reports and, if applicable, the resulting compliance cases. If no violations of relevant laws and regulations are recorded, guidelines and measures are considered effective and the risks of harming communities around the sites are considered effectively mitigated.

Disclosure Requirement E2-4 – Pollution of air, water and soil

Pollutants emitted at the Semperit sites that enter air, water and soil – in accordance with Annex II of Regulation (EC) No. 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register, E-PRTR) – were measured and documented in the 2024 reporting year. The thresholds set by the regulation were not exceeded.

Measurements of the various emissions at the Semperit sites (IROs #9-10) are based on recognized standard methods of direct measurement at the plants and on environmental impact assessments. VOC (volatile organic compound) emissions are measured using a flame ionization detector, while other emissions, such as dust pollution, are measured using a manual gravimetric method. In the holistic environmental impact analysis at the Wimpassing site in 2022, most of the emission data, such as for VOC and dust, were based on measurements by an external testing and inspection body that carried out accredited and independent laboratory analysis. Supporting data sources are internal production databases and systems that record incoming and outgoing quantities. The calculation of the environmental impact of pollutants is based on representative measurements. In combination with information from internal databases, a robust estimate of the pollution can be made. Uncertainties in the estimates can be considered minimal due to the completeness of the data and the standardized methods used. The impact of Semperit sites on water or soil pollution is negligible compared to emissions into the air, which is why the concepts, measures and means described in this section primarily relate to air pollution.

Due to the sale of the glove business (closings took place in 2023 and 2024) and the elimination of all glove products and processes from Semperit's value chain and business model in 2024, several pollutants that could enter the environment as a result of the use of chemicals in glove production, are no longer be recorded because the companies and production facilities are no longer be under Semperit's operational control. There were no other material changes during the reporting period.

t	2024
Amount of microplastics used (synthetic polymer microparticles)	3.1

The reported quantities of microplastics used consist of externally procured raw material quantities of synthetic polymer microparticles (SPM) in standardized granulate form (IRO #11), which are melted and used in injection molding processes at all Rico and some Semperit sites. The quantities of SPM used (resource inflow), which ESRS also understands as microplastics (plastic particles smaller than 5 mm), amounted to 2.6% of the total volume of all raw materials used in 2024. SPM are processed via manual or automated dosing systems in injection molding machines and leave the plants either in the bound form of a product or as waste and scrap (resource outflow). The quantities of SPM that fall on the floor during the production process and are not carefully disposed of, could leak from production into the soil or waterways. These volumes are negligible compared to the SPM bound in the product (<0.1% of the purchased granulate).

The amount of microplastics that arise from abrasion in product use (IRO #12) is unknown to Semperit in most product applications and cannot be reported at this time.

Disclosure Requirement E2-6 – Potential financial effects from pollution-related impacts, risks and opportunities

Disclosures on the expected financial impact of material risk #9 in connection with pollution will not be provided until 2025, in line with the one-year transition period. There are financial implications for sites where soil or other environmental contamination is detected, and countermeasures need to be taken. These arise, for example, from measures such as the involvement of external experts or the cleaning and removal of contaminated soil. The extent of the financial effects depends on the type and extent of the specific incident. In the reporting year, capex expenditures for an oil collection tank for the raw material warehouse at the Bełchatów site in Poland amounted to EUR 364 thousand.

Other than that, there were no material effects on the financial and earnings position of Semperit in connection with pollution. Further disclosures on the provision for pollution can be found in the consolidated financial statements, section 7.2 Other provisions.

ESRS E5 Resource use and circular economy

The most efficient use of materials along the value chain and targeted waste and scrap prevention are important control variables for future-oriented sustainable production. In the scope of circular economy, it is important to optimize material flows inside and outside the company and to reuse and recycle materials and products where possible. Systematic waste management and careful separation and documentation of the various residual and waste materials are a condition for this. The company is tackling material use and waste and recycling management in several areas in order to move steadily closer to its goal of closed material and product cycles. The following disclosures explain in detail how Semperit manages the impacts, risks and opportunities in the area of circular economy.

Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target	Key measure (implemented or continued in the reporting year)
Resource inflows, including resource use	Upstream value chain, own operations	4, 5, 6, 7, 10, 12	A	S, M, L	(#13) Contributing to the reduction of global demand for primary resources by substituting them with alternative sustainable raw materials (e.g. biological or recycled raw materials), which ultimately leads to an increased demand for alternative raw materials in the rubber market and thus supports the expansion of circular approaches within the industry.			(#14) Potential long-term cost savings through the application of circular economy principles (longevity, durability, reparability of materials and products) through maintenance and by optimizing the product life cycle. Focus on state-of-the-art technology in new business opportunities and acquisitions.	-	Circularity Initiative – cross-divisional program focusing, among other things, on scaling recycled and biological materials in Semperit products. Special product lines with extended lifespans, such as conveyor belts with increased resistance
	Upstream value chain	6, 7, 12	A	S, M, L		(#15) The extraction and production of chemical and industrial primary materials in general contributes to the depletion of natural resources and increases environmental impacts (land, deforestation, air and water pollution).		(#16) Reducing the cost of raw material procurement through material efficiency or elimination and efficient product and process design.	75% coverage of expenses to suppliers certified with EcoVadis by 2030	Supply chain due diligence through business partner checks and ESG assessments by EcoVadis and TfS with a focus on quality, sustainability and regulatory compliance
	Own operations	4, 5, 6		L			(#17) Higher operating and investment costs due to increased material procurement costs as a result of potential geopolitical conflicts and climate change restrictions (transition risk).		-	Supplier diversification across regions and countries; Supply chain due diligence through business partner checks

Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target	Key measure (implemented or continued in the reporting year)
Resource outflows related to products and services	Upstream value chain, own operations, downstream value chain	4, 5, 6, 7, 10, 12	A	M, L	(#18) The use of circular materials, the development of circular products and the emphasis on their advantages for the environment and customers in industrial markets create the need for new circular supply chains and solutions that would not exist otherwise.			(#19) Focus on waste and end-of-life recycling, which requires innovative circular solutions, offers new business opportunities, e.g. for shredded or devulcanized rubber products.	-	Circularity Initiative – cross-cutting program that focuses, among other things, on the circularity of materials and products, such as material reuse and recovery with reintroduction into the production process.
	Own operations, downstream value chain	5, 6		L			(#20) Changes in customer demand and preferences towards sustainable production and products with a focus on a circular economy might lead to a loss of customer trust if not implemented (transition risk).		-	Circularity Initiative – cross-divisional program that focuses, among other things, on the structured analysis of customer demand and competitors' initiatives on circular solutions.
Waste	Own operations, downstream value chain	5, 6, 8	A	S, M, L		(#21) Waste generated in production and the downstream value chain ends up in landfills or is incinerated in some markets, contributing to GHG emissions (downstream Scope 3 emissions).	(#22) Stricter regulations or increased costs in relation to waste disposal from own production processes, particularly from single-use plastic consumption (transition risk).		-7% waste per product unit by 2030 (base year: 2023)	Operational excellence initiatives to reduce waste; Circularity Initiative – cross-divisional program focusing, among other things, on the reuse and recycling of waste materials, external recovery of rubber waste that cannot be prevented or reduced, and on building appropriate supply chains with collaborators and customers; Product carbon footprint for products containing recycled and other sustainable raw materials
	Own operations, downstream value chain	4, 5, 6	P	M, L	(#23) Reducing process waste at Semperit and, where this is not possible, converting excess material that would otherwise be disposed of into recycled materials leads to the establishment of new business models in the long term (creation of new recycling markets in collaboration with business partners and customers) and thus contributes to the growth of the circular economy in the rubber industry.			(#24) Potential cost savings from opportunities to recycle and reuse waste instead of paying for waste disposal.		
	Own operations, downstream value chain	5, 12		M, L			(#25) Stricter rules for recycling scrap and waste, especially for shredded rubber (transitional risk).			

[1] See overview of Semperit stakeholders in section ESRS 2 under SBM-2

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

The impacts, risks and opportunities associated with resource use and circular economy (IROs #13-25) are defined in the Resource Management Policy and are also embedded in the HSEQ and Innovation Policy. Semperit continuously analyzes and improves processes to ensure that materials are used in a resource-efficient manner. The waste reduction target of 7% by 2030 (for more disclosures see section E5 under E5-3) relates to IROs #21-24 and is in line with the principles of waste management according to the EU Waste Framework Directive, in that the avoidance of waste is prioritized over waste treatment (recycling). This reduction target is also anchored as a performance parameter in variable remuneration. If production waste cannot be avoided, Semperit works on ways to recycle it internally or externally. Wherever possible and economically viable, Semperit buys and uses biological, recycled and recyclable materials and follows the principles of the circular economy, including long durability, reusability and reparability of products. However, the replacement of primary raw materials with more sustainable alternatives mentioned above is only partially possible for some Semperit products but not for others. For example, there are still no substitutes for primary silicone for the products of the Rico Group.

While to date, excess vulcanized materials from in-house production have been used as raw materials for recycling (Post-Production Recycling; PPR), production waste from other elastomer producers and customers (Post-Industrial Recycling; PIR), as well as products that have reached the end of their life cycle (Post-Consumer Recycling; PCR), could also be recycled in the future. Semperit's Circularity Initiative focuses on production waste, but also on the recyclability of products after their use phase and thus covers all the main IROs of the circular economy and numerous areas and departments of the Semperit Group. Semperit's business-to-business model poses a challenge in this regard, since the company primarily manufactures product components and thus has no direct contact with the end customers of the finished products. Therefore, reverse logistics of end-of-life products currently still poses too great an organizational, logistical and financial hurdle for end-of-life recycling.

Disclosure Requirement E5-2 – Actions and resources in relation to resource use and circular economy

The research and development teams (R&D teams) play a central role in driving the circular economy at Semperit across all divisions. They continuously work on the development of innovative and circular materials and products as well as on the improvement of manufacturing processes. The central R&D department, which is mainly located at the R&D center in Wimpassing, is involved in basic research projects, material development, central process development and the management of Group-wide development activities. At the business unit level, the decentralized R&D teams examine recyclability and product and process optimization along the circularity principles of the nine "Rs": "Refuse, Rethink, Reduce, Reuse, Repair, Refurbish, Remanufacture and Repurpose, Recycle". The applicability varies depending on the product and process and therefore cannot be generalized for all areas of the Semperit Group. This requires close cooperation with customers, which is ensured by the product and process development teams of the different business units. In addition to the one in Wimpassing, Semperit operates seven other research sites. Most production sites also have local laboratories.

In addition to traditional research and development work, Semperit places a particular focus on the Group-wide innovation program. This aims to ensure transparency throughout the entire process, from the creation of a recycling idea to its development and market launch. The goal is to effectively evaluate the entire idea and project portfolio in terms of the impacts, risks and opportunities of the circular economy and to manage it in line with financial and non-financial targets.

Elastomer materials are continuously being further developed to meet market and customer requirements. In addition to the familiar and approved ones, new, more environmentally friendly, recycled and recyclable raw materials are also used. Close cooperation between the Purchasing, Research & Development departments and Production aims to identify, procure and test new raw materials and integrate them into production. Changing the scope as well as new findings are passed on in a timely manner to ensure predictability along the entire value chain, from selecting raw materials to availability and materials use.

Semperit uses the following measures and means to manage the above-mentioned impacts, risks and opportunities (IROs #13-25) in order to promote the economical and sustainable use of resources and a circular economy within and outside the company:

Waste reduction, material efficiency and resource conservation (Production areas of the Businesses, R&D, HSEQ)

By optimizing production processes and developing new products, resource efficiency should be continuously increased, and the amount of waste reduced. The following measures, among others, contribute to this: the Circularity Initiative described below, the use of recycled polyamide and steel scrap to manufacture hoses and fabrics, the calculation of the carbon footprint for a large proportion of the products and the development of products that consist of up to 50% more sustainable raw materials than before.

Circularity Initiative (R&D, ESG, HSEQ, Businesses, customers, suppliers and other business partners)

As part of this project, a cross-divisional team from various departments and specialist areas has been working on the effective implementation of circularity measures since 2024. The initiatives extend beyond the company's own business activities into the upstream and downstream value chain. The following steps are continuously analyzed:

- Development, production and use of sustainable and circular raw materials and products
- Solutions for internal and external recycling of waste and by-products
- Reuse of granulated materials in new products
- Ongoing market and competition analyses on circular raw materials and solutions

One of these circularity measures is described in more detail in the section “E5-5 Products and materials: in-process recycling”.

Development of recyclable raw materials and phase-out of primary raw materials (R&D with Businesses, Procurement, suppliers)
The raw materials laboratory examines new, more sustainable materials and tests their applicability for Semperit products. Examples of this are the research and development work on the use of biological elastomers and the use of natural rubber, the proportion of which has been increased in the past two years, particularly in conveyor belts, hoses and molded parts. Semperit is increasingly focusing on the use of secondary (recycled) resources, such as material based on recycled synthetic rubber and recovered carbon black, as well as rubber powder from scrap tires. The proportions of reclaimed rubber, recycled carbon black and powdered rubber were successfully increased in parts of products from the SIA and SEA divisions in 2024.

Sustainable procurement and use of renewable resources (Procurement, ESG, suppliers, customers)
Attention is paid to the use of biological elastomers and natural rubbers that come from sources that meet ecological and social criteria, such as the requirements of the EU Deforestation Regulation (EUDR). In general, Semperit promotes sustainability in the raw material supply chain by asking suppliers to undergo an EcoVadis rating. The quantitative target for 2030 is: 75% of expenditure covered by EcoVadis-certified suppliers (see E5-3).

Circular process and product development (R&D with Businesses, Innovation)
Together with customers, Semperit optimizes circular production processes and develops new products according to the principles of the circular economy. Calculating the carbon footprint of most products helps to determine whether secondary raw materials are suited to reduce greenhouse gas emissions compared to primary raw materials. Another measure is cross-departmental workshops to develop ideas for a more effective use of resources and closing material loops within the company and in the upstream and downstream value chain.

Reducing potential or actual negative ecological impacts during the use phase is an important starting point. Here, the aim is to achieve more efficient use and a longer service life through lower product weight, improved design and optimized material properties, and thus to reduce environmental pollution (e.g. rubber abrasion and release of microparticles) during the use phase of the products. One best practice example from the rail superstructure is an angled polyamide guide plate for fixing the sleeper to the rail. Material consumption was reduced by 25% while maintaining the same functionality.

Avoiding and replacing harmful substances (R&D, Procurement)
Semperit focuses on developing materials that are free of harmful substances and on reducing environmental pollution by using more environmentally friendly alternatives. Since 2020, two products in the area of sealing profiles have been evaluated according to the criteria of the material health category of the Cradle to Cradle Certified™ product standard and awarded a Gold-level Material Health Certificate. This means that the product design and manufacturing are declared as sustainable, the materials of these products do not contain any harmful chemicals and protect health and the environment (see also section E2 Pollution).

Partnerships and cooperation with stakeholders for sustainable and circular material and product development (R&D, Procurement, ESG, HSEQ, Businesses)
Semperit relies on close cooperation with customers and suppliers in research and development in order to meet their wishes and requirements in the best possible and most timely manner. In addition, the company is continuously working on expanding its product portfolio to offer more environmentally friendly and competitive products. Ecological advantages include low material consumption in production and thus lower weight in the application as well as reduced energy consumption during operation by the end customer. Key factors include cooperation with universities and consultations with external experts on recycling research, product and waste classification, and regular exchange with the Wirtschaftsverband der deutschen Kautschukindustrie (Association of German Rubber Manufacturing Industry), the Deutsches Institut für Kautschuktechnologie (German Institute for Rubber Technology), official state government agencies, the Industriellenvereinigung (Federation of Austrian Industries) or the Wirtschaftskammer (Austrian Economic Chamber). To take

advantage of the opportunities offered by the circular economy, intensive cooperation with external partners and customers is needed to reduce organizational and financial risks.

In the reporting year, following milestones were achieved with the help of these measures, which are of great importance for the Semperit Group's raw material portfolio, which was originally perceived as non-renewable and non-replaceable:

- **31 raw materials classified as sustainable (= biological or recycled) in use:**
  - 5 types of natural rubber,
  - 3 types of reclaimed rubber (rubber renewed by devulcanization),
  - 1 rubber powder,
  - 2 types of recovered carbon black (rCB, recycled from tire pyrolysis),
  - 14 sustainable plasticizers,
  - 2 types of zinc oxide (recycled),
  - 1 activator, 1 release agent, 1 internally recycled oil and 1 internally recycled filter material
- **13 additional sustainable raw materials are being tested**: 3 new sustainable polymers, 1 rCB, 1 reclaimed rubber, 3 reclaims from Semperit products (from post-production surplus material), 3 new biological fillers, 1 activating agent made from stearic acid
- **95 sustainable raw materials have already undergone laboratory tests:** 2 polymers, 56 types of reclaimed rubber, 1 type of carbon black, 21 types of recycled carbon black, 5 fillers, 9 plasticizers and 1 activator that are more sustainable (= biobased or recycled) than primary raw materials
- **Business relationships with 42 suppliers** of these sustainable raw materials have been established
- **Cooperation with eight recycling partners** for processing of vulcanized material and products at the end of its lifecycle

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

Semperit's circular economy targets relate to the efficient use of primary raw materials (IROs #21-24) and to the increased use of sustainable and secondary raw materials that have been screened according to ESG criteria (IROs #13-20, 25). If excess material and waste cannot be avoided, Semperit works on possibilities to process or recycle them internally or externally. At present, Semperit is not aiming for a quantitative and scheduled target for a transition to or an increase in the share of secondary materials in products. The recycling rate of elastomers as a material is significantly lower than that of steel, glass, paper or cardboard. In general, secondary raw materials can be used if they meet the desired material and product properties of the end product. However, not every raw material in the rubber compound can be replaced by a secondary raw material, since a change in the recipe affects both product and process-related properties. Therefore, Semperit is currently working intensively on new formulations and processes as part of the Circularity Initiative in order to increase the proportion of internally recycled materials and externally purchased secondary raw materials in its products (see disclosures under E5-2 and related key figures under E5-5).

7% waste reduction by 2030, relative to units produced (IROs #21-24)

As defined in the Management of Resources policy and anchored in the HSEQ and Innovation Policy, Semperit continuously analyzes and improves processes to minimize material waste. Since January 1, 2024, Semperit has been striving to reduce the relative waste volume by 7% until 2030, which implies an annual reduction of 1%. There are no further published interim targets.

Target	Interim targets	Base year	Base value	Period	Target achievement in the reporting year
7% waste reduction per good product[1] by 2030	1% waste reduction per good product[1] per year	2023	0.094 kg per good product[1]	01/01/2024 to 12/31/2030	9.1% waste reduction per good product[1] compared to 2023

[1] Good product is a unit of output that has been produced during the reporting period and marketed or stored for future sale.

Performance in relation to the waste reduction target is measured monthly at the site level and reported to the central HSEQ team. Target achievement in the respective month is reported to all areas of the organization in order to efficiently manage progress and, if necessary, take corrective action in a timely manner. The annual target achievement at the Group level is one of the ESG performance parameters for the variable remuneration of Executive Board members and those employees who fall under the Group Bonus Policy (for more disclosures see ESRS 2 GOV-3).

Internal experts were involved at site level in status quo and reduction potential analysis on which the targets are based. At Group level, various internal and external stakeholders such as the HSEQ and ESG teams, external consultants, the Executive Board and the Supervisory Board were involved.

The waste reduction target promotes collection, internal reuse and industrial processing of materials that would otherwise be disposed of as waste, as well as the reintegration of recovered outputs, known for example as semi-finished products (materials that have already passed through one or more processing stages and are needed as a basis for the manufacture of finished products), into the production processes. Furthermore, products that contain reprocessed secondary raw materials instead of primary raw materials usually have a smaller carbon footprint. This reduces Semperit's corporate carbon footprint and the Scope 3 emissions of its customers. No ecological thresholds, scientific validation or company-specific distribution were considered when setting the target. The target set is voluntary and not subject to any mandatory legal requirements. All production sites are equally obliged to reduce their waste volume per good product by 7% by 2030, i.e. by 1% per year.

Supporting measurable target in the supply chain:

75% of expenditure covered by EcoVadis-certified suppliers (IROs #15-16, 47)

By 2030, suppliers of at least 75% of expenditure for raw materials and other goods and services should be audited for compliance with ESG criteria and standards using EcoVadis. EcoVadis examines, among other things, company's concepts, measures, targets and progress in relation to circular product design and materials, minimization of primary raw materials and waste management. Semperit specifies which rating result its suppliers should achieve to ensure that they support circular economy and other material topics with a minimum of resource allocation and strategic importance that is acceptable to Semperit. Semperit encourages suppliers who fall below the threshold of 45 out of a maximum of 100 points to take measures for improvement. If necessary, Semperit will also support them in doing so. In 2024, direct material suppliers of the Rico Group were integrated into this target.

Target	Interim targets	Base year	Base value	Period	Target achievement in the reporting year
75% of expenditure covered by EcoVadis-certified suppliers by 2030	2024: 45% 2025: 50% 2026: 55% 2027: 60% 2028: 65% 2029: 70%	2023	42% of expenditure covered by EcoVadis-certified suppliers by 2030	01/01/2024 to 12/31/2030	47% of expenditure covered by EcoVadis-certified suppliers (+7 PP above the starting value in 2023, 2 PP above the interim target in 2024)

The assessment of suppliers is monitored annually and is an important milestone for the organization. The margins of SAG's bank financing taken up in the 2023 financial year are linked to the leverage ratio and ESG performance criteria, including the target set out above. Beyond that, there are no intermediate targets.

At the Group level, various internal and external stakeholders, such as employees in the Procurement department, the ESG and Treasury team, the financing banks and the Executive Board, were involved in assessing the materiality of these topics and the overarching level of ambition in the supply chain. No ecological thresholds, scientific validation or company-specific divisions were used when defining the target. The targets set are voluntary and not subject to any mandatory legal requirements.

Disclosure Requirement E5-4 – Resource inflows

Semperit uses various raw materials to manufacture its elastomer products such as belts, hoses, and seals. The main components are natural and synthetic rubber, liquid silicone, fillers (e.g. carbon black, silica, chalk, kaolin, etc.), plasticizers, chemicals and various reinforcing materials (steel, textiles, etc.). Many of the products manufactured by Semperit are composites which, in addition to the elastomer, also contain reinforcing materials such as steel cables or wires, yarns, or fabrics. The share of processing aids and materials of packaging used to ship purchased materials to Semperit is low compared to the product materials. That is why Semperit focuses its reporting of resource inflows on the consumption of product-related raw materials and reinforcing materials. The packaging-related information on the following pages therefore only concerns packaging Semperit uses for transporting finished products to its customers.

In terms of quantity, the largest share of resource inflows in Semperit's production process is accounted for rubber polymer and fillers (carbon blacks or light-colored fillers) as well as plasticizers. Semperit does not use any critical raw materials or rare earths. In addition, various direct and indirect goods and services are purchased from third-party providers, including energy, water, packaging material for product transport, upstream and downstream transport services for freight and passenger transport (business trips), machinery, warehouse equipment, office furniture, hardware and software, consulting and maintenance, and other services.

In principle, secondary raw materials can be used if allowed by the desired material and product properties of the end product. However, not every raw material of the rubber compound can be substituted by a secondary raw material since a change in the formulation quickly affects process-related properties. Furnace carbon black (industrial carbon black), for example, is standardized. Therefore, a carbon black type from manufacturer A can be replaced relatively easily by the same type from manufacturer B without significantly changing the process properties. For raw materials that do not comply with any standard (such as recycled carbon black), all subsequent process steps (formulations, process parameters, machine settings) must be brought into line with the respective material properties. The use of recycled rubber (reclaimed rubber) or recovered carbon black as well as the use of recycled chemicals or reinforcing agents are central research topics for Semperit. The company also uses recycled materials in the production of plastic products. As part of the Circularity Initiative, Semperit has gradually increased the proportion of reclaimed rubber, recovered carbon black and rubber powder in its products in 2024. In addition to using its own reprocessed production waste and excess material, Semperit also purchases a considerable amount of recycled raw materials from suppliers, some of which are made from waste and by-products. The following table shows purchased and used quantities of raw materials for 2024.

Resource inflows	**2024**	
	t	**%**
Overall total weight of products and technical and biological materials	118,697	
Biological materials	16,084	13.6%
Reused/recycled materials (including packaging)	7,550	6.4%

Data on resource inflows includes raw materials for compounds and reinforcing materials as well as packaging materials used for product packaging. Semperit does not include any inflow of consumables, spare parts and components in the key figures shown above, as these materials are not purchased by weight. Furthermore, these inflows are not material in monetary terms or in terms of their impact on the environment compared to material consumption.

Selected resource inflows are raw materials with a material sustainability aspect that were used to manufacture products in the reporting year and classified based on the following properties:

- **Biological resources** – Materials that consist of substances derived from living or formerly living organisms and are usually renewable, such as natural rubber, wood, etc., are often, but not always, biodegradable. Example: a plasticizer with a 5% vegetable oil content is a 5% biobased material.
- **Reused resources** – Reusing raw materials involves the reuse of products and by-products that are not waste for their originally intended purpose, without leaving the company's production. This may require cleaning or minor adjustments so that they are ready for the next use without significant changes. Example: IBC containers used to store liquids or other substances.
- **Recycled resources** – Waste and by-products that are reprocessed into products, materials, packaging or other substances for their original or other purpose through recovery processes. This includes the reprocessing of organic material but does not include energy recovery and reprocessing into materials to be used as fuels or fillers. Example: recycled plastic foil.

Examples of secondary raw materials and recycled materials from waste and by-products that were used in the reporting year:

- **Recovered carbon black** – The pyrolysis of scrap tires produces a solid carbon residue that can replace or supplement the primary raw material carbon black as a core component in certain technical applications. Limited availability, higher costs, and process- and product-specific requirements still limit its use.
- **Reprocessed rubber** – These are elastomers that are recovered from waste and excess materials from the production of polymer manufacturers and reprocessed to achieve the same or similar usability as synthetic rubber.
- **Reclaimed rubber** – This is a material that is produced from vulcanized rubber through a reprocessing procedure. During this process, the molecular bridges of the rubber that were created during vulcanization are partially or completely broken, allowing the material to return to a flexible form and be used to create new compounds.
- **Rubber powder** – This is obtained from vulcanized material, such as used tires, excess materials from production or by-products. In the process, non-rubber components such as fibers and wires are removed, the rubber is cleaned and ground into crumbs, which are then added to the mixture for the production of rubber sheets, for example.
- **Zinc oxide from zinc waste** – Zinc slag is a by-product of the galvanization process. The slag is regularly removed to maintain the quality of the galvanic coating, but it can also be used as a starting material for zinc oxide, which Semperit purchases instead of primary material.
- **Recycled polyamide**
- **Hose wire from steel scrap**

In total, 19% of more than 118,000 tons of raw materials used, including packaging, were classified as sustainable in 2024 (including raw materials for surgical gloves until June 2024). Meaning that a total of more than 23,600 tons of recycled raw materials or raw materials of (partially) biological origin were used at Semperit sites.

The data from internal systems and databases form the general basis for calculating the key figures. Group companies that have direct system access transfer incoming goods data daily, including information on the material number, material designation, suppliers, quantity and the respective base unit. All other sites that purchase raw materials provide their purchasing data monthly, which are integrated into the Group's databases.

The above-mentioned material properties "biological", "reused" and "recycled" are maintained in mapping tables. This is done either at the material number level in combination with the supplier number or at the material group level. All raw materials of the main material groups (rubber, carbon black, white fillers, oils, reinforcing materials) were classified accordingly during the transition to the ESRS in 2024. Material groups with a low mass, such as some chemicals, were only classified from a threshold of 50 tons used per year and none were otherwise assigned to this category. The data in the database on the quantities supplied are compared with the information from the mapping table to derive the relevant quantities for the respective ESRS data points.

When matching the data with the above-mentioned mapping tables, each data set can only be assigned to one mapping table. This avoids the duplication of data sets. Finally, a comparison of the quantities from the database before and after mapping is carried out.

Disclosure Requirement E5-5 – Resource outflows

Products and materials

Semperit manufactures quality products made of natural and synthetic rubber and silicone. Semperit hydraulic hoses produced by the SIA division are used in mechanical engineering, mining and plant construction, as well as in agricultural engineering. Industrial hoses produced by the SEA division, which are used in construction, chemical and food industries, among others, ensure safe transport of materials. The SIA division also supplies seals for windows and doors, facades, glazing seals, pipe insulation, EPDM seals and special seals.

The Form unit of the SEA division is a leading manufacturer of molded and extruded polymer and plastic products, such as escalator handrails, mountain applications (ski and snowboard foils, cable car rings and rail tapes or drive belts for snow groomers) and elastomer plates, as well as customized solutions with sealing or insulating functions. These include rail pads for railway superstructures, various pipe seals and large membranes that are used worldwide in filtration presses, for example. The conveyor belts also produced in the SEA division range from textile belts to steel cord belts for highly efficient transportation even under extreme conditions, which are used in mining, steel industry, cement industry, power plants, bulk cargo handling terminals and in many other areas. The Rico Group's SEA sites focus on tool manufacturing and the production of precision parts made of liquid silicone and offer customized complete solutions for healthcare, mobility, food, industry, consumer goods and household appliances, and sanitation sectors. For more disclosures on Semperit's value chain, business model and outputs, see the ESRS2, SBM-1.

Circularity of Semperit products: durability, reparability, recyclability

Division	Representative product groups	Average expected product durability	Expected durability compared to industry average
SIA	Profiles	Up to 30 years, depending on the application	100% durability compared to the industry average
	Hydraulic hoses	Up to 10 years	100% durability compared to the industry average
	Industrial hoses	Up to 10 years, depending on the application	100% durability compared to the industry average
SEA	Textile-reinforced conveyor belts	Up to 10 years, depending on the application	>100% compared to industry average (longer durability than average comparable product)
	Steel-reinforced conveyor belts	Up to 20 years, depending on the application	>100% compared to industry average (longer durability than average comparable product)
	Elastomer sheeting	Up to 10 years, depending on the application	100% durability compared to the industry average
	Handrails	Up to 10 years, depending on the application	>100% compared to industry average (longer durability than average comparable product)
	Cable car rings	Up to 10 years, depending on the application	>100% compared to industry average (longer durability than average comparable product)
	Products for railway transportation	Up to 40 years, depending on the application	100% durability compared to the industry average
	Silicone products of the Rico Group	From single use to more than 20 years	>100% durability compared to the industry average. The components are designed to last longer than the product they are used for.

The information presented in the table above regarding durability, reparability and recyclability of Semperit products is based on ongoing research, product comparison tests and customer feedback and is at or above the average of comparable products available on the market. The data and empirical values are continuously collected and represent estimated information without direct measurements for each product group in the most common, average product application.

Reparability and recyclability of Semperit products depend on their type and application. Most of the products are components that are built into system solutions and are usually replaced completely when damaged or at the end of their life cycle (e.g. window and door profiles, industrial hoses, cable car rings and ski foils). The replaced products are currently either recycled or incinerated with or without energy recovery. It cannot be completely ruled out that products are landfilled in some countries where local legislation still allows it. For some products, limited partial repair is possible if damage occurs during the product's lifetime (e.g. handrails and some steel conveyor belts). Hydraulic hoses must not be repaired and must be replaced due to the safety risk (as specified by DIN20066/ISO8331). In general, Semperit products are currently rarely repaired or sent for post-consumer recycling. Certain product parts are basically almost 100% recyclable (e.g. steel reinforcement). Other product parts (e.g. vulcanized elastomers) are currently not recycled due to a lack of technical solutions.

%	**2024**
Recyclable content in packaging	95.0%

Finished products are packaged according to their properties and customer specifications. The most important packaging materials are cardboard, wood and plastic, which are generally recyclable. The figure of 95% is an assumption, as the company has no information about the recyclability of packaging purchased from third parties or about the actual treatment of the packaging at the end of its life cycle.

Material reuse and recycling

Furthermore, by-products are generated in Semperit's production, i.e. materials that are not sold as primary products but are supplied to third-party customers to be used for other purposes or to be processed by various methods such as grinding or granulating and then reused as material. The output material is partly reused by Semperit or sold for reuse to third parties on the industrial market. For example, Semperit uses reclaimed rubber from its own vulcanized products, but also from scrap tires. In addition, discarded vulcanized and non-vulcanized silicone is used by Rico as a raw material for the production of silicone oil. Further disclosures on by-products can be found in section E5 under E5-4 Resource inflows and E5-5 Waste.

In rubber production, the recycling of waste, semi-finished products and products after the end of their life cycle is generally still limited. Compounds that have already been processed can either be reused directly or, if the rubber has already been vulcanized, only after thermal, chemical or mechanical processing, depending on the production step. Therefore, the global recycling rate of rubber is significantly lower than that of steel, glass, paper or cardboard, for example.

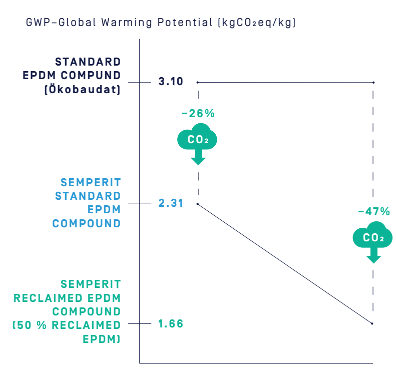
Through intensive research and in cooperation with external recycling partners, Semperit has succeeded in making even the vulcanized residual materials that accumulate during operation usable as secondary raw materials. As a result, Semperit has been able to manufacture products that consist of up to 70% recycled vulcanized waste from its own profile production for about two years. In doing so, the company helps to close the recycling gap for industrial rubber. During the reporting period, Semperit succeeded in reusing or recycling 85 tons of material with the help of third parties and an additional 1,349 tons internally, which would otherwise have been declared as waste and disposed of.

Material reuse, processing and recycling

t	2024
Circular waste (from external recyclers)	85
Circular waste (internally processed and recycled)	1,349

The process of cross-linking during vulcanization, which generates an insoluble and non-deformable elastomer from the rubber mixture, is reversed with the help of an external recycling partner, as is the case when recycling production waste. The bridges formed during cross-linking are split, and a deformable, soluble rubber mixture is created. The newly obtained raw material can be reused in a new EPDM mixture to varying degrees, depending on the product.

A Semperit sealing profile made of an EPDM compound with a 50% recycled content has a 47% lower product carbon footprint (PCF) than comparable conventional profiles (source: Ökobaudat). Compared to Semperit's standard profile, the PCF is 26% lower. Semperit is currently evaluating the application of this method of regeneration to its customers' post-industrial products as well as post-consumer articles. In this way, Semperit not only contributes to the circular economy through in-process recycling, but also to decarbonization.



Waste

As explained under E5-2 and anchored in the Management of Resources, Innovation and HSEQ Policies, Semperit continuously analyzes and improves processes to minimize waste. If excess material cannot be avoided, Semperit works on ways to recycle it internally or externally. Systematic waste management and continuous improvement of waste separation and documentation of the various residual and waste materials are prerequisites for that. The site managers and the technical division managers are responsible for controlling various production parameters in order to increase material efficiency and waste prevention. Through the use of various improvement programs and operational excellence activities, the use of materials can be optimized and waste and scrap reduced.

Waste management is part of the Group-wide environmental management system, which is ISO 14001 certified and based on a due diligence assessment of environmental risks. All relevant waste and scrap key figures are reported to the central HSEQ department and included in the monthly production reports to enable the control for achieving the waste reduction target of 7% by 2030 (measured against 2023). Further disclosures on strategy and objectives in the area of waste can be found in section E5-3. The decision-makers in production areas analyze data and derive improvement measures based on it.

The key figures also include waste generated by test runs during the development of new materials and products. All waste that leaves the factory premises is collected by certified and approved waste disposal companies and properly recycled or disposed of. Currently, most rubber waste is recycled energetically (incinerated), which is unsatisfactory in terms of efforts to promote recycling, circularity and climate change mitigation (reduction of Scope 3 emissions). As part of the Circularity Initiative, Semperit has initiated several measures that contribute to an increased return of vulcanized and unvulcanized rubber waste to the production process. Further disclosures on the use of opportunities offered by the circular economy through recycled materials and the development of recyclable products can be found in sections E5-4 Resource inflows and E5-5 Resource outflows.

Waste diverted from disposal

	Hazardous waste
t	**2024**
Preparation for reuse	0
Recycling	170
Other recovery operations	234
Hazardous waste diverted from disposal	**404**

	Non-hazardous waste
t	**2024**
Preparation for reuse	0
Recycling	5,806
Other recovery operations	3,430
Non Hazardous waste diverted from disposal	**9,237**

Waste directed to disposal

	Hazardous waste
t	**2024**
Incineration	438
Landfilling	18
Other disposal operations	0
Hazardous waste directed to disposal	**456**

	Non-hazardous waste
t	**2024**
Incineration	1,042
Landfilling	1,961
Other disposal operations	0
Non-Hazardous waste directed to disposal	**3,003**

Non-recycled waste

t	2024
Non-recycled waste	7,123
Proportion of non-recycled waste	54%

Total waste

t	2024
Total amount of non-hazardous waste	**12,239**
Total amount of hazardous waste	**860**
Total waste generated	**13,100**
Special occurrence waste	**151**
Total waste generated incl. special occurrence waste	**13,251**

Semperit waste consists of rubber, silicone and plastic waste, paper, cardboard, plastics and foils, metal, wood, construction waste, electronics as well as hazardous chemical waste and used oil. Waste resulting from special occurrences (special occurrence waste), for example from the demolition of a building or the disposal of machines, is reported separately and is not included in hazardous or non-hazardous waste. Unlike the other waste streams, this waste (151 tons in the reporting year 2024) is not directly related to Semperit's business model and operations and are therefore not included in the base value for the waste reduction target, which is geared to process efficiency.

The recycling quantities shown in the table above only include waste (hazardous and non-hazardous) that is directed to and recycled by disposal companies. The waste category "Other recovery operations" includes the energy recovery of hazardous and non-hazardous waste, e.g. the recovery of heat and the subsequent production of steam, hot water or electricity. Incinerated waste without energy recovery is included in the "Incineration" category. The waste management companies commissioned with the task organize the delivery of the waste to the above-mentioned recycling plants in compliance with legal requirements.

In addition to production-related waste streams, packaging also contributes to the reported total waste. These are on the one hand, the transport packaging in which raw materials and other goods are delivered to Semperit, and on the other hand, packaging of Semperit products used for transport to its customers. Depending on the product and the customer relationship, Semperit takes some of the packaging back. Semperit has only limited influence on the selection of packaging that arises in the course of raw material deliveries, but in any case, it is separated, collected and, if possible, reused for packaging or other purposes or disposed of properly. For packaging of own finished products, Semperit uses as little and as environmentally friendly packaging as possible in order to keep the negative impact in the downstream value chain low. However, customers usually specify the packaging size and type, which can be very restrictive in some cases.

In the collection and evaluation of key figures, Semperit relies on its own direct measurements and on information from third parties, such as waste disposal companies, raw material and packaging suppliers, without having to resort to estimates. All criteria and calculation bases, including the requirements for special occurrence waste, are anchored in the internal policies in the quality management system.

Disclosure Requirement E5-6 – Anticipated financial effects from material resource use and circular economy-related risks and opportunities

Semperit omits the information on expected financial effects of the circular economy required by ESRS E5-6 that is not subject to mandatory disclosure in the first year of its sustainability reporting in 2024.

3. Social information

ESRS S1 Own workforce

Semperit’s employees make a significant contribution to the company’s success. Their commitment and entrepreneurial spirit enable the company to continuously develop and implement its corporate strategy with a focus on high-quality elastomer products and applications for industry. As an employer, Semperit, like many other companies, is confronted with personnel challenges resulting, for example, from demographic change, changing demands of applicants and employees or the development of wage costs. In order to offer employees an attractive and secure workplace in the long term and to be able to trust in their expertise, commitment and loyalty in return, Semperit relies on a modern, healthy and supportive corporate culture. Training and development opportunities, occupational health and safety activities, and diversity and inclusion are just a few of the areas for which Semperit implements action plans and continuous improvement measures. Optimizing working conditions for its own workforce, as described below, benefits both employees and the company.

Subtopic	Sub-Subtopic	Occurrence in	Affected stakeholder	Potential/actual	Time horizon:	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
Working conditions	Safe employment	Own operations	4, 5	P	S, M, L		(#26) Fear of layoffs during economic downturns can affect the emotional well-being of employees.			-	No employment without written agreement with fixed terms, working hours and times that comply with local laws; Flexible working time models (flexitime and part-time arrangements), remote work; Collective agreements Group Bonus Policy (STI, LTI); Benefits for the social or financial security of employees, such as accident or health insurance, contributions to pension schemes Regular quality management audits at all sites; Publicly accessible, anonymous whistleblowing hotline SemperLine
	Working hours		4	P	S, M		(#27) Overtime and irregular working hours can have a negative impact on the health and well-being of employees.				
	Adequate remuneration		4	A	S, M, L	(#28) Secure and adequate income increases employee satisfaction and motivation and ensures a decent standard of living for them.					
	Social dialog; Freedom of assembly, works councils, employees’ rights; Collective bargaining, workforce covered		4, 5	A	S, M, L	(#29) Active employee participation and representation through the works council promotes a fair, inclusive and safe working environment, which contributes to higher satisfaction, employee retention and general well-being.		(#30) Loss of revenue and operating losses due to possible strikes (transition risk).		-	

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
	Health protection and safety		4	P	M, L		(#31) Rising temperatures (due to climate change and extreme weather events) can lead to an increase in heat-related illnesses and negatively affect the general health and well-being of employees in the workplace if no adequate buildings and infrastructure are provided.	(#32) Increase in operating costs due to effects on employee health caused by rising temperatures (climate change) if no appropriate buildings and infrastructure are provided (physical risk).		-	
			4	P	S, M, L		(#33) Injuries (including temporary and permanent effects) and accidents, including fatal accidents can have a material impact on the individuals affected and their families, and can also affect the emotional well-being of others in the workplace.	(#34) Incidents or accidents that may occur when the company fails to follow safety regulations, e.g. operating instructions, occupational safety instructions, occupational safety obligations, may result in reputational damage and/or (financial) sanctions (physical risk).		8% reduction of the incident rate annually	"Safety first": daily production meetings always start with the topic of safety; Focused occupational safety campaigns such as "Focus on Safety Again!" in 2024; Designated safety officers at each site; Monthly reporting on unsafe actions and working conditions; Reduction of accident rate as one of the bonus-relevant KPIs in the Group Bonus Policy
Equal treatment and equal opportunities for all	Gender equality and equal pay for equal work	Own operations	4	P	S, M, L		(#35) Unaddressed gender discrimination and unequal pay in workplaces that lack inclusive, fair structures and defined processes could widen the gender pay gap and cause long-term economic disadvantage for individuals.			+0.5 PP overall increase of female ratio annually	D&I Global Council and D&I Local Councils – global and local focus groups of dedicated employees across organizational hierarchies, functions, sites and business areas, focusing on identifying and implementing D&I initiatives with a focus on gender, age, disability and cultural inclusion; Integration of the D&I target (quota of women) into the variable compensation system; Women International Network (kick-off Q1 2025) – a dedicated network initiative with a focus on inclusion, empowerment and inspiration of female colleagues in their daily work
			4	A	S, M, L	(#36) Proactively ensuring equal opportunities and justice for all, especially gender equality, improves the mental and emotional well-being of society. The vision is to make the industry attractive to employees of all genders and in particular to encourage women to study technical professions and pursue a career in technical fields.				+1 PP increase of female ratio in leadership annually +1 PP increase of female ratio in senior leadership annually	

Subtopic	Sub-Subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impact	Negative impact	Risk	Opportunity	Measurable target defined	Key measures (implemented or continued in the reporting period)
	Further training and skills development		4	A	S, M, L	(#37) Promoting the knowledge of employees and strengthening their attractiveness as employees in view of the complex requirements of the industrial labor market (e.g. digitalization, industrial and chemical expertise, etc.).				-	Wide range of mandatory and voluntary training: e-learning and classroom training for white-collar workers with a focus on compliance, sustainability and cybersecurity, on-the-job and classroom training for blue-collar workers with a focus on process knowledge and occupational safety
	Employment and inclusion of people with disabilities		4	A	S, M, L	(#38) Promoting knowledge and innovation through diversity of employees and inclusion of people with disabilities increases awareness. The different perspectives, experiences and abilities of a diverse workforce increase a team's creativity and problem-solving skills and create a more inclusive work environment for people with disabilities.				-	D&I Global Council and D&I Local Councils – global and local focus groups of dedicated employees across organizational hierarchies, functions, sites and business areas, focusing on identifying and implementing D&I initiatives with a focus on gender, age, disability and cultural inclusion; Integration of the D&I target (quota of women) into the variable compensation system; Women International Network (kick-off Q1 2025) – a dedicated network initiative with a focus on inclusion, empowerment and inspiration of female colleagues in their daily work
	Diversity		4	P	M, L		(#39) Creating a non-inclusive work culture that might contribute to lower morale among employees and potential future workers in the market, their lack of commitment and low work motivation by tolerating social inequalities, create systemic barriers and reduce opportunities for marginalized groups.			+0.5 PP overall increase of female ratio annually +1 PP increase of female ratio in leadership annually +1 PP increase of female ratio in senior leadership annually	
			4	A	M, L	(#40) Creating an inclusive workplace culture that contributes to increased employee satisfaction, commitment and job satisfaction also improves social equality, creative collaboration and innovation in the elastomer industry in general.			(#41) Competitive advantage through the attractiveness of the company as an employer thanks to the diversity and inclusion of the workforce. Different skills, perspectives and experiences are covered, which tends to make teams more efficient and productive.		

[1] See overview of Semperit stakeholders in section ESRS 2 under SBM-2

Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction of with strategy and business model

The identification and assessment of material impacts, risks and opportunities, as described in the ESRS 2 section under IRO-1, including those related to the company's own workforce and non-employee workers (IROs #26-41), are fundamentally linked to the strategy and business model. They are designed to ensure the long-term economic success of the Group, thus creating conditions for attractive, fair and secure jobs.

Semperit is committed to safeguarding high social and labor standards, and comprehensive measures are in place to ensure these standards. In Austria and other EU countries, where a large proportion of the employees are based and the ILO and OECD principles are fully implemented, high labor standards are guaranteed. As a manufacturing company, Semperit relies on employees who are willing to work shifts, including night and weekend shifts. Depending on the local labor market situation, foreign workers are also employed. Especially workers with a migration background who are recruited through unauthorized intermediaries face a risk of human rights violations in these countries. Therefore, Semperit works exclusively with state-approved partners for the placement and leasing of workers who comply with all labor law regulations in the host country. Conformity with Semperit standards is regularly checked in quality audits.

Potential risks from non-compliance with high social and labor standards include negative financial effects due to reputational damage, penalties or remediation measures.

Some of the IROs identified as material in the materiality analysis (e.g. health and occupational safety, IROs #31-34) have been anchored in the corporate strategy for years. The comprehensive examination of the employee-related impacts, risks and opportunities creates the basis for a more differentiated consideration and management of human resources in the corporate strategy. In principle, all employees and non-employee workers are affected by the company's impacts, although the impact may differ depending on the job in the company. Particular attention is paid to the health and safety impacts on employees in the production area.

Rising temperatures in connection with climate change (IROs #31-32) could lead to heat stress at the workplace in some sites if the infrastructure is inadequate, thus endangering the well-being and health of employees. Insufficient safety measures, particularly in production and warehouse logistics, might increase the likelihood of accidents and thus the risk of injury. Days of absence and long-term sick leave caused by accidents would pose financial risks for Semperit and damage the company's reputation, thus also causing negative financial effects. Investments in infrastructure and ventilation of production buildings, a strong focus on occupational safety and accident prevention, and optimization of workplaces, such as ergonomic workplaces, modern technologies and flexible working models, can significantly increase productivity and the well-being of employees.

The labor market and the demands of future employees are determined, among other things, by technological advances and demographic changes. Semperit must adapt to remain attractive to new talent, which requires a stronger focus on digital skills, lifelong learning, but also practiced inclusion and fairness (IROs #26-30, 35-43). A strong employer brand is crucial to attract and retain the best talent. In addition to attractive pay and benefits, corporate culture and values that align with those of employees are important factors that contribute to a decent standard of living and make Semperit an attractive employer. On the other hand, long working hours and excessive workloads can negatively impact the health and well-being of employees. In this case, the company may face financial sanctions or reputational damage.

In a rapidly changing world of work, job security is a major concern for many employees (IRO #26). Semperit supports transparent communication about corporate strategies and goals, internal mobility and retraining, as well as further education programs to promote the knowledge development and employability of employees (IRO #37). In addition, Semperit itself trains specialists at some sites. The Rico site in Thalheim (AT) has been dedicated to building internal know-how for many years with its own apprentice workshop. More than 40 apprentices are continuously trained in 9 different apprenticeships. In addition, employees with a high level of technical expertise train colleagues at the Rico Academy so that vacancies can be filled immediately and without loss of quality. Semperit is aware of the risks of missing or insufficient offers for further training and skills development. Discriminatory access to such offers could also lead to a lack of expertise and qualifications among the workforce (IROs #35-41). In such cases, there is a risk of losing those employees who are denied the offers and the associated career opportunities, which would have a negative impact on competitiveness.

Equal treatment and equal opportunities (IROs #35-41) for all employees is another important aspect of Semperit's sustainability strategy, which is reflected in numerous diversity and inclusion (D&I) measures. A diverse workforce contributes with different skills and experiences that lead to more efficient and productive teams. A diverse team provides different perspectives and ideas, leading to more innovative solutions and better decision-making. Discriminatory practices, on the other hand, would have immediate and long-term disadvantages for the employees affected and ultimately for the company as well, which is why Semperit is strongly committed to equal treatment and opportunities. The company could face penalties and reputational damage. Diversity and inclusion are therefore not only ethically important, but also beneficial for business.

Semperit places particular emphasis on offering all employees fair working conditions (IROs #28-30). Promoting social dialog and involving employee representatives ensures that the interests of employees are taken into account and their rights are protected. This contributes to job security and a fair working environment. Adequate remuneration ensures employees' livelihoods and promotes their satisfaction. However, if employee rights are not respected, this has potentially negative effects on employees. The company then faces the risk of reputational damage and financial sanctions. Due to the inflation trend in Europe and the related pressure for higher wage agreements, the risk of strikes has increased. At the European level, industrial unrest became more frequent, and in some cases, there were also temporary production shutdowns at individual Semperit sites, for example in Poland or Germany. While a strike was avoided in Poland during the reporting period, there were some smaller warning strikes at a site in Germany. Semperit is committed to aligning wage increases under collective agreements with the current economic situation as well as possible and to paying its employees fairly and equitably. The clear focus is on maintaining competitiveness in order to avoid endangering existing jobs.

The following disclosures describe the way in which these and other social impacts, risks and opportunities (IROs #26-41) are handled.

Disclosure Requirement S1-1 – Policies related to own workforce

Social responsibility towards employees is not only an integral part of the sustainability strategy but is also reflected in several policies and voluntary commitments of Semperit. The most important corporate policies for managing employee-related IROs include:
- HSEQ Policy (IROs #31-34)
- People Policy (IROs #26-41)
- Group Compensation and Benefits Policy (IROs #27-30)
- Group Employment Guidelines (IROs #26-28, 35-41) and
- Group Recruitment Policy (IROs #26-28, 35-41)
- Code of Conduct (IROs #26-41, 45-49)

These policies stipulate Semperit's normative values and specific requirements with regard to its own employees. The obligation to respect human rights and zero tolerance of child labor, forced labor or any other kind of exploitation are explicitly addressed in the Code of Conduct, the People Policy and the Employment Guidelines. For example, the Code of Conduct requires all business activities to be carried out in accordance with the UN Guiding Principles on Business and Human Rights, the core labor standards of the International Labour Organization (ILO) and other international due diligence principles (IROs #26-41). The avoidance of discrimination and the promotion of equal opportunities and diversity (IROs #35-41) are also addressed in several of the documents listed. To underscore the company's ambitions in this regard, Semperit has also signed the Charter of Diversity. The Code of Conduct states, among other things, that no one will be subject to discrimination based on race, skin color, gender, age, national origin, religion, sexual orientation, gender identity or expression, marital status, citizenship, union membership, political affiliation, disability, veteran status or any other aspect protected by law. The competent departments in the Group's HR and HSEQ organization are responsible for ensuring that these requirements and the locally applicable labor laws are complied with in all Semperit companies. The People Policy, the HSEQ Policy, the Modern Slavery Act Statement and the Code of Conduct are publicly available on the Semperit website. Some of the other policies are included in the quality management system or are communicated internally elsewhere.

In close cooperation with the respective experts, the Compliance department is responsible for creating and updating compliance policies across the Group. In these policies, Semperit refers to the relevant international frameworks and due diligence principles, such as the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the Sustainable Development Goals (SDGs), the UN Global Compact (UNGC) or the Paris climate change mitigation goals and is committed to the principles, stipulations and objectives contained therein. Further information on corporate due diligence can be found in the ESRS 2 section under disclosure GOV-4.

Existing HR policies and guidelines were reviewed in 2024 and adapted if necessary. In 2024, the company adopted and published new policies for the areas of compensation & benefits and employment. Local policies for the company's own workforce are reviewed by the Director of Group HR before they come into force. The local HR departments, in turn, check whether the processes comply with local laws. In addition, local complaint procedures as part of the "Speak up!" program (for details, see S1-3) and, where applicable, local grievance mechanisms, enable employees to raise issues locally.

Various tools, processes and activities, as well as a diverse range of services and training courses, are used at Group level to ensure compliance with minimum social standards in the areas of labor and human rights or occupational health and safety for all companies and sites. The range of training courses is continuously expanded in terms of topics and available languages. Offering essential content in the most common Semperit languages is crucial to successfully imparting knowledge and raising awareness. This is the only way to ensure compliance with the following policies and principles.

People Policy (IROs #26-41)

The Semperit People Policy was updated in 2024 to cover all material impacts, risks and opportunities related to the company's own workforce. The company's own workforce includes both people who are in an employment relationship with Semperit and non-employees who provide their services as contractors (self-employed) or temporary agency workers (non-employee workers) who work in production (for further information, see disclosures on S1-7).

It contains provisions on the following sustainability aspects:

- Secure employment (IRO #26)
- Fair working conditions (IRO #27)
- Fair pay (IRO #28)
- Gender equality (IROs #35-36)
- Training and skills development (IRO #37)
- Human rights (IROs #35-36, 39-41)
- Culture (IROs #39-41)
- HSEQ (IROs #31-34)
- Social dialog (IROs #29-30)
- Attractiveness as an employer (IROs #26-28, 30, 34, 36-37, 41)
- Integrity (IROs #37, 39-41)
- Diversity (IROs #39-41)
- Confidentiality and discretion in whistleblowing processes (IRO #46)

The People Policy refers, among other things, to the Code of Conduct, the Chater of Diversity and the HSEQ Policy. New employees are familiarized with the People Policy as part of the onboarding process.

Charter of Diversity (IROs #39-41)

The Diversity Charter, which was signed by the Executive Board at the Group level and by local the management at the subsidiaries in 2023, is a document that underscores the importance of promoting a connected and inclusive culture at Semperit. The signed charter is available on the intranet and website, posted at the sites and serves as a visible commitment by Semperit to actively promote diversity and inclusion among employees and to support continuous improvements in this area. To achieve this, Semperit relies on training and further education, among other things. Topic-specific knowledge and awareness is taught in e-learning courses on diversity & inclusion (D&I), the Code of Conduct and environment, social and governance (ESG). In addition, inclusive leadership workshops were organized in 2024. Participation in these workshops was mandatory for management employees in Austria.

Group Recruitment Policy (IROs #26-28, 35-41)

The Group Recruitment Policy also stipulates equal opportunities for all employees, regardless of race and ethnic origin, skin color, gender, sexual orientation, gender identity, disability, age, religion, political opinion, national origin or social background, as well as other forms of discrimination. The policy was updated in 2024, and the following aspects were added, regulated in more detail or emphasized:

- Selection of personnel based on qualifications and experience
- Non-discrimination in the personnel selection process – regardless of the reasons (age, gender, nationality, ethnicity, religion or sexual orientation, etc.)
- Attractiveness as an employer
- Fair pay
- Opportunities for internal applicants
- Adequate wages
- Compliance with data protection requirements in recruitment processes
- Diversity

Semperit is committed to equal opportunities for all employees. The skills and potential of the people are the decisive factors. A central objective is the gradual increase of the proportion of women in the Semperit Group, which is lower than in other sectors (see disclosures S1-5); fair concepts in recruitment play a key role in achieving this increase.

Group-wide policies in the area of human resources are sent to all HR managers in the countries for review and feedback before they are declared valid, made available on the intranet and integrated into site-specific policies. Internal and external training and e-learning courses are provided. If adaptations are necessary due to local circumstances, they can be carried out by the central HR organization. Local documents and policies in this area must always be coordinated with Semperit Group HR before publication. This ensures compliance with the principles that the Semperit Group pursues.

Code of Conduct (IROs #26-41, 45-49)

The Code of Conduct provides a comprehensive overview of the regulatory social and governance framework of the Semperit Group consisting of principles, policies and instructions, and helps to ensure that employees behave ethically and in accordance with the company's values and policies. Semperit's Code of Conduct sets clear standards and expectations regarding how to act and react in certain situations and interpersonal relationships. The responsibilities and accountabilities of employees, managers and business partners were also precisely defined. The Code of Conduct contains requirements on human rights and sustainability topics as well as IT and privacy statements, among other things. In addition, it refers to the possibility and importance of whistleblowing and explains the tools available for reporting misconduct. The Code of Conduct is available in 13 languages. The communication documents used to explain the Code of Conduct to the various target groups within the company are also available in all languages relevant to Semperit. These include, for example: online and offline whistleblowing information materials, topic-specific postcards, content stickers and posters. So-called "integrity booths", designated displays at the sites with information on the topics of the code, are also used to impart knowledge. To prevent that the provisions of the Code of Conduct are violated, Semperit relies on a corporate culture of trust (further information can be found in section G-1 Corporate culture, disclosure G1-1) and on various tools and options for anonymously reporting any misconduct. If misconduct is identified, the Compliance department proposes remedial action and, if necessary, further steps to mitigate future risks for the Semperit Group, its employees, customers and other stakeholders.

HSEQ Policy (IROs #31-34)

One of the Semperit Group's key responsibilities is to create a working environment that protects the individual health and physical integrity of all persons working in operations or on Semperit company premises. In this context, prevention of occupational accidents is a high priority. Most Semperit sites have implemented a health and safety management system according to ISO 45001, which is continuously developed.

In terms of organization, the topics of health protection and occupational safety are bundled together with environment and quality in the area of Health, Safety, Environment & Quality (HSEQ). The HSEQ Policy sets out the expectations and principles for occupational safety and the environment, which apply across the Group.

There are local officers for health and safety at every site. These report to the Director HSEQ, who in turn reports to the Executive Board at monthly meetings. This ensures that the effectiveness of the HSEQ Policy, the management system and the associated processes and measures are continuously monitored and guaranteed at the highest level. To ensure a long-term improvement in occupational safety and health protection, HSEQ key figures are recorded and used as a basis for target agreements with the management. The occupational safety targets are not only anchored in the Group-wide incentive systems for employees and the Executive Board but also form a component of the ESG-based debt financing concluded with a bank in 2023. Further information on these processes can be found in disclosure S1-3.

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

Social dialog: freedom of assembly and participation (IROs #29-30)
The right of employees to freedom of assembly and the opportunity to communicate their views and interests in various ways and to present them to the management are self-evident principles of Semperit's human resources management. In addition to regular employee meetings, regional or local committees and other voluntary initiatives, Semperit meets all legal requirements that serve to represent the interests of employees and give them a say. In all Semperit companies, employee representatives can be elected by the workforce, and the right to freedom of assembly and association is fully guaranteed. In most production companies and many sales companies, the interests of employees are represented by employee representatives such as the works council or trade union. These operate in accordance with national laws and regulations. Employee representatives engage in an exchange with the management and the human resources department at least quarterly. At some sites, the local management is also in contact with the respective trade unions. In addition, the European Works Council represents the interests of European employees towards the Executive Board. The company promotes social dialog and involves employee representatives in decision-making processes. The resolutions of such meetings are recorded for follow-up. The balance of interests between Semperit and the employees contributes to a fair and supportive work environment, improves the employees' financial security and promotes their satisfaction and well-being.

The regularly conducted employee survey "myVoice" is an important tool in human resource management. This anonymous survey is a barometer of the mood among the workforce and includes feedback on working conditions and employee satisfaction. It shows what employees view positively and critically. Semperit derives targeted measures from the feedback, which also includes ideas and suggestions. The last survey took place in 2022, the next one is planned for 2026.

Further formalized channels for participation and engagement are the systems for employee suggestions and idea management implemented in several companies, as well as the Group-wide whistleblower hotline SemperLine. In addition, short daily meetings, so-called "5-minute meetings" or "sprint meetings", are held at many production sites to discuss and address all current topics.

Semperit places particular emphasis on diversity and inclusion (D&I) and equal opportunities. In order to gain insight into the perspectives of employees who may be more strongly affected by negative impacts and/or marginalized, Semperit has established D&I Councils and gender focus groups at the Group and site levels. Rico sites do not yet have D&I councils. In 2024, a new D&I organization was set up with teams from different divisions, sites, age groups and hierarchy levels. These act as ambassadors and change agents for the four D&I dimensions of gender, culture, age and disability. The D&I Councils also function as think tanks, analyzing data, exchanging ideas and developing initiatives. The concepts for promoting diversity and inclusion in the workforce are coordinated with the Executive Board, the management or the responsible HR organization and implemented after approval. All engagement formats serve to make the current perspectives and satisfaction of employees directly accessible to their immediate superiors and the top management. It is the task of the management to take up concerns and suggestions for improvement and to implement changes. Through ongoing dialogue, the company finds out directly whether this has been achieved to the satisfaction of the workforce.

Disclosure Requirement S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

"Speak up!" and the whistleblowing hotline SemperLine (IROs #26-41, 46-49)
Semperit's comprehensive "Speak up!" program offers all internal and external stakeholders the opportunity to report incidents and violations of legal requirements, policies and other company obligations. In addition to direct communication, employees have various channels available to them for this purpose. These include the locally installed "SemperBox" mailboxes for reporting by letter, letters by post, personal reports, direct e-mail and telephone contact with the compliance team at the global and local level, and the publicly accessible whistleblower hotline SemperLine. The reports can be submitted securely and anonymously, or with disclosure of identity. SemperLine is a communication platform operated by an external company and is used to transmit, record and process reports of perceived violations of Semperit's policies. Unless reports are made anonymously, the identity of the reporting person is treated with absolute confidentiality and protected from retaliation. Since 2023, all reports received by Group Compliance and Local Compliance Coordinators through the various channels have been recorded in the standardized whistleblowing system. The "Speak up!" awareness campaign launched in 2021 was continued in the reporting period. Employees were made aware of the complaints process via various communication channels and training sessions and informed about how to report alleged misconduct. The Group Compliance department and the Local Compliance Coordinators review each report received, decide whether an investigation is necessary and inform the Compliance Board, which determines the final measures to mitigate risk. A total of 49 reports were received in 2024 (for detailed information, see section G1 under disclosures G1-4).

The onboarding process for new employees includes extensive information on the reporting options. Employees are trained via an e-learning system (not yet implemented at Rico sites during the reporting period) and in live training sessions conducted by Group Compliance and Local Compliance Coordinators. Information is also provided in the Code of Conduct through informational material such as stickers, posters, postcards, internal newsletters and other communication measures. In addition, managers are trained in how to handle reports they receive and who to inform.

Information on site-specific measures and options for raising concerns and reporting violations is the responsibility of the Local Compliance Coordinators for white-collar and blue-collar workers and is also provided in local handbooks at some sites. Employees are also informed about this in training sessions or in one-on-one meetings with their supervisors.

The whistleblowing procedure as a method for improvement (IROs #26-41, 45-49)

- Assessment and decision: The Group Compliance department or the Local Compliance Coordinators will review the reported concern and decide whether an internal or external investigation is required. The reporting person will receive confirmation of the report if possible.
- Further review: If further investigation is required, the report may be forwarded to another relevant department within Semperit or, if legally required, to a relevant authority for further processing and investigation. Information is shared on a need-to-know basis only with those persons who need to be directly involved for further review and investigation.
- Investigation process: Group Compliance or the Local Compliance Coordinator will review relevant documents, analyze data and conduct interviews with witnesses and persons involved.
- Confidentiality: Confidentiality is maintained throughout the entire process. If the reporting person has provided his/her name but wishes to remain anonymous, this must be indicated in the report.
- Outcome and follow-up:
  - Summary of findings: The results of the investigation are well documented and made available to Group Compliance. The final investigation report is forwarded to the Compliance Board. Based on their decision, important measures are communicated to relevant internal stakeholders.
  - Measures and recommendations: The documentation may include corrective actions, recommendations to avoid future violations, process improvements, and disciplinary actions. Based on the report, the Compliance Board confirms and proposes these measures through the Group Compliance department.
- Feedback: If possible and legally acceptable, Semperit informs the reporting person within three months about measures taken in response to his or her report.
- Remedial action: A Group-wide approach for conducting or participating in remedial action has not been defined because cases are handled individually and according to local labor law. There is no standardized evaluation of efficiency of the measures. Semperit sees the awareness and trust in the whistleblowing processes and in the protection of reporting persons from retaliation in the number of successfully completed training courses on whistleblowing processes and the increasing number of reports by employees from year to year. Further information on the procedures and protection of whistleblowers can be found in section G1, disclosure G1-1.

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

Several organizational units at Semperit are responsible for managing material impacts, risks and opportunities related to human resources (IROs #26-41, 45-46 and 48-49), and provided with adequate resources to carry out their tasks. The most important units are listed below:

- Group HR team, which takes care of strategic human resource management issues and ensures that the principles and policies are implemented throughout the entire Semperit Group,
- Site management and local HR teams, consisting of HR managers and specialists (including learning & development, payroll),
- Employee representatives at the sites and on the Supervisory Board,
- Central and local HSEQ management consisting of HSE managers, safety officers, safety representatives and company doctors,
- D&I Councils for each site and at Group level to promote diversity and inclusion (D&I),
- Compliance coordinators to monitor compliance at the sites and ensure data protection.

External service providers, various sports providers or the company doctors can be consulted for special employee-related services, such as psychological counseling, webinars on mental health, sports and exercise offers or advice on workplace ergonomics.

Taking action on working conditions (IROs #26-34) and equal treatment (IROs #35-41)

Semperit continuously implements measures in human resources and occupational safety management to achieve positive impacts on employees and to implement the resulting opportunities or to minimize negative impacts and related risks. One of the key measures for 2024 was updating HR policies, as described in S1-1, in order to standardize the processes and initiatives at the Group's sites and align them with the material IROs.

In the reporting year, Semperit continued flexible working time models (flexitime and part-time arrangements), the use of modern information and communication technologies and regulations for home office or remote working in order to make it easier for employees to reconcile their work and private lives. This helps to support general satisfaction and mental health, but also to promote it through special agreements for parental part-time work for all genders. Semperit does not plan to abolish the regulations for home office or remote work.

Excessive working hours and night shifts can be a burden in production facilities. Semperit strives to automate simple tasks to the greatest extent possible in order to reduce this burden in the future. Ghost shifts have been implemented at the Rico Group's site in Thalheim, Austria. These night shifts run fully automatically and without any personnel to monitor the machines. The possibilities for such conversions at the Semperit sites were analyzed in the reporting year, further assessments will also be carried out in subsequent years.

Semperit has been actively promoting diversity and inclusion since 2022 to create equal opportunities for all employees. In addition to the D&I goals pursued for the first time in the reporting period and the D&I Councils, which have been active for four years, a reporting dashboard with current key figures on the distribution of genders at the Group, business unit and site level was introduced in 2024. At the production sites, the employment of women in previously male-dominated positions is being promoted. Examples include female shift and production managers, machine operators and forklift truck drivers at the sites in Odry (CZ), Bełchatów (PL) and Deggendorf (DE), who successfully took up their jobs in 2024. The analysis of the gender pay gap (see disclosure S1-16) is also considered strategically important. It was continued in 2024 and will be subjected to a more in-depth evaluation at the business unit and job grade level in 2025 in order to define appropriate measures.

In 2024, a Group-wide analysis of the accessibility of production workplaces was carried out by the Operational Excellence team in order to make ergonomics and work processes more inclusive and gender-neutral. The findings were communicated to the Group's business units, and suitable measures such as exoskeletons that make it easier to lift heavy weights are being tested at the respective sites and will be implemented in the next few years where appropriate.

Ongoing climate change can have a negative impact on employees' health. Semperit therefore invests in infrastructure and the adaptation of the working environment to rising temperatures, for example by insulating buildings or cooling rooms in the summer months. Beyond these measures and topic-specific ESG training at the sites and via e-learning, there are currently no plans for Group-wide initiatives to mitigate the negative impact of the transition to a greener, climate-neutral economy on the company's own workforce.

Taking action on employee development and career planning (IRO #37)

Semperit aims to create a working environment that supports employees in working independently and on their own initiative and in continuously expanding their skills. A wide range of development opportunities and structured career planning enable employees to pursue their own career path within the company. The annual employee appraisals include not only the annual targets but also the focus of personal development and training, which are discussed and evaluated together with the manager. These agreements are recorded using HR software.

Potential next career steps are identified and planned and can range from further developing skills to a career move or a transfer to a Semperit site abroad. In addition, Semperit offers various development opportunities and programs for specialists and managers as well as for newcomers from all age groups. Furthermore, the annual performance review takes place as part of the employee appraisals.

Following tools support the career development processes:

- **People Days and People Development Talks:** During People Days, employees' performance reviews are considered across divisions and departments, while possible development measures and career steps are discussed during People Development Talks. In addition, the suitability of internal candidates for key positions or specific project tasks is discussed, along with how they can best be prepared for them.
- **Technical Development Path:** This program is designed to expand the expertise of technical experts. They are given the opportunity to temporarily switch to another department for a specific project.
- **Graduate Trainee Program:** Semperit offers university graduates the opportunity to get to know the company in different departments during the first two years after graduating, with the option of taking on a permanent position afterwards.
- **New Horizon Academy:** This academy, which takes place every two years, prepares Semperit talents for future management tasks, thus creating the basis for filling key positions internally. All employees can apply for this program, and invitations are also extended based on a structured selection process. The Academy consists of several modules, and participants work on practical projects focused also on D&I and ESG topics. In 2024, the working groups addressed topics such as digitalization in production, designing gender-inclusive workplaces in Mixing operations, and decarbonizing the value chain (reducing Scope 3 emissions).

Taking action to protect health and safety at work (IROs #31-34)

To prevent the company from negatively impacting the health and safety of its employees, Semperit has implemented a health and safety management system according to ISO 45001 at most sites, which is continuously developed. The most common injuries within the Semperit Group are cuts and stabs to the hands. This is caused by numerous cutting operations and the use of manual cutting tools in Semperit's production area. In order to increase the safety level in operations and to reduce the dangers of work activities when using various machines and tools, each site developed and implemented focused action plans as part of the occupational safety program "Focus on Safety Again!" in 2024.

In organizational terms, health protection and occupational safety are bundled in the HSEQ area, together with environment and quality. At each site, responsibility for health and occupational safety is clearly defined and assigned to a responsible person who acts as a point of contact and ensures compliance with local legislation, occupational safety standards (ISO 45001) and Group-wide policies. The local HSE officers report to the Director HSEQ, who in turn reports to the Executive Board at monthly meetings. This ensures that the effectiveness of the management system and the related processes and measures are continuously monitored and ensured at the highest level.

In accordance with the Austrian Occupational Health and Safety Act, all Austrian sites have an occupational safety organization that is made of works council members, employer representatives, company doctors, occupational safety specialists and safety officers. They are involved in the further development and evaluation of the management system through regular consultation meetings. Semperit has also set up adequate occupational safety organizations at its sites outside Austria, adapted to the respective regulations. At the production sites in Wimpassing (AT), Odry (CZ) and Bełchatów (PL), company fire departments are operated. The firefighters work either on a voluntary or a full-time basis.

In addition to standardized and regularly performed hazard and risk assessments in the area of occupational safety, there are many ways for employees to report unsafe conditions or acts. As a general rule, all employees can and should be aware of unsafe acts at any time and in any place and leave the danger zone. When an unknown source of danger is identified in the company – this may be through observing an unsafe condition or act – the emerging risk must be assessed by an assessment team and the risk assessment must be updated. This can be done by reporting directly to the respective supervisor or as part of shift handovers. However, reports can also be filed directly via Semperit's own database. Semperit also offers the option of submitting anonymous reports. This can be done via the SemperLine whistleblower platform or specially set up mailboxes, which can be viewed by Local Compliance Coordinators or Group Compliance and, if necessary, forwarded to the HSE team. All reports received are reviewed and processed in a structured manner by the HSE team at the site level, with the support and, if necessary, guidance of the Group HSEQ team.

Training and workshops, as well as visibly labelling potential sources of danger are important measures to prevent accidents and injuries. In order to reach all employees as fully as possible and to ensure good understanding of what is being communicated, employee instructions and operational procedures on health and safety are offered in various languages, in line with the diversity of languages spoken by employees. At some plants, training is held in specially equipped rooms (Dojo/Safety Center) where practical exercises take place with the active involvement of the employees. In addition to the various measures for accident and injury prevention, Semperit requires complete documentation of all incidents (accidents, near-accidents and unsafe acts and conditions). With the help of knowledge transfer, awareness raising, documentation and analysis of occupational accidents and the dissemination of lessons learned, Semperit wants to achieve a long-term change in behavior.

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

Semperit is committed to continuous improvement and sustainability. Although quantitative and Group-wide targets have not been defined for all IROs, employee satisfaction is regularly measured at all sites. This is done through the Group-wide myVoice survey, which is already planned for the beginning of 2026. Details can be found under disclosure S1-2.

The results show how employees perceive Semperit as an employer and help to identify and implement improvements. Both central and local management teams use this information to take measures to increase employee satisfaction and promote a positive working environment.

Objectives related to occupational safety (IROs #31-34)

The Sustainability Strategy 2030 includes the quantitative target in the area of health and safety of reducing the Group-wide incident rate by 8 % annually. This is an ambitious target, as Semperit's accident rate is already well below the industry average (Quelle: https://www.bls.gov/web/osh/table-1-industry-rates-national.htm). In the reporting year 2024, the occupational accident rate was reduced by 37.6% through a focus on raising awareness and prevention. In 2025, Semperit will maintain its focus on its zero-accident policy and preventive measures to further improve safety in the workplace.

Target	Interim target	Base year	Base value	Period	Target achievement in the reporting year
8% reduction of the incident rate annually	None	Previous year	2023: 11.59	01/01/2024 to 12/31/2024	37.6% reduction of the incident rate compared to the previous year

The key figures for occupational safety follow a classification and documentation of occupational accidents according to a Group-wide system. The degree of injury, the part of the body and the associated treatment measures are recorded and documented. With the help of an internal database, hazards, activities and measures can be reported, controlled and shared at the site level in a structured manner and tracked across the Group. In addition, internal communication across all organizational areas was further intensified in 2024 as part of the "Focus on Safety Again!" program. This achieves broad participation and ensures that the necessary measures are implemented efficiently and are scalable to other sites, that key figures are collected in a standardized way, and that the goal of reducing accidents is achieved. The incident rate target is also anchored in the bonus agreements with the governing bodies, managers and all employees covered by the Group Bonus Policy to ensure long-term support for occupational health and safety (for more details see the disclosures on STI and LTI in the ESRS 2 section under GOV-1).

Objectives related to diversity and inclusion (IROs #35-36, 39-41)

In a step-by-step process, Semperit has been pursuing a balanced gender distribution at all hierarchy levels of the Group since 2023 and has defined annually increasing women's quotas as a target until 2030. To keep it simple, Semperit refers to a female ratio in this context, which, however, includes all non-male genders (non-male gender target). The following targets were set with annual progression:

- 0.5 percentage points increase in the female ratio across all hierarchy levels compared to the previous year,
- 1.0 percentage point increase in the female ratio in leadership compared to the previous year (leaders are defined as managers who have at least one direct report),
- 1.0 percentage point increase in female ratio in senior leadership compared to the previous year (senior leaders are defined as managers in job grades 10-14)

Target	Interim target	Base year	Base value	Period	Target achievement in the reporting year
+ 0.5 PP annual increase of female ratio overall	None	Previous year	2023: 23.7%	01/01/2024 to 12/31/2024	+ 0.8 PP increase: 24.5% female ratio overall
+ 1 PP annual increase of female ratio in leadership	None	Previous year	2023: 12.7%	01/01/2024 to 12/31/2024	+ 2.4 PP increase: 15.2% female ratio in leadership
+ 1 PP annual increase of female ratio in senior leadership	None	Previous year	2023: 11.1%	01/01/2024 to 12/31/2024	+ 3.2 PP increase: 14.3% female ratio in senior leadership

The proportion of non-male employees will thus be increased throughout the organization, with a clear focus on management functions. Semperit strives to be an attractive employer for all applicants and employees, regardless of gender and other characteristics of diversity. The target for increasing the proportion of women in senior leadership has been integrated into the variable salary agreements of the Executive Board, and those employees who fall under the Group Bonus Policy and should support the continuous increase in the female ratio (for further details see disclosures under S1-6 and S1-9). Semperit's ongoing efforts to be a fair and inclusive employer and the defined D&I targets of increasing the three women's quotas annually until 2030 showed success in the reporting year. In this context, numerous positions in production and in the white-collar sector, especially in management and upper management, were filled by female employees. Among other things, this also led to a reduction in the gender pay gap (see key figures under S1-16).

In accordance with the legal requirements, members of the works council are represented on Semperit's Supervisory Board. Thus, the employee representatives as part of the Supervisory Board are directly informed – among other things about corporate objectives, the current business performance and how Semperit's performance is developing compared to the set targets. This target-performance comparison is carried out for the Group-wide targets at the Supervisory Board meetings. Employees receive information about the current state of business development and further outlook not only from the works council: the company actively communicates it in several formats, for example via Town Hall meetings. As a publicly listed company, Semperit is also required to publish its annual financial statements, the management report, other reports and ad hoc announcements as needed, which serve as a source of information for employees as well as all other stakeholders.

Disclosure Requirement S1-6 – Characteristics of the undertaking’s employees

At the end of 2024, a total of 4,084 employees, of whom 1,375 were white-collar employees and 2,709 were blue-collar employees (reported as a number of persons), were employed by Semperit. Of these, 3,177 (78%) were employees in Europe, 759 (19%) in Asia and 148 (4%) in America. Women accounted for 24.5% of the total workforce.

Number of employees (headcount)	**2024**
White collars	1,375
Blue collars	2,709

In 2024, a total of 617 employees left the company, which resulted in an employee turnover rate of 14.6%. The increase in the turnover rate (2023: 13%) is mainly due to cost-cutting programs introduced to secure competitiveness, as well as to capacity-related adjustments.

Semperit reports the gender of its employees according to the information provided in the respective official personal identification document. Which gender categories are recorded by the authorities and shown in the documents depends on the country in which the company is based. Semperit records in internal systems gender of its employees in the following five categories: female, male, unknown, undeclared and non-binary. Externally, Semperit can only report the gender according to the official document.

Internally, at the beginning of 2024, the option for self-identification of employees was created in the HR system. This means that all employees with system access can enter their preferred name, gender, pronoun and first or communication language of their preference if interested. This information is visible to other employees in the system and thus also in organizational charts, for example. However, the choice of gender identity is not used for detailed external reports and is not included in the key figures in this statement. In order to actively promote the self-determination of employees with regard to their gender identity, the company relies specifically on positive communication measures. These measures aim to create an inclusive and supportive work environment in which all employees feel recognized and valued in their gender identity.

Employees by gender

Number of employees (headcount)	**2024**
Male	3,110
Female	974
Non-binary	0
Unknown	0
Undeclared	0
Total number of employees	**4,084**
Total number of non-employee workers	**71**

Employees who left the company (headcount)	**2024**
Employee turnover rate	14.6%
Total number of employees who left the company	617

The most representative figure for the above number of employees as of December 31, 2024, yet not comparable, can be found in the notes to the consolidated financial statements, see 4,031 average FTE in continued and 288 average FTE in discontinued operations in section 2.5 “Average full-time equivalents for continued operations”.

Employees by country

Number of employees (headcount)	2024
Austria	1,222
Switzerland	45
China	233
Czech Republic	696
Germany	372
France	57
Hungary	111
India	152
Poland	674
Singapore	12
Thailand	362
United States of America	148
Total number of employees	**4,084**

Employees by type of contract and gender

						2024
Number of employees (headcount)	Female	Male	Non-binary	Unknown	Undeclared	Total
Employees	974	3,110	0	0	0	4,084
Permanent employees	950	3,023	0	0	0	3,973
Temporary employees	24	87	0	0	0	111
Non-guaranteed hours employees	0	0	0	0	0	0
Full-time employees	830	3,064	0	0	0	3,894
Part-time employees	144	46	0	0	0	190

The number of female part-time employees is many times higher than the number of male part-time employees because female employees are more involved in family and social obligations such as childcare or caring for relatives and therefore prefer more flexible working models, especially in the white-collar sector.

Employees by type of contract and region

				2024
Number of employees (headcount)	EMEA	AMERICAS	APAC	Total
Employees	3,177	148	759	4,084
Permanent employees	3,103	148	722	3,973
Temporary employees	74	0	37	111
Non-guaranteed hours employees	0	0	0	0
Full-time employees	2,994	148	752	3,894
Part-time employees	183	0	7	190

The increase in the number of employees in the AMERICAS and EMEA regions is due in particular to the acquisition of the Rico Group, with the Simtec Silicone Parts site in the USA and European sites in Austria and Switzerland.

Disclosure Requirement S1-7 – Characteristics of non-employee workers in the undertaking’s own workforce

The number of non-employee workers (see “Total number of non-employee workers” in the table “Employees by gender” above) is currently lower than in the previous year at 71. This is due to the sale of the medical business, where non-employee workers were used for market fluctuations during the year. The non-employee workers are mainly temporary workers in production who are provided by employment agencies. Semperit was largely dependent on non-employee workers in 2024 when short-term fluctuations in production volume occurred. The reported number of non-employee workers in 2024 is divided into a similar range across the sites in Austria, Czech Republic and Germany. The key figures are recorded and managed in the Group-wide HR system in the same way as those for the company’s own employees. As with the number of the company’s own employees, the number of non-employee workers is the number of persons at the end of the reporting period.

Disclosure Requirement S1-8 – Collective bargaining coverage and social dialogue

Collective bargaining agreements are an important instrument for collectively regulating working and employment relationships. They contribute to stability and predictability on the job market and to maintaining the purchasing power of employees. At Semperit, around 68% of the workforce is covered by collective bargaining agreements. In the following countries with Semperit sites, employees are subject to collective bargaining agreements: Austria, Germany, Czech Republic, Poland, France and India. In the reporting year, a company collective agreement was successfully negotiated for the first time at the German site in Hückelhoven.

The workforce at most Semperit sites is represented by employee representatives. Semperit pursues constructive cooperation with employee representatives. In addition, European employees are also represented by a European Works Council (EWC) in accordance with legal requirements. The EWC aims to ensure that employees are informed about the company’s economic situation and that they are consulted on certain developments that affect employees. The EWC meets regularly to engage in cross-border consultations.

Information on collective bargaining coverage and social dialog

Information on collective bargaining coverage and social dialog			2024
	Collective bargaining coverage		Social dialog
	Employees – EEA	Employees – non-EEA	Workplace representation (EEA only)
Coverage rate	(for countries with >50 employees representing >10% total employees)	(estimate for regions with >50 employees representing >10% total employees)	(for countries with >50 employees representing >10% total employees)
0–19%	Hungary	APAC, Americas	France
20–39%			
40–59%	Germany		
60–79%			Austria, Poland
80–100%	France, Poland, Austria, Czech Republic		Germany, Czech Republic, Hungary

Disclosure Requirement S1-9 – Diversity metrics

In order to achieve the targets for increasing the female ratio described in S1-5, Semperit is working across the Group to remove barriers to women entering and advancing in the company. Redesigning production workplaces, optimizing processes, flexible working time models in the form of flexitime and part-time work, as well as special agreements for employees in parental part-time work are intended to contribute to this goal and generally increase Semperit’s attractiveness as an employer. In addition, each Semperit site is developing an action plan tailored to the site and labor market situation with the global and local D&I Council. This plan must include at least two initiatives to remove locally prevailing gender-specific barriers. Since 2024, Group HR has been reporting on the current gender ratio using a dashboard specifically set up for this purpose. Further information on D&I action plans can be found in the disclosures S1-4 Measures and resources. Semperit’s ongoing D&I efforts showed success in the reporting year: all three women’s quotas were achieved in 2024 (see also target achievement under disclosure S1-5).

The key figures for diversity at the top management level shown below refer to the members of the Executive Board and senior management with job grades 10-14 (senior leadership).

Employee gender distribution on top management level (Executive Board and senior leaders)	2024	
	Headcount	%
Female	15	14.3%
Male	90	85.7%
Non-binary	0	0.0%
Undeclared	0	0.0%
Unknown	0	0.0%
Total number of employees at top management level	**105**	**100.0%**

Age distribution among employees at top management level (Executive Board and senior leaders)	2024	
	Headcount	%
Employees < 30 years	0	0.0%
Employees 30 – 50 years	69	65.7%
Employees > 50 years	36	34.3%

Age distribution among employees	2024	
	Headcount	%
Employees < 30 years	558	13.7%
Employees 30 – 50 years	2,529	61.9%
Employees > 50 years	997	24.4%

Disclosure Requirement S1-10 – Adequate wages

In Austria, Germany, Czech Republic, Poland, France and India (for blue-collar workers), Semperit adheres to the collective bargaining agreements on wages and salaries, thereby ensuring a minimum standard of living for its employees. The actual salaries paid by the company are based on market compensation for a comparable position in the relevant environment and are therefore higher than the minimum wages set by collective bargaining agreements in some cases. Semperit also pays market-based remuneration in countries where there are no collective bargaining agreements.

In addition, the company offers variable remuneration components based on individually agreed targets or Group targets. The Semperit Group Bonus Policy sets out Group-wide standardized bonus rules for all employees above a certain level (management and experts). Further information on the bonus system can be found in the ESRS 2 section under disclosure GOV-1. At some sites, there are also local bonus schemes from which groups of employees who do not fall under the Group-wide incentive system can benefit.

The design of the bonus schemes is adapted to the specific conditions of the host country and the regional economic environment, as exemplified below for China and Poland.

- **China:** Semperit sites based in China have developed a performance management policy and a performance manual for employees. The bonus scheme is linked to these management tools and creates financial incentives for active participation and target achievement. Performance is evaluated in regular feedback meetings between employees and their supervisors.
- **Poland:** The Polish site offers a production incentive program that aims to increase quality and output. The company's performance in this regard is evaluated quarterly and linked to the performance of the employees.

Semperit regulates the wages of blue-collar workers through wage tables or systems that reflect market practices in the relevant employment markets. These may be wage tables based on collective agreements, or a specially developed system based on the following logic: the classification of the remuneration amount is based primarily on the position held by and the experience of the individual. Allowances for shift work and other relevant pay components are applied in accordance with local regulations and market standards. This approach ensures fair, equitable and market-oriented compensation and prevents financial discrimination.

Semperit uses Mercer's rewards data as a benchmark to determine competitive compensation at the various sites. This is done at the national level, although compensation levels in larger employment markets such as China, India or Germany may also vary regionally. When setting wages for blue-collar workers, the relevant employment market is usually geographically smaller than for white-collar positions. By networking with nearby companies offering similar positions, Semperit has insight into local wage levels and, based on these levels, can set compensation that matches local wage and performance levels. If there are indications that compensation is no longer in line with the market, Semperit collects market data and assesses whether adjustments are needed in its own structures and systems. In companies that are subject to a collective agreement, this task is usually performed by the collective bargaining parties, which ensures appropriate and fair compensation that takes into account local market conditions.

Semperit ensures that remuneration levels are systematically reviewed annually. This regular cycle of increases follows the rules applicable in the relevant market. If collective agreements are applicable, the process is followed; otherwise, a review is carried out internally and based on market data. Increases under collective agreements typically represent adjustments to the cost of living. In such cases, a second review is carried out to assess whether further adjustments to the labor market are necessary. Where no collective agreement is applicable, adjustments to the cost of living, increases in performance and labor market conditions are reviewed at the same time. Semperit's remuneration structures also include benefits for the social or financial security of employees, such as accident and health insurance or contributions to pension plans. The type and scope of these remuneration components are adapted to the conditions of the respective country and the regional labor market. For example, Semperit offers these supplementary benefits as part of the remuneration in countries with low national social benefits.

Disclosure Requirement S1-11 – Social protection

As part of the 2024 sustainability reporting, questionnaires were completed at Semperit-owned sites. They showed that all employees at all sites are protected in the following cases:

- Loss of earnings due to illness
- Loss of income due to unemployment (with the exception of Singapore, where unemployment benefits will be introduced by the government from 2025)
- Incapacity to work due to occupational accidents and those resulting in disability
- Retirement
- Parental leave

Disclosure Requirement S1-12 – Persons with disabilities

Semperit is committed to providing workplaces where everyone feels valued and included. This is reflected in policies and processes in many areas. In 2025, Semperit plans to implement the "disability inclusion approach" at all of the Group's sites. So far, it has only been implemented at selected sites. This initiative focuses on:

Accessibility, ensuring that relevant workplaces and social facilities are accessible to all employees, including disability-friendly parking. Awareness, providing information to promote understanding of colleagues with disabilities. And advocacy, promoting the rights and inclusion of people with disabilities within Semperit and the wider community. The D&I Global Council will continue to keep these topics in the focus of action plans in the future.

The definition of persons with disabilities largely follows the legal definition of each individual country. In some cases, this information is not shared with the employer for data protection reasons, in other cases Semperit learns about it from the authorities or from the employees themselves. The key figures presented below are based on the cases reported by the authorities and the anonymized voluntary declarations of the employees concerned to the respective HR department. In 2024, the percentage of people with disabilities at 1.1%, was higher than in the previous year (0.6%), due to the complete elimination of the medical business and the resulting lower total number of employees (with or without disabilities).

Employees with disabilities

Number of employees (headcount)	2024
Female	11
Male	34
Non-binary	0
Undeclared	0
Unknown	0
Total	**45**

%	2024
Share of people with disabilities among employees	1.1%

Disclosure Requirement S1-13 – Training and skills development metrics

The data from the performance and career assessment (performance indicator) includes all active and inactive white-collar employees. As the table below shows, 34% of all employees took part in regular performance and career assessments during the reporting year.

Development indicators	2024
Total number of performance forms	**1,402**
Female	517
Male	885
Non-binary	0
Undeclared	0
Unknown	0
White collars	1,402
Blue collars	0
Total % of employees with performance reviews	**34%**
Female	53%
Male	28%
Non-binary	0%
Undeclared	0%
Unknown	0%
White collars	100%
Blue collars	0%

Training hours	2024
Total number of training hours (industrial hours)	**53,162**
Female	13,716
Male	39,446
Non-binary	0
Undeclared	0
Unknown	0
White collars	29,072
Blue collars	24,090
Average number of training hours per employee (industrial hours)	**13**
Female	14
Male	13
Non-binary	0
Undeclared	0
Unknown	0
White collars	21
Blue collars	9

Reported training hours represent the training hours (industrial hours) of all employees, including those of employees who have left the company. They do not include training hours for temporary workers and employees of Sempermed (sale of the medical business in the reporting year) as well as all incomplete training courses. The training hours are recorded directly by the sites on a Group-wide software tool. At the sites that do not have this tool, the data is entered into the system by Group HR based on an upload file. In addition, the reported training from central departments such as IT or ESG is also entered into the system.

Total number of trained employees (headcount) **2024**

	Total	Female	Male	Non-binary	Undeclared	Unknown
White collars	1,407	483	924	0	0	0
% of trained white collars	37.6%	58.3%	31.7%	0%	0%	0%
Blue collars	2,333	346	1,987	0	0	0
% of trained blue collars	62.4%	41.7%	68.3%	0%	0%	0%

The following table shows the number of employees trained in compliance-related topics. Further information on these trainings can be found in disclosures G1-1 on corporate culture and G1-3 on the prevention and detection of corruption and bribery in section G1.

Trained employees by topic **2024**

Number of employees (headcount)	Total	Female	Male	Non-binary	Undeclared	Unknown
Corruption and bribery	1,132	416	716	0	0	0
Fraud detection and prevention	2,096	761	1,335	0	0	0
Code of Conduct	2,616	778	1,838	0	0	0
Whistleblowing	1,819	523	1,296	0	0	0
Conflicts of interest	1,108	406	702	0	0	0
Antitrust and competition law	256	107	149	0	0	0
Export control & third-party due diligence checks	97	51	46	0	0	0
Harassment, discrimination, mobbing	1,051	382	669	0	0	0
Privacy	1,694	568	1,126	0	0	0
Cybersecurity	1,654	608	1,046	0	0	0
ESG	1,175	402	773	0	0	0

The category “Code of Conduct” in the table above includes the topic of integrity declarations. The category “Corruption & bribery” also covers the topics of gifts, travel and entertainment. Further information can be found in section G1 under disclosure G1-3.

Disclosure Requirement S1-14 – Health and safety metrics

Semperit has pursued a zero-accident policy for several years. The Sustainability Strategy 2030, which was introduced in 2021, also includes the quantitative target of reducing the accident rate Group-wide by 8% annually in the area of health and safety. The number of working days lost due to accidents was also kept low at 1,745 (2023: 2,002 working days lost including the discontinued business). For many years, there have been no fatal occupational accidents among the company’s own staff or temporary workers. Semperit is also not aware of any reportable work-related illnesses or deaths due to work-related illnesses during the reporting period.

In the reporting period of 2024, there was one serious occupational accident involving own employees. This is another reason why shop floor leadership is one of the most important pillars of the “Focus on Safety Again!” campaign – in this campaign, foremen and shift supervisors are supported in their leadership role, receive comprehensive training and, in the course of this, also take on more responsibility.

In 2024, 80% of the people in the company’s workforce were covered by the ISO 45001 management system for health and safety based on legal requirements and/or recognized standards or policies. This means that processes and improvements in occupational safety can be standardized and monitored across the Group (see also the table of ISO-certified sites in section E1 under disclosure E1-2).

In order to ensure that employees of external companies who work on Semperit's premises can also carry out their work safely, they are also integrated into the occupational safety management. All safety-related information, requirements and approvals are communicated to employees of external companies verbally and in writing before they start work. During the reporting period, focus was repeatedly placed on the work approval processes and external company supervision. Nevertheless, an industrial accident occurred on the factory premises in Sopron (HU), for which Semperit was not responsible, in which two employees of an external company (workers in the value chain) were fatally injured while working. This prompted Semperit to step up its inspections of contractors' employees, their equipment and the way they carry out their work.

Occupational incidents and injuries **2024**

Number	Employees	Temporary and contract workers	Third-party providers and the like	Total
Fatalities from work-related accidents	0	0	2	2
Severe work-related injuries (not fatal)	1	0	0	1
Accidents with sick leave	31	4	1	36
Medical treatments	17	3	1	21
Total number of incidents				**60**

Incident rate	2024
Employees	
Number of working hours [million h]	7.4
E2-1Rate of recorded work-related injuries [per million hours]	6.6
Total employees, including temporary and contract workers	
Number of working hours [million h]	7.7
Rate of recorded work-related injuries [per million hours]	7.2

Workdays lost

Number	2024
Employees	1,727
Temporary and contract workers	18
Total	1,745

Disclosure Requirement S1-16 – Compensation metrics (pay gap and total compensation)

Ratio of the annual total compensation (fat cat ratio)

The following factor shows the ratio of the total annual compensation of Semperit's top earners to the annual median income of all other employees. Semperit calculates this factor based on the total annual income, including any special payments, for example, those paid to employees leaving the company. In 2024, the ratio was 30.3, significantly lower than in the previous year (2023: 111). This is mainly due to the sale of the medical business with subsidiaries in low-wage countries such as Malaysia and Hungary, but also to the inflation adjustments of the collective agreements, which have increased the annual median income. The counter-effect in 2023, i.e. the change of Executive Board and the associated special payments upon resignation, no longer applied in 2024, which significantly reduced the factor.

	2024
Annual total remuneration ratio	30,3

Gender pay gap

The data on the gender pay gap shows the differences in hourly wages between men and women in euros. Base salaries, allowances, bonuses and supplements were taken into account, while overtime premiums and overtime pay were excluded. The Rico Group data is not yet included in the gender pay gap figure. To calculate the average hourly wage, a weighted average was calculated at country level. This approach attempts to reflect the regional wage gap. It thus ensures a comprehensive overview of the gender pay gap that reflects the complexity of the economy in each country.

		2024
	%	in EUR
Gender pay gap	8.5%	
Average pay level of employees – male		24.08
Average pay level of employees – female		22.03
Average pay level of employees – non-binary		0.00
Average pay level of employees – undeclared		0.00
Average pay level of employees – unknown		0.00

The decline in the average pay gap between female and male employees from 15% in 2023 to 8.5% in 2024 underscores Semperit's ongoing efforts to ensure fair and equal pay. The target defined by the Executive Board in October 2023 to increase the proportion of women annually until 2030 is showing success. In this context, several management and senior leadership positions have been filled with female executives, which has contributed significantly to reducing the gender pay gap.

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

Semperit did not identify any cases of serious human rights violations (e.g. forced labor, human trafficking or child labor) in the reporting period and in previous years, and no fines, sanctions or damages were imposed on the company for human rights violations.

No fines, sanctions or compensation were imposed on Semperit in connection with incidents of labor-related discrimination and harassment. An overview of the reports received during the reporting period regarding discrimination, harassment, violation of working conditions and corruption and bribery cases, as well as background information on data collection and calculation, can be found in section G1 under disclosure G1-4.

ESRS S2 Workers in the value chain

Semperit stands for fair wages, freedom of assembly, freedom of expression and is committed to protecting human rights, especially health and safety and avoiding child and forced labor, along the entire value chain. There is zero tolerance for discrimination, harassment and violations of minimum social protection and corporate principles, regardless of where in the value chain they occur. Information, training and measures such as assessments and audits of business partners are designed to ensure that high social standards are met and that human rights are protected at all times. The following disclosures explain in detail how Semperit manages the impacts, risks and opportunities for workers in the value chain as shown in the following table.

Subtopic	Sub-subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Negative impacts	Measurable target	Key measure (implemented or continued in the reporting year)
Working conditions	Health protection and safety	Upstream value chain	6, 7	P	S	(#42) Accidents, injuries or temporary or permanent damage to the health or even deaths of employees in the value chain that can occur if business partners fail to properly follow safety regulations and preventive measures.		
Other work-related rights	Child labor	Upstream value chain	6, 7	P	S	(#43) Business partners who allow child labor under unsafe and exploitative conditions can cause serious health risks and physical injury, as well as educational deprivation and other serious human rights violations.	75% of expenditure covered by EcoVadis-certified suppliers by 2030	Due diligence in the value chain: Business Partner Checks and ESG assessments of suppliers through EcoVadis and TfS audits Signing of the Supplier Policy and the CoC Publicly accessible, anonymous whistleblowing hotline SemperLine
	Forced labor	Upstream value chain	6, 7	P	S	(#44) Business partners who support forced labor or force people to work under threat of violence or other forms of intimidation can cause serious health risks and physical harm, as well as other gross violations of workers' rights, dignity, restrictions of freedom and other serious human rights violations.		

[1] See overview of Semperit stakeholders in section ESRS 2 under SBM-2

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

Semperit has no material financial risks and opportunities in the value chain but nevertheless identified three material impacts shown in the table above. These impacts relate to potential human rights violations and local labor laws (IROs #43 and 44), including threats to health and safety in the workplace (IRO #42). These issues are addressed in the Supplier Policy, which is a necessary requirement for working with suppliers and business partners. The most important suppliers (with an annual spend of more than EUR 500,000) are obliged to sign this policy or to present an equivalent code of conduct of their own. With this approach, Semperit promotes reliable, long-term and transparent business relationships, which serve as basis for preventing the potential impacts mentioned.

All three identified material impacts related to workers in the value chain are potential negative impacts that could affect workers of Semperit's direct and indirect business partners in the supply chain. They primarily relate to widespread impacts in the areas of raw material extraction, refining, chemical processing, transportation or installation and maintenance work. These impacts are less related to individual incidents but more to business relationships in the chemical value chain. In the reporting period, no specific workers or groups of workers were identified in the value chain who could be directly or indirectly affected by business activities of the Semperit Group. Furthermore, Semperit did not identify any regions or goods in its own value chain in the reporting period where there is a significant risk of child labor, forced or compulsory labor among workers in the company's value chain. In the reporting period, no specific cases of child labor or forced labor could be identified in connection with any country or industry risks. Semperit does not currently collect data on whether certain employee groups, such as those with certain characteristics (e.g. minorities), in certain environments (e.g. high-risk countries or markets) or with certain tasks (e.g. physically demanding activities), are exposed to a higher risk.

Disclosure Requirement S2-1 – Policies related to value chain workers

Semperit principles and policies for respecting human rights and treating each other with respect, which relate to IROs #42-44, align with internationally recognized standards such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization's core labor standards and the OECD Guidelines for Multinational Enterprises. These commitments are firmly anchored in corporate values and central documents such as the Code of Conduct, the People Policy, the Modern Slavery Act Statement and the Supplier Policy. All of these policies are publicly available on the Semperit website and include clear commitments to respecting human rights and health and safety. In the reporting year, no cases of non-compliance with the above standards (United Nations Guiding Principles on Business and Human Rights, International Labour Organization Declaration, OECD Guidelines for Multinational Enterprises) in relation to workers in the upstream and downstream value chain were reported.

Semperit has implemented anti-bribery and anti-corruption measures (ABAC) and requires its suppliers and customers to follow them. During the procurement and sales process, the Business Partner Check is used to verify compliance with these principles as a key measure for the IROs in the upstream and downstream value chain. No negative impacts were identified in the area of data use, since Semperit, as a manufacturing company, primarily processes raw material and product-related data. Personal data of the company's own workforce, workers in the value chain, customers and suppliers are protected and processed in accordance with the law (see Code of Conduct).

The above-mentioned policies and guidelines are regularly updated and adapted to new legal and internal requirements. The ABAC-related guidelines were last adapted in 2024, and the Code of Conduct will be updated in 2025. In the future, Semperit will evaluate its material impacts, risks and opportunities in relation to workers in the entire value chain in more detail. Currently, the previous IROs and measures are only designed for workers in the upstream value chain. The most important concepts relating to the rights, safety and health of workers in the value chain (IROs #42-44) are described below:

Supplier Policy and supplier assessment process with risk mapping

The Group-wide Supplier Policy sets out relevant obligations for workers in the value chain with regard to human rights and labor standards, HSE (health, safety and environment), business integrity and ethics, as well as business and operational excellence. The Supplier Policy is aligned with international policies, such as the principles of the UN Global Compact, the International Chamber of Commerce (ICC) Business Charter for Sustainable Development and the relevant conventions of the United Nations International Labour Organization (ILO). The Supplier Policy is sent to suppliers with an annual spend of more than EUR 500,000 with a request to sign it. If business partners have their own policies and prefer to use them, they must at least meet Semperit standards. Before deciding whether to carry out assessments or audits, a risk mapping is performed to select priority suppliers in a targeted manner. The evaluation process includes a range of different methods, from acknowledging the Supplier Policy and evaluation through EcoVadis to comprehensive audits. In addition, the process includes a Business Partner Check (see below and in section G1 and under disclosure G1-2 for more details) to ensure a holistic risk assessment and to minimize potential risks in advance.

Semperit requires its suppliers to comply with the laws and regulations as well as the standards listed and obliges them to assume this responsibility in their respective supply chains – including labor standards and human rights for all employees and contract workers – to ensure that they are treated fairly and with dignity and respect. This includes strict prohibition of child labor, forced and compulsory labor, and slavery. Employment must be on a voluntary basis, compliance with social and minimum standards such as minimum wages, fair working hours and freedom of assembly must be observed No forms of discrimination will be tolerated, and the right of workers to freedom of assembly is to be recognized as provided for by law. Suppliers shall act proactively and responsibly in matters of safety, health, and environmental protection and comply with applicable laws. They must ensure that the standards and principles are implemented and adhered to and inform their employees and contractors of their respective rights and obligations. Semperit reserves the right to verify proper implementation and to take appropriate action in the event of violations, up to and including termination of the business relationship. In the event of non-compliance, Semperit will first cooperate with the respective suppliers to ensure that they implement improvement plans and take corrective action. A systematic process for selecting and evaluating suppliers, as well as close cooperation, ensures compliance with the standards defined by Semperit.

Semperit currently does not carry out any direct measures in the downstream value chain but evaluates customers to some extent as part of the Business Partner Check using a corresponding tool. In the event of violations, Semperit reserves the right to refuse or terminate business relationships. If serious risks arise, the respective business partners must be subjected to a new audit and evaluation.

Business Partner Check

Suppliers from countries with a Transparency International Corruption Index <55 with a expenditure over EUR 300,000 as well as critical suppliers (based on the subjective assessment of the lead buyer) are subject to a Business Partner Check. The Procurement department is centrally responsible for this process. For high-risk business partners, the Compliance department carries out additional checks. Semperit also subjects customers to a Business Partner Check, monitors their activities and assesses identified risks. On this basis, appropriate follow-up measures are initiated. Further information on the Business Partner Check can be found in section G1, under the disclosure G1-2.

Semperit's Code of Conduct

The Code of Conduct provides a comprehensive regulatory overview, consisting of principles, guidelines and instructions, and helps to ensure that employees act in an ethically correct manner and in line with company's values and policies. The responsibilities and accountability of employees, managers and business partners towards their employees are defined in detail. In addition, the Code of Conduct includes guidelines on human rights and sustainability issues as well as IT and data protection declarations. It also points out the possibility and importance of whistleblowing and explains available tools for reporting misconduct. These are also available to employees and communities affected in the value chain. The SemperLine hotline offers a secure whistleblowing platform in twelve languages, is free of charge and can be used by any stakeholder (employees, customers, suppliers, business partners, their employees and other stakeholders in their value chain) anywhere in the world, 24 hours a day, seven days a week. All parties involved have the option of reporting their concerns externally to the authorities. Further information on the Code of Conduct and the whistleblowing system can be found in the disclosures in section S1 and in section G1.

Modern Slavery Act Statement

In the Modern Slavery Act Statement, which is updated and published annually, Semperit presents its strategies for avoiding modern slavery and human trafficking. These include measures to ensure that company's activities and supply chain are free of modern slavery including the commitment to adopt the ten principles of the UN Global Compact, the Sustainable Development Goals (SDGs) and the OECD Due Diligence Guidance. In addition, compliance with relevant international frameworks is emphasized, including the OECD Guidelines, the UN Guiding Principles on Business and Human Rights, the ILO Core Labor Standards and the International Bill of Human Rights (in line with Article 18 of the EU Taxonomy Regulation (EU) 2020/852). These frameworks serve above all to prevent human trafficking, forced labor and child labor in a targeted manner. By aligning with these international standards and policies, Semperit creates the basis for measures to ensure high social standards and, in particular, human rights along the entire value chain. Human trafficking, forced or compulsory labor and child labor are explicitly addressed in the Code of Conduct and the Supplier Policy (for details see S2-1). In the reporting period, Semperit did not identify or report any cases of non-compliance with these standards in the upstream and downstream value chain that affect employees. In the event of future violations or human rights abuses, Semperit has appropriate mechanisms in place to take remedial action and ensure compliance with the above standards.

Evaluation of suppliers according to ESG criteria (EcoVadis)

Semperit focuses on its own supply chain (Tier-1). In addition to the supplier assessment provided for in the Supplier Policy, suppliers are also evaluated according to ESG criteria – for example, by the EcoVadis platform. This includes monitoring compliance with human and labor rights, fair working conditions, sustainability in the supply chain, health and safety, as well as diversity and inclusion. Currently, 47% of expenditure is covered by so-called document audits from EcoVadis. The aim is to achieve 75% coverage by 2030. Further information can be found under S2-5 and in section G1 under disclosure G1-2.

Together for Sustainability

The industry initiative “Together for Sustainability” (TfS) has set itself the goal of making the global supply chain of the chemical industry more sustainable (see details in section G1 under disclosure G1-2). To this end, TfS evaluates the sustainability performance of suppliers through expert opinions and audits and makes the results available to all members. The initiative follows the principles of the UN Global Compact and Responsible Care and proactively improves sustainable procurement in the chemical industry through the cooperation of its members. With regard to the rights, health and safety of workers in the value chain (IROs #42-44), the initiative deals, among other things, with minimum protection standards in the chemical supply chain, structured risk identification, assessment in the area of human rights, as well as with supplier assessments, on-site audits and corrective action plans. Semperit is an active participant in this multi-stakeholder initiative, benefiting from increased transparency in its supply chain. In 2024, Semperit conducted a TfS audit and four on-site audits at suppliers to verify the implementation of its own and the TfS standards with regard to rights, safety and occupational protection.

Disclosure Requirement S2-2 – Processes for engaging with value chain workers about impacts

Semperit is currently not actively cooperating with workers in the value chain to include them in its rights, safety, and health concepts but follows in general the internationally recognized and sector-specific standards, processes, and practices, as described in S2-1. Semperit is currently considering introducing a general procedure for cooperating with workers in the value chain to strengthen dialogue and communication in the long term. The results of this review will be disclosed in the next report. To allow workers in the value chain to raise concerns or complaints, publicly available communication channels such as SemperLine and a dedicated email address are available. SemperLine is a whistleblowing platform available in twelve languages, free of charge, and accessible worldwide 24 hours a day. So far, no reports from this stakeholder group have been recorded through these channels. Group Compliance is responsible for reviewing and investigating all incoming reports. It follows up on whistleblower reports in accordance with the applicable law implementing Directive (EU) 2019/1937. In addition, Group Compliance provides advice on the initiation of appropriate corrective and risk mitigation measures to manage actual or potential impacts (for details on SemperLine see section G1 under disclosure G1-1 and section S1 under disclosure S1-3). Semperit has procedures for the prompt, independent and objective investigation of incidents (see S1-3 and section G1, disclosure G1-3 for details), but has not yet defined procedures for implementing corrective action in the event of negative impacts on workers in the value chain.

Disclosure Requirement S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

Semperit’s Supplier Policy includes a statement on how to report concerns about the identified IROs #42-44, as well as any other impacts of the company. Suppliers can report violations of the Supplier Policy at any time via the whistleblowing hotline. Semperit informs its business partners about the Code of Conduct, the Supplier Policy and the Human Rights and Modern Slavery Act Statement via the website and by forwarding documents (see disclosure S2-1). The explanations on whistleblowing, including the Whistleblowing Policy, which also includes protection against retaliation, are publicly available on the Semperit website and on the specially created SemperLine website and are described in more detail in section S1 under disclosure S1-3 and in section G1 under disclosure G1-1. Suppliers’ employees who provide their goods or services at Semperit sites are additionally informed via notices, posters and stickers at the site. Currently, no further measures are being taken to inform workers in the value chain about how they can report concerns or complaints. There is currently no data collection on whether workers in the value chain are aware of and trust these structures or procedures for complaints mechanisms. This is only interpreted by looking at the rate of reports submitted.

Disclosure Requirement S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

With the Code of Conduct for Suppliers, the Supplier Policy, the supplier assessments and Business Partner Checks, the signing of the Modern Slavery Act and the joining and active membership of the initiative "Together for Sustainability (TfS)" (for more details see above under S2-1), Semperit has implemented preventive measures that aim at practices complying with human rights and promote a positive impact in the value chain. The effectiveness of these measures is currently not systematically recorded. Semperit has not yet installed any proactive processes that systematically identify grievances in the supply chain (e.g. through audits or specific risk analyses). Likewise, concrete procedures for taking targeted action in the event of possible human rights violations have not yet been implemented. No actual negative impacts on workers in the value chain were identified in the materiality analysis. Nor were any serious human rights violations or incidents reported during the reporting period.

However, in the event that a specific case is reported, Semperit will cooperate with the affected business partners and stakeholders to take action to remedy the situation. For example:

- Discussions with the affected suppliers
- Support in implementing corrective measures
- Review of the business relationship in the event of repeated violations
- Termination of the business relationship

Disclosure Requirement S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

By 2030, 75% of the expenditure for raw materials, goods and services should come from suppliers that have been audited by EcoVadis for compliance with ESG criteria and standards.

The EcoVadis certification assesses, among other things, company's concepts, measures, goals and progress in areas such as human and labor rights, working conditions, health and safety, diversity and inclusion. Tier-1 suppliers of Semperit are asked to get evaluated. This is a crucial step in ensuring that human rights standards are respected by the immediate suppliers in the supply chain. Semperit itself defines the threshold that its suppliers must reach to ensure that fundamental labor rights and other important issues are addressed with adequate resources and strategic priority. Consequently, suppliers with a rating below 45 out of a maximum of 100 points are asked to take effective improvement measures.

75% of expenditure covered by EcoVadis-certified suppliers (IROs #42-44, 47)

Target	Interim target	Base year	Base value	Period	Target achievement in the reporting year
75% of expenditure covered by EcoVadis-certified suppliers by 2030	2024: 45% 2025: 50% 2026: 55% 2027: 60% 2028: 65% 2029: 70% 2030: 75%	2023	42% of expenditure covered by EcoVadis-certified suppliers	01/01/2024 to 12/31/2030	47% of expenditure covered by EcoVadis-certified suppliers (+5 PP above the starting value in 2023, +3 PP above the interim target in 2024)

The performance of suppliers is tracked annually based on the EcoVadis supplier performance and published in this statement. The margins of SAG's bank financing taken up in the 2023 financial year are linked to the leverage ratio and ESG performance criteria, including the target set out above.

At Group level, various internal and external stakeholders were involved in assessing the materiality of social issues and setting the level of ambition in the supply chain. These include employees – particularly employees in the Procurement department – works councils, NGOs focused on social issues, suppliers and customers. The goal was defined as strategically important based on the results of this materiality assessment with the involvement of internal and external stakeholders and, as a result, the target was set more ambitiously (until the end of 2023, the 2030 goal only applied to direct materials; from 2024, it has applied to the entire spend).

However, during the reporting period, neither the workers in the value chain nor their legitimate representatives or credible proxies were directly involved in setting the target. The target set is voluntary and not based on binding legal requirements.

4. Governance information

ESRS G1 Business conduct

The sustainable business conduct of the Semperit Group is designed to balance the interests of stakeholders, protect the environment and ensure long-term economic success. In order to achieve this and to successfully anchor and manage sustainability throughout the entire value chain, Semperit has created a binding framework. It defines which values, principles, rules and regulations apply and how their compliance is organized and monitored. The focus is on important topics such as the protection of human rights, compliance with laws and ethical rules, the fight against corruption and bribery, and the promotion of transparency and accountability. Numerous initiatives aim to ensure that corporate responsibility is not only applied within the company's own gates but also encompasses the entire value chain. These initiatives aim to ensure that suppliers also comply with high ecological and social standards and avoid negative impacts. The following information explains in more detail how Semperit manages the material impacts, risks and opportunities in the area of business conduct as shown in the table.

Subtopic	Sub-subtopic	Occurrence in the value chain	Affected stakeholders[1]	Potential/actual impacts	Time horizon: short, medium or long-term	Positive impacts	Negative impact	Measurable target	Key measure (implemented or confirmed in the reporting period)
Corporate culture		Own operations	4	P	S, M, L		(#45) If management does not translate laws and regulations into a fair and transparent corporate culture, this can lead to negative effects on trust and integrity with the Code of Conduct, erosion of trust among employees and the public, disregard for social norms, and the containment of long-term prosperity.	-	Corporate values as the backbone of the Code of Conduct; Annual performance reviews of employees based on corporate values
Protection of whistleblowers		Upstream value chain, own operations, downstream value chain	4, 5, 6, 8, 10, 12	A	S, M, L	(#46) Without the protection of whistleblowers reporting unethical or illegal activities, compliance cases would not be reported, and legal consequences would not be avoided, which would have a negative impact on business relationships, corporate image and corporate responsibility.		0 violations of compliance-relevant laws and regulations	Publicly accessible, anonymous whistleblower hotline SemperLine
Management of relationships with suppliers, payment practices		Upstream value chain, own operations	5, 6	P	S, M, L	(#47) Promoting sustainability in the supply chain through fair business relationships, ESG assessments and audits of suppliers helps to improve sustainability standards in the elastomer industry in general.		75% coverage of all expenditures to suppliers certified with EcoVadis by 2030	Supply chain due diligence through Business Partner Checks and ESG assessments by EcoVadis and TfS with a focus on quality, sustainability and regulatory compliance
Corruption and bribery	Prevention and detection, including training	Own operations	4	A	S, M, L	(#48) Training as a risk prevention measure promotes a culture of responsibility and transparency, builds trust among stakeholders and promotes a sustainable and fair economy, thereby reducing the risk of unethical practices within the company, its value chain and in the market.		0 violations of compliance-relevant laws and regulations	Wide range of mandatory and voluntary training: e-learning and classroom training for white-collar workers with a focus on compliance, sustainability and cybersecurity; On-the-job and classroom training for blue-collar workers with a focus on process knowledge and occupational safety; Publicly accessible, anonymous whistleblower hotline SemperLine
	Incidents	Own operations, downstream value chain	4, 5, 6	A	S, M, L		(#49) Corruption incidents lead to the erosion of trust among employees, customers, suppliers, investors and the general public and contribute to broader problems in society, such as economic inequality and reduced trust in the fairness of the industry market and the effectiveness of regulatory mechanisms.		

[1] See overview of Semperit stakeholders in the ESRS section under SBM-2.

Disclosure Requirement G1-1 – Corporate culture and business conduct policies (IROs #45-49)

Culture is a system of values, beliefs and behaviors in daily actions, in making decisions and in interactions within and outside the organization. The corporate values of the Semperit Group are therefore an integral part of corporate culture (IRO #45). A set of values was defined as early as 2012, which was expanded into the currently applicable principles with the help of external experts in 2019 and 2020: "We trust, we create, we own and we deliver". In the annual performance cycle, which includes, among other things, Group-wide assessment and development meetings with employees, these (white-collar) employees evaluate themselves how they live Semperit's values. In addition to individual target agreements and development plans, this forms the basis for the annual performance evaluation of white-collar employees. The values and value principles are anchored in the Group-wide Code of Conduct. New employees are introduced to them for the first time as part of the onboarding process.

The most important corporate policies in the area of sustainability include the HSEQ Policy, People Policy, Supplier Policy and the Modern Slavery Act Statement, which, together with the Group-wide Code of Conduct (CoC), reflect Semperit's values and standards. Semperit refers to the relevant international frameworks, such as the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the "Transparency International Business Principles for Countering Bribery", ISO standards (ISO 37001, ISO 37002), the International Bill of Human Rights, the SDGs (Sustainable Development Goals) or the UNGC (UN Global Compact) and commits to the principles, guidelines and objectives contained in these frameworks. Wherever stricter local laws or regulations exist, these take precedence. The guidelines explained below apply to all employees, temporary and contract workers, interns and apprentices, as well as to the members of the Executive Board and Group-wide to all sites in which Semperit holds a share of more than 50%. Thus, the joint venture site in Hat Yai, Thailand, implements selected, locally relevant policies, such as the HSEQ Policy, but is not subject to the full scope of the Semperit Group's quality management system. The Code of Conduct and the Supplier Policy also apply to suppliers and business partners (Tier 1) at a global level.

The People Policy – which describes Semperit's corporate culture, among other based on integrity, performance and values –, the HSEQ Policy, the Modern Slavery Act Statement, the Supplier Policy and the Code of Conduct are publicly available on the Semperit website. Internal policies are also recorded via the quality management system and fully communicated internally via the intranet. Further disclosures on the policies can be found in section S1 under S1-1 – Policies related to own workforce.

The Code of Conduct, which is publicly available on the Semperit website, is the central policy for compliance and provides a comprehensive overview of the regulatory framework consisting of principles, guidelines and instructions. It aims to ensure that employees can behave in an ethically correct manner and in accordance with company's values and guidelines (IROs #45-49). The Semperit Code of Conduct sets clear standards and expectations for how to act and react. Responsibilities and accountability are also specifically defined. In addition, the Code of Conduct includes guidelines on labor and human rights issues (discrimination, bullying, harassment, drugs and alcohol, etc.), sustainability (environment, health, safety, quality, diversity and inclusion, etc.), general compliance issues (anti-corruption and fraud, conflicts of interest, anti-money laundering, insider trading, antitrust and competition law, export controls, sanctions, internal control rules) and cybersecurity, and explains the options available for reporting misconduct, known as whistleblowing. Further disclosures on the content of the Code of Conduct and the associated awareness-raising measures are explained in Section S1 under S1-1 – Policies related to own workforce.

The whistleblowing platform SemperLine (IROs #46, 48, 49) (https://www.bkms-system.com/bkwebanon/report/clientInfo?cin=19semp16&c=-1&language=eng) is available worldwide to all internal and external stakeholders in twelve languages, 24 hours a day and free of charge. The e-mail inbox and telephone number of the Group Compliance team are also public points of contact. The whistleblowing platform is designed to detect and prevent abuses and violations of the law at an early stage, particularly in the areas of corruption and bribery, discrimination and human rights (IRO #49).

For general disclosures on the comprehensive awareness-raising program "Speak up!" and the whistleblowing hotline SemperLine, see S1-3 – Channels for own workers and workers' representatives to raise concerns.

The internal whistleblowing policy provides comprehensive guidance for whistleblowers and covers the following aspects: detailed information on the reporting process, a transparent description of the investigation procedure, rules on confidentiality and anonymity, and the rights and obligations of people involved. In addition, the implementation of measures, country-specific provisions (within and outside the legal framework of the EU), the protection of personal data (in accordance with the laws relevant to the Semperit Group) and the prohibition of retaliation are clearly regulated. All reports are received and processed according to company-wide, transparent and accessible complaints and reporting procedures. This standardized procedure is accessible to everyone and ensures that each report is treated consistently and in full compliance with legal requirements. The procedure stipulates that incoming reports are forwarded to the Local Compliance Coordinator, unless they are submitted directly to the Compliance department (Group Compliance). As a rule, the Local Compliance Coordinators forward all reports to Group Compliance, where they are uploaded into the uniform whistleblowing management system. Group Compliance is the central reporting office that handles all concerns and reports, regardless of the channel used to submit them. Reports can be made on any violations of laws, regulations, the Code of Conduct or internal policies on the following topics: human rights, health, safety, environmental and labor standards, bribery and corruption, conflicts of interest, anti-trust and anti-competitive behavior, insider trading or market abuse, fraud and financial reporting, data protection and cybersecurity, violations of export control or foreign trade sanctions, and any other violations or misconduct.

To ensure accountability and avoid legal violations (IRO #49), Semperit follows up on all information provided by whistleblowers in accordance with the applicable law for the implementation of Directive (EU) 2019/1937. In doing so, measures to protect whistleblowers in accordance with applicable law have the highest priority (IRO #46). All information provided, details of further investigations and the identity of the reporting person are treated discreetly and in strict confidence. Authorized employees who are called in to follow up on reports are subject to a special duty of confidentiality, are unbiased and have the necessary expertise to handle complaints and reports professionally. The Compliance Board reviews the final investigation report and decides on the necessary measures. To avoid any potential conflict of interest, the internal Whistleblowing Policy requires special measures when reports are made against the Executive Board (or individual members of the Executive Board) or Group Compliance. For reports against the Executive Board, the Group Compliance Officer reports directly to the Chair of the Supervisory Board's Audit Committee.

Confidential data may only be passed on to authorized departments or persons, such as HR or the Semperit Executive Board, for the purpose of resolving complaints and, within the scope of legal provisions, to authorities, courts or legal representatives. Reports submitted via SemperLine are only accessible to a limited extent and can only be viewed by the reporting person and authorized employees of the Compliance department. The data processed in the system as part of the report is the personal data (such as name, position, language and others) of whistleblowers and persons involved in reports, as well as witnesses. The data is stored only for the duration of the processing of the complaint and is subsequently deleted. The description of the process related to incoming compliance reports is explained in section S1 under the reference S1-3 – Processes and channels for own workers and workers' representatives to raise concerns.

The Modern Slavery Act Statement, which Semperit updates and publishes annually, aims to prevent modern slavery and human trafficking. It also describes the strategies and measures Semperit has taken to ensure that its business activities and supply chain are and remain free of modern slavery (IROs #43, 44). The statement for 2023, prepared in 2024, is available on the Semperit website. Detailed disclosures on the Modern Slavery Act Statement can be found in section S2, under disclosure S2-1 – Policies related to value chain workers.

The Group-wide Supplier Policy and the Code of Conduct form the basis for long-term trusting partnerships, to which Semperit attaches great importance in supply chain management. They primarily aim at promoting a sustainable supply chain – particularly in the chemical industry (IRO #47). The ESG requirements that Semperit places on its suppliers are described in the Supplier Policy and follow international policies, such as the principles of the UN Global Compact, the Charter for Sustainable Development of the International Chamber of Commerce (ICC) and the relevant conventions of the International Labor Organization (ILO). Semperit expects its suppliers to comply with these standards and encourages them to take this responsibility into their respective supply chains. The Supplier Policy contains strict anti-corruption requirements in the area of business integrity and ethics. All suppliers and their business partners are expected to adhere to a zero-tolerance policy towards bribery, fraud and corruption.

To this end, all suppliers with an annual purchasing volume of more than EUR 500,000 receive the Supplier Policy and are requested to sign it. In the case of suppliers who refer to their own code of conduct or corresponding policies, these documents are checked for equivalence with the Semperit Supplier Policy and marked in the supplier database. In 2024, Semperit generated 92% of its purchasing volume over EUR 500,000 with suppliers who have signed the Semperit Supplier Policy or follow a policy that is at least equivalent (the percentage does not include suppliers of the Rico Group). In addition, all major suppliers (high-risk countries according to the Transparency International Corruption Index <55) with a purchasing volume of more than EUR 300,000 will gradually be subjected to a so-called Business Partner Check (see references G1-2 and G1-3) by the Compliance department in order to identify any risks at an early stage.

The internal Anti-Bribery and Anti-Corruption Policy (IRO #48-49) includes, among other things, guidelines on responsibilities, dealing with primary risk areas (gifts, invitations, donations, sponsoring and contributions to political parties or functionaries), third-party services, reports on violations and approval processes. The Agency Agreements Policy includes requirements for agreements with third parties who act on behalf of Semperit or work for Semperit externally. Guidelines for using the Business Partner Check Tool or so-called "blue/white books" with internal rules and instructions for conduct are also material compliance requirements. All these policies aim to prevent corruption and bribery and to take appropriate measures.

In addition, Semperit AG Holding implemented an Issuer Compliance Directive to prevent the improper use or dissemination of insider information as defined by stock exchange law. An Issuer Compliance Officer, who reports directly to the entire Executive Board, administers this specialized area and monitors compliance with the law.

In-house training in the area of corporate governance and compliance (IRO #48) is set out in the internal training plan for white-collar employees, which is updated annually. The cycle of compliance training depends on the content, but it is usually provided annually. Training on the Code of Conduct takes place every two years. In addition, there is an ongoing awareness campaign called “Speak up!” to encourage employees to immediately report any concerns. They are informed about how to recognize violations and familiarize themselves with the complaints process in order to prevent and promptly uncover abuses and legal violations, particularly in the areas of corruption and bribery, discrimination, and human rights (IRO #49). A detailed explanation of the campaign can be found in section S1, disclosure S1-3 – Procedures and channels. The Integrity Declaration is signed by employees once a year. General compliance training on the e-learning platform (not yet implemented at Rico sites during the reporting period) is based on the needs identified across the Group and is aimed at all white-collar employees. In general, training is also provided in person or virtually, depending on the target group and the required depth. For blue-collar workers who do not have access to the platform, training on the Code of Conduct or whistleblowing is provided in person or via Teams meetings. Other training courses on topics such as sustainability, discrimination, harassment and whistleblowing are mandatory for employees to complete each year.

Those groups that are most exposed to corruption and bribery – including the Executive Board, the management, but also the Sales and Procurement departments – receive annual training on these topics.

Disclosure Requirement G1-2 – Management of relationships with suppliers (IRO #47)

Procurement is the remit of the Chief Industrial Officer and reports to the Director Supply Chain Management & Procurement. At year-end, the Group Procurement team comprised 34 employees globally. The dispatchers for the compound raw materials report to the central Mixing team. The individual sites are responsible for local procurement and storage management but are centrally managed and supported by Group Procurement & Logistics as far as possible. Central Procurement is divided into five groups:

- Raw materials (rubber, latex, chemicals, carbon black, steel, textiles and packaging)
- Investment goods (machines and vehicles)
- Logistics (inbound & outbound logistics)
- Indirect procurement (capex/opex, office supplies and service providers)
- Energy (gas, heating oil, electricity and steam)

Semperit focuses on material procurement when it comes to sustainable supply chain management. Due to the high proportion of material costs in the total product price, this has a direct impact on the company’s profitability. In addition, procurement of raw materials, packaging materials and merchandise is potentially associated with company’s greatest indirect ecological and social impact.

The Procurement department is also responsible for cooperation and exchange with suppliers. Thanks to close cooperation with existing suppliers and the expertise of buyers, the Semperit Group’s supplier network has been largely stable for years and is subject to only minor fluctuations. Semperit pursues the goal of having at least one supplier from Europe and one from another region of the world for each material group in its portfolio. This diversification of supply sources minimizes the risk of supply shortages or procurement problems, such as those caused by the Covid-19 pandemic, geopolitical conflicts or economic sanctions. The company generally prefers direct contact with producers and avoids the use of intermediaries. The change in the company structure – with the final separation from the medical sector and the integration of the Rico Group in the last two years – had no impact on existing suppliers due to the company’s established supplier management.

Various chemicals are needed for producing rubber products. If not stored and handled properly, these chemicals could have negative effects on people and the environment. Therefore, handling these substances requires compliance with strict requirements that cover the entire process from transport and storage to processing. These include, for example, the REACH regulation (Registration, Evaluation, Authorisation and Restriction of Chemicals), which Semperit and its suppliers within the EU must comply with. Semperit complies with all legal requirements with regard to the avoidance and substitution of hazardous substances at the European, national and regional levels. Further disclosures on these approaches and measures can be found in section E2 Pollution.

Semperit sources and processes natural rubber, wood and palm oil derivatives (wood is found in packaging; palm oil derivates are used as plasticizers in products), among other things, introduces products made from these materials on the EU and global markets. The company therefore falls within the scope of the upcoming Deforestation Regulation (EU) 2023/1115. The ESG and Procurement teams are working together on the complex issues associated with this regulation. Compliance with the new requirements is to be ensured within the framework of the existing supplier management processes. Semperit is in continuous dialogue with suppliers in order to be able to provide customers with appropriate evidence of deforestation-free products until the obligations of the regulation enter into force.

Semperit is also already in contact with the suppliers concerned by the climate change mitigation instrument CBAM (Carbon Border Adjustment Mechanism), which provides for an emissions-based CO_2 price on the import of certain goods manufactured outside the EU. The aim is to establish transparent and compliant CBAM reporting by 2026 that reflects the actual emissions of imported products.

A structured process is used to assess and select suppliers: general potential sustainability risks related to supply chains and supplier management (see section ESRS 2 under IRO-1) are systematically recorded as part of the annual ESG risk re-evaluation and IRO analysis. The specific selection of suppliers is preceded by an assessment process that takes into account criteria such as the procurement category, the geographical presence of the suppliers, their critical importance for production, and the purchase value. The information required for the assessment is obtained from various sources: from the acknowledged Semperit Supplier Policy and self-disclosure by (potential) suppliers to evaluations by EcoVadis and by conducting audits. In addition, internal policies require a Business Partner Check for new business partners (in high-risk countries according to the Transparency International Corruption Index <55) with a potential annual purchasing volume of more than EUR 300,000 to verify their economic stability, ability to deliver and reliability. Finally, targeted risk mapping is used to identify the suppliers who are to be evaluated or audited. This approach ensures that sustainability standards are effectively implemented and that potential risks are addressed at an early stage.

The Business Partner Check is based on an external tool that is also used for the continuous monitoring of compliance violations by existing suppliers. In this way, potential risks associated with suppliers are continuously monitored and taken into account. In recent years, these checks have been decentralized and extended to the competent departments, such as Procurement or Customer Service. The Business Partner Checks enable Semperit to identify risks and potential impacts at an early stage and take targeted countermeasures, making an important contribution to fulfilling due diligence, preparing for the upcoming European Corporate Sustainability Due Diligence Directive (CSDDD) and promoting sustainable and resilient supply chains.

In order to ensure ecological and social standards within the global supply chains, Semperit asks its suppliers to confirm their commitment to ecological, ethical and social sustainability by signing the Semperit Supplier Policy (see G1-1 for more disclosures on the Supplier Policy). In addition, Semperit uses the EcoVadis rating and on-site audits with suppliers to ensure that the sustainability criteria in the supply chain are met.

In order to intensify the exchange of knowledge and experience and to use synergies, Semperit joined the industry initiative “Together for Sustainability” (TfS) in 2020. This initiative brings together more than 50 international chemical companies with the aim of making the global supply chains of the chemical industry more sustainable. Some of Semperit’s suppliers are also taking part in this initiative. TfS evaluates the sustainability performance of companies based on standardized reports and audits and makes the results available to all members. The initiative follows the principles of the UN Global Compact and Responsible Care. Through close collaboration between its members, TfS actively promotes sustainable procurement in the chemical industry. TfS maintains a strategic partnership with the supplier rating platform EcoVadis, which has gained importance across all industries in recent years. TfS uses the expertise of EcoVadis to carry out supplier assessments, and the results of EcoVadis evaluations are shared with members on the TfS platform. In addition to these assessments, TfS also carries out on-site audits in collaboration with renowned audit firms, based on an audit standard developed for the chemical industry. All results, activities and developments are shared within the network with the aim of creating transparency, using synergies and promoting sustainability at all levels. Active participation in TfS and positioning Semperit as a socially responsible and attractive partner for investors, potential employees, business partners and other stakeholders strengthens the reputation and integrity of Semperit.

Through its membership in TfS, Semperit has access to EcoVadis supplier assessments and on-site audit results of other members (for more disclosures see ESRS 2 IRO-1). In addition to the successive evaluation and auditing of suppliers, the aim is to develop joint solutions for challenges such as the harmonized calculation of Scope 3 emissions or ensuring compliance with human rights in the supply chain. Each member company is part of a topic-based working group. Regular meetings serve for professional exchange and ensure that the high standards of the TfS initiative are maintained and that the established tasks are consistently worked on. As a member of the TfS network, Semperit drives sustainability issues forward and plays a leading role in the development of standards. TfS is much more than just a label – membership requires active deployment of human resources and a strong commitment within the network. More information can be found at www.tfs-initiative.com.

The Group-wide Code of Conduct and the Semperit Group's Supplier Policy set out the ethical, ecological and social principles to be considered when selecting and working with suppliers (see G1-1 – Corporate culture and business conduct policies for more information on the Code of Conduct and the supplier policies).

In addition to the Supplier Policy, the most important tools in this context are the assessments of suppliers according to ESG criteria, such as those carried out by EcoVadis. As a contribution to promoting a sustainable chemical industry (IRO #47), these desktop audits review ecological and social criteria. The ecological criteria specified by the Group-wide Supplier Policy include, for example, the responsible handling and sourcing of raw materials, the use of secondary raw materials (recycled raw materials), and efficient and thus resource-saving logistics. These are key criteria when selecting suppliers and are also given priority over economic criteria. In addition, social criteria are also checked when selecting suppliers; they are specified by the Code of Conduct or the Supplier Policy and are examined as part of the Business Partner Checks, among other things. They relate, for example, to the following criteria: compliance with international social and labor standards (ILO) and human rights, fair remuneration, equal opportunities or the implementation of the Modern Slavery Act against child and forced labor, which Semperit also examines as part of supplier audits and documents in an audit report.

The principles of the Code of Conduct and the Supplier Policies are continuously communicated as part of further training measures. Since 2021, Semperit has been conducting an online training course for employees that is specifically geared to sustainability aspects along the supply chain. The contents are selected and developed jointly by the ESG and Compliance departments. In addition, the Group-wide Procurement team is increasingly concerned with international initiatives and benchmarks. Employees are involved for instance in activities organized by the German Rubber Manufacturers Association (Wirtschaftsverband der Deutschen Kautschukindustrie) or the International Rubber Study Group, Singapore. Continuous exchange with suppliers plays a central role in driving joint innovations, particularly in the area of materials. In 2024, Semperit continued to train and raise awareness among lead buyers in order to deepen their expertise in ensuring sustainability within the supply chain. One focus was on selecting suitable suppliers and integrating them into the TfS assessment process. In 2024, the Procurement team received training at various in-house and externally organized events. The training program covered, among other things, the use of the EcoVadis platform and aimed to deepen the understanding of social and environmental issues and to strengthen risk identification and prevention skills.

Target 2030: expenditure covered by EcoVadis-certified suppliers (IRO #15-16, 42-44, 47)

Semperit pursues the goal of continuously promoting sustainability in the supply chain, and particularly the advancement of a sustainable chemical industry (see IRO #47). This is done by working closely with suppliers and jointly setting improvement measures, as well as participating in the TfS initiative and supplier assessments by EcoVadis. In 2023, the sustainability targets for the supply chain were also reviewed and defined more ambitiously as part of portfolio and strategy adjustments. Thus, Semperit has aimed to have all purchasing expenditures assessed by EcoVadis since 2024 – in contrast to the previous target, which only related to direct materials. By 2030, the company aims to generate 75% of its total procurement volume from suppliers who have a minimum rating of 45 on the EcoVadis scale and meet Semperit's high standards. In 2024, 47% was achieved.

Target	Interim target	Base year	Base value	Period	Target achievement in the reporting year
75% of expenditure covered by EcoVadis-certified suppliers by 2030	2024: 45% 2025: 50% 2026: 55% 2027: 60% 2028: 65% 2029: 70%	2023	42% of expenditure covered by EcoVadis-certified suppliers	01/01/2024 to 12/31/2030	47% of expenditure covered by EcoVadis-certified suppliers (+7 PP above the starting value in 2023, 2 PP above the interim target in 2024)

Further targets with regard to sustainability in the supply chain include also the number of audits conducted, and the rate of improvement achieved in the course of re-evaluations. By the end of 2024, Semperit was already able to procure materials or services from 169 suppliers who have an active EcoVadis rating (EcoVadis scorecard not older than three years). In addition, Semperit conducted one TfS audit and four on-site audits at suppliers in 2024. The improvement rate of the EcoVadis ratings was 65% in 2024, which means that more than half of the suppliers were able to improve their EcoVadis rating during the reporting period. The annual evaluation of this key figure is intended to provide information on the long-term development of sustainability performance and can be seen as an important indicator of Semperit's Sustainability Strategy 2030, which focuses on continuous cooperation and sustainable development rather than one-time assessments.

Semperit not only aims to source as many materials and services as possible from EcoVadis-rated suppliers but also specifies requirements for the rating results. In 2024, six suppliers achieved a score below the current threshold value of 45. These suppliers are asked to implement effective improvement measures, with Semperit providing support if needed. Another focus is on promoting a circular economy and increasing the use of recycled materials. To this end, Semperit maintains a close and ongoing exchange with a still small number of companies that supply recovered carbon black and reclaimed rubber.

Delays in payment are prevented by processes that are defined in Group-wide internal policies on payment transactions. The processes apply equally to small, medium and large companies. These include, among others, the Payment Guideline and the Payment Security Guideline. Payments to suppliers are generally made through a weekly payment run. This includes all payments that fall due by the cut-off date of the next payment run. Inclusion in the payment run is based solely on the due date of liability to the supplier. No distinction is made according to the type or size of the supplier. Payments to suppliers are made on the due date.

Disclosure Requirement G1-3 – Prevention and detection of corruption and bribery (IROs #48-49)

Semperit places a high priority on detecting and combating corruption and bribery with regard to compliance issues. Semperit uses a compliance management system, a set of rules based on recognized international standards (IDW PS 980, Transparency International Business Principles for Countering Bribery, ISO standards) and covers ethical conduct, corporate values, trainings, business integrity, internal controls, whistleblower systems, sanctions and the implementation of policies, internal rules and instruments to mitigate risks related to bribery and corruption. For disclosures on the whistleblower system and the reporting procedure and process, see G1-1 – Corporate culture and business conduct policies.

The aim of compliance management is to prevent potential misconduct, detect violations at an early stage and take appropriate measures to remedy them or mitigate their consequences. It is based on three central approaches:

- **Prevention:** training and knowledge transfer help employees to recognize and avoid risks.
- **Identification:** people are encouraged to report violations immediately through the available reporting channels.
- **Response:** corrective and mitigating actions are identified and implemented.

When investigating corruption or bribery cases, the employees of the Semperit Compliance department assigned to these tasks act independently of the management level (see G1-1 Corporate culture and business conduct policies for more disclosures on the process and the persons involved). The results of investigations are documented in a detailed report and managed by Group Compliance. The report is shared with relevant internal stakeholders, including the Compliance Board, and contains, among other things, measures to limit damage, recommendations for preventing future violations and process optimizations. Group Compliance reports regularly to the Audit Committee and the entire Supervisory Board.

In order to detect and combat corruption and bribery at an early stage, all employees are informed about applicable policies, tools and instructions. This information is provided on the compliance page on the intranet, the Semperit Combined Management System (SCMS), through online training, personal training and awareness-raising measures, which are carried out by Group Compliance and Local Compliance Coordinators.

Group Compliance conducts mandatory training for all employees – in person or online – on the prevention of corruption and bribery. These training sessions cover numerous topics, such as policies and principles, the reporting process (whistleblowing procedures), anti-corruption, conflicts of interest, and dealing with gifts, travel and entertainment (see table below). They provide information on applicable laws, regulations and internal processes. Blue-collar workers receive training especially in the fundamentals of the Code of Conduct and procedures for reporting concerns, including bribery and corruption. In addition, Local Compliance Coordinators receive regular training focusing on how to process and investigate reports.

Information on trainings on anti-corruption and anti-bribery **2024**

	Total functions at risk (managers, governing bodies, procurement, sales)	Managers	Governing bodies (Executive Board, Supervisory Board)	Other own workers
Training coverage (headcount)				
Persons with training assigned	298 | 7.3%	89	3	3,786
Total receiving training	260	67	3	1,567
Frequency				
How often training is required?	annually	annually	annually	annually
Delivery method and duration (industrial hours)				
Classroom training	6.8	9.3	1.7	13.1
Computer-based training	1.7	1.7	1.7	1.8
Voluntary training	0.0	0.0	0.0	0.0
Topics covered				
Gifts, travel and entertainment	x	x	x	x
Reporting process / Speak up!	x	x	x	x
Guidelines and principles	x	x	x	x
Anti-corruption and anti-bribery	x	x	x	x
Conflicts of interest	x	x	x	x

Classroom training is provided for company functions with higher risk exposure, such as managers and employees in Sales, Customer Service and Procurement. The focus here is on due diligence processes and topics related to combating corruption and bribery, in particular whistleblowing. The Executive Board also receives targeted training in the prevention of corruption and bribery. The training courses convey, among other things, the contents of the guidelines and approaches for the early detection and prevention of corruption and bribery through the use of the company's own instruments. 7.3% of all employees who hold a high-risk function (managers, Executive Board, Supervisory Board, Procurement, Sales) were fully covered by the training program. The following table provides an overview of the topics and areas covered. The hours shown in the table refer to industry hours (time is not shown in hours, minutes and seconds, but in decimal numbers) and represent the hours of training offered per training method. A detailed overview of training hours and the number of employees trained per topic can be found in section S1, under note S1-13.

Disclosure Requirement G1-4 – Confirmed incidents of corruption or bribery (IRO #49)

In addition to the main target of "no legally confirmed violations of compliance-relevant laws", Semperit is increasingly working on a transparent and trusting corporate culture, aiming to encourage addressing concerns or possible misconduct without fear of retaliation. This is intended to reduce and prevent intentional misconduct.

Target: 0 violations of compliance-relevant laws and regulations (IROs #46, 48-49)

Target	Interim target	Base year	Base value	Period	Target achievement in the reporting year
0 legally confirmed violations of compliance-relevant laws and regulations	none	-	-	01/01/2024 to 12/31/2024 (open-ended target)	0 legally confirmed violations of compliance-relevant laws and regulations

With regard to compliance, there was no legally binding confirmation of a violation of corruption and bribery regulations and no convictions for corruption and bribery offenses in the 2024 reporting year as shown in the table below. There were also no legally binding findings or fines with regard to environmental laws and regulations or tax laws. Furthermore, there are no ongoing proceedings from previous years.

There were no violations due to anti-competitive behavior in the reporting year. However, there are two pending proceedings regarding anti-competitive behavior from previous years. The outcome of one of these proceedings cannot be estimated with sufficient probability, but it can be assumed that these proceedings will not result in any significant impairment of the Group's assets, liabilities, financial position and profit or loss. Provisions for the most probable amount according to the Semperit Group's assessment have been set aside in accordance with IAS 37 to cover the expected costs and the corresponding risk. Any need for adjustment will be reassessed periodically. The second case relates to an application for leniency in relation to an outdated contract that has not been formally terminated.

In the reporting year, the Compliance department received a total of 49 reports submitted through all available whistleblowing channels (reports by e-mail, post, telephone, SemperLine and SemperBox). The 20 reported cases of discrimination show the number of complaints regarding discrimination, harassment or violation of working conditions filed during the reporting period. None of the 49 reported cases involved a serious incident or a human rights violation. Beyond that, there were no complaints to national contact points or serious human rights violations and incidents involving own workers, nor any related fines or sanctions.

Submitted compliance reports	2024	
	Number of reports	EUR
Reported complaints of discrimination	20	
Complaints submitted through channels for employees to raise concerns	29	
Complaints through National Contact Points for OECD Multinational Enterprises	0	
Total amount of fines, penalties and compensation payments as a result of the incidents of discrimination, including harassment and complaints filed		0
Severe human rights incidents connected to the undertaking's own workforce	0	
Severe human rights incidents connected to the undertaking's own workforce involving non-respect of UN Guiding Principles and the OECD Guidelines for Multinational Enterprises	0	
The total amount of fines, penalties, and compensation for damages as a result of human rights incidents		0
Convictions for corruption and bribery offenses	0	
Anti-corruption and anti-bribery violations	0	
Amount of fines for violations of corruption and bribery laws		0
Violations due to anti-competitive behavior	0	
Violations of environmental laws and regulations	0	
Tax violations	0	

Central measures and means to combat corruption and bribery (IROs #48-49)

The compliance management system, as Semperit's central tool for combating corruption and bribery, contains and regulates all processes, guidelines and policies, as well as risk minimization tools to support all employees in complying with strict ethical and legal standards. In the context of combating corruption and bribery, reference can be made, among other things, to the Anti-Bribery and Anti-Corruption Policy, which was updated in the reporting year and came into force on January 1, 2025, the Supplier Policy and the Code of Conduct (see G1-1 – Corporate culture and business conduct policies for more disclosures). These policies cover the following risk areas, among others: dealing with public officials, handling donations, gifts and sponsorships, dealing with political contributions or contracts with third parties.

Semperit also places a strong emphasis on ongoing awareness-raising and communication measures such as posters, stickers and notices in the field of anti-corruption and anti-bribery. In order to make the contents of the guidelines more tangible and comprehensible for employees, the new framework document "Anti-Bribery and Anti-Corruption Program" was introduced in the reporting year 2024, which clearly summarizes all requirements in this area. In addition, the following specific guidelines were published: the Conflict of Interest Policy, the Gifts, Hospitality and Entertainment Guideline, the Donations and Sponsorship Guideline, and the Third Party Intermediaries Policy. These topics were already included in the Code of Conduct and the Anti-Bribery and Anti-Corruption Policy, but the new documents provide more details and have added specific approval processes and templates. The Compliance department will continue to work on further optimizing the framework and the guidelines in the future, including in the context of the regulations on social and governance issues of the EU Green Deal.

To take action against corruption and bribery violations, the comprehensive Compliance training program, in particular the training for "Corruption and bribery", which was continued in the reporting year 2024, and supplemented by current topics such as ESG regulations, cybersecurity and discrimination. The figures for the training carried out in the reporting year in the field of corruption and bribery, as well as other topics, can be found under G1-3 – Prevention and detection of corruption and bribery.

Semperit prefers suppliers and business partners who meet ESG standards by signing the Semperit Supplier Policy or otherwise demonstrating that they have appropriate – and in particular preventive – measures in place to combat bribery and corruption. In the reporting year, the ESG and Compliance departments were also involved in this review for the first time in order to strengthen due diligence according to the four-eyes principle. In addition, the contracts include anti-corruption and anti-bribery provisions in accordance with international regulations. In case risks are identified during the review or later, the business partners are informed and requested to take appropriate measures. A comprehensive description of these processes for review and general relationship management can be found under G1-2 – Management of relationships with suppliers.

Disclosure Requirement G1-6 – Payment practices (IRO #47)

Semperit and its suppliers agree on individual payment terms that range from 0 to 120 days. A systematic distinction by supplier categories is not made. The following table shows the average time (in days) that Semperit took to settle an invoice from the start of the contractually or legally stipulated payment period in the reporting year. Invoices are always paid on time, at the end of the payment period. All invoices that were settled in 2024 were used to calculate the following time span.

Payment practices		2024
	Number	Days
Number of legal proceedings currently outstanding for late payments	0	
Average time (in number of days) the undertaking takes to pay an invoice from the date when the contractual or statutory term of payment starts to be calculated		25

	%
Invoices with a payment term of 0-15 days	30%
Invoices with a payment term of 16-30 days	48%
Invoices with a payment term of 31-45 days	8%
Invoices with a payment term of 46-60 days	11%
Invoices with a payment term over 60 days	3%

ESRS G1 Additional company-specific disclosures for IRO #45

To create a trusting work environment for all employees, a corporate culture based on integrity, transparency, fairness and equal rights is essential. This includes that laws as well as internal policies (including the Code of Conduct and the People Policy) are translated into a practiced culture. In order to counteract potential negative effects due to a lack of transparency (IRO #48), Semperit takes measures with regard to data protection, information security, consumer protection and tax transparency, which are explained below.

Data protection

The Data Protection Policy informs stakeholders about data processing activities and the exchange of personal data in peer-to-peer and business communication. It forms the basis for the systematic recording of complaints about alleged data misuse. The complaint is followed up immediately and the alleged data misuse is investigated. In order to promote awareness of the issue of data protection and support employees in their efforts to ensure data security and privacy, various e-learning courses (not yet implemented at Rico sites during the reporting period) and on-site training sessions were held in 2024 by the Senior Group Compliance Manager, the Chief Information Security Officer (CISO) or the local Data Protection Coordinators. In addition, local Data Protection Coordinators meet regularly to discuss data protection issues at Group and site level and to ensure continued compliance with legal requirements.

Information security

The objective of information security is to protect information, and the information and communication technologies required for its processing and storage appropriately in the interest of Semperit companies, employees, business partners and customers. The following protection goals are pursued:

- Confidentiality (protection against access by unauthorized persons)
- Integrity (protection against unauthorized modification)
- Availability (access on demand and protection against loss)

In order to reduce the risk of technical system failures and the associated additional expenses and loss of revenue, continuous measures are taken to increase the availability of IT and invest for example in equipment of server rooms. Measures are also introduced to increase confidentiality (e.g. awareness training for employees) and integrity (e.g. data back-ups). In addition to the technical safeguards, the Group's Chief Information Security Officer ensures standardized control and monitoring (security governance) of information security throughout the Group. Information security risks are dealt with as part of Group-wide enterprise risk management. The Group-wide information security management system is based on the following guidelines: End-User Guideline, Mobile Device Guideline, Incident Guidelines, Malware Guideline, Physical Control Guideline and Technology Guideline.

The CISO was spun off from the IT organization and now reports directly to the CFO to ensure independence from acute concerns and a high level of management agility. Consistent security governance includes ongoing measures and checks to prevent damage – for example through malware – and to reduce identified risks. The human factor is particularly important in information security. Semperit strives to sensitize its employees to cybersecurity and to establish a proactive error culture. To this end, a comprehensive and uniform Group-wide awareness concept has been developed. In 2024, the focus was on recognizing and dealing with phishing e-mails. For example, e-learnings, trainings with interactive components, mock e-mails (simulated e-mails for training purposes) and dynamic lock screens were used as communication and learning channels. These communication and learning channels are available at all Semperit sites; the tools will be gradually expanded to the Rico sites over the next few years.

Consumer protection

As a component manufacturer and business-to-business company, Semperit is not in direct contact with consumers. Nevertheless, consumer protection is of substantial concern. The Semperit Group attaches great importance to transparency and product safety and is therefore in close contact with customers who process Semperit products, integrate them into the final industrial solution, and service them. Upon request, desired information is provided and dialog with consumers is supported in order to address relevant concerns. Contact can be established through SemperLine and other public contact points such as e-mail, post, or LinkedIn. Semperit does not make misleading assurances, nor does the company conceal information that could adversely affect business partners. In cooperation with public authorities such as customs offices, regulatory authorities and certification bodies, Semperit is committed to detecting and preventing abusive marketing practices. In addition, Semperit consistently pursues the goal of avoiding potential negative impacts of its products on public health, safety or the environment (further disclosures can be found in sections E1, E2 and S1).

Transparent tax management

Tax concept

The tax management of Semperit follows the principles of sustainable corporate governance. The focus is on careful consideration of economic, ecological and social aspects, as well as appropriately balancing the interests of all stakeholders. The basic tax principles are derived directly from the corporate strategy: The Semperit Group is also aware of its social responsibility towards the economy, the environment and society in tax matters and is committed to fulfilling this responsibility at all sites. Business transactions should be structured in a tax-efficient manner. In case of doubt, however, business considerations should take precedence over tax optimization ("tax follows business"). The core task of Semperit's Tax department is to protect the assets of the Semperit Group and to minimize liability risks for the governing bodies and for all employees with tax responsibilities, which is ensured by strict compliance with all national and international tax laws and legal regulations. Semperit explicitly distances itself from aggressive tax planning strategies and does not implement artificial constructions with the aim of tax avoidance. Legal options are used as part of responsible and economically sensible tax optimization. Transfer prices within the Group do not serve the purpose of tax avoidance; rather, taxes are paid where the value is added.

Tax governance, control and risk management

The Group's tax management has a key coordinating role within the Semperit Group, not only between companies but also between corporate functions and individual business units. In order to fulfil the principle of transparency and to ensure clear and open communication in the area of taxation as well, tax reporting is a central component of the Group's reporting system. Semperit's Chief Financial Officer is responsible for risk management, including tax risk. The Risk Management & Assurance department is responsible for centrally coordinating and monitoring the risk management process for the entire Semperit Group. Relevant risks (including tax risks) are identified and assessed in terms of their impact and probability of occurrence. Responsibilities are determined, measures are defined, and their follow-up is ensured. This should also ensure that potential new risks are discussed at management level and, if relevant, included in reporting. The Risk Management & Assurance department reports to the Audit Committee on a quarterly basis and ensures that the necessary risk control measures are implemented in tax management. Furthermore, the management of each individual Group company is obliged to comply with and implement the tax regulations. An external tax advisor must always be consulted for the tax assessment of material issues and tax returns. Tax management and risk management with the principle of transparency thus follow the OECD Guidelines for Responsible Business Conduct.

Involvement of stakeholders and management of tax concerns

Dialogue with tax authorities is open and objective in order to set out Semperit`s actions in a comprehensible and understandable way. Cooperation with the tax authorities is fair, constructive, cooperative and reliable. Irrespective of this, all legal and legitimate options and legal norms are exhausted, if necessary, in order to defend the legal tax positions of the Semperit Group. All tax-related obligations to cooperate are fulfilled; in particular, all retention, notification, declaration, submission and payment obligations in the countries in which Semperit operates are implemented in a timely, lawful and comprehensive manner. The management of each company is responsible for the implementation of and compliance with tax regulations. Potential tax risks must be recorded by the individual companies and departments via the Group-wide risk management system and the corresponding countermeasures are monitored on an ongoing basis. The Group Risk Management Report is regularly submitted to the Supervisory Board's Audit Committee. Non-compliant or questionable matters can be reported via the whistleblowing hotline SemperLine. Furthermore, training courses and regular information on task-specific topics are used to ensure compliance on an ongoing basis.

Outlook

After a very solid performance of the businesses in the 2024 financial year, the Executive Board of the Semperit Group expects the market environment to remain challenging in the coming months. For the SIA division, no significant recovery in demand is expected in the short term due to the economic environment. In addition, demand from the relevant industries (including construction machinery and agricultural machinery such as tractors) continues to decline or is not yet showing any signs of recovery. The business of original equipment manufacturers (OEMs) relevant to hoses continues to be characterized by a weak order intake. Gaining market share, especially among medium-sized customers, is likely to only partially offset these effects. Leading indicators for the profiles business, such as building permits for the German construction industry, also continue to show a downward trend. For the SEA division, the demand from the mining industry, healthcare and food sectors as well as the railway sector should continue, while demand for products linked to the construction industry and related sectors will be lower over the coming months.

In anticipation of this development, countermeasures were initiated early in the 2023 financial year, including improvements to the product mix towards higher-margin products, cost reductions, which will have added up to more than EUR 18 million since 2023 and the streamlining of processes, and thus an increase in operating efficiency, to be able to react flexibly to further market fluctuations. These measures are taking effect, as is clearly visible in the positive earnings development in the 2024 financial year and will continue to be consistently implemented. Depending on the timing and intensity of the market recovery, the Executive Board expects operating EBITDA in the range of EUR 70 million to EUR 90 million for the full year 2025. If the market situation improves and utilization increases correspondingly, this will significantly enhance operational efficiency (operating leverage). Against this backdrop, we confirm our medium-term target of achieving an operating EBITDA of around EUR 120 million in the 2026 financial year. This is subject to the economy beginning to recover in the 2025 financial year.

With net debt of EUR 103.3 million, an equity ratio of 47.2% and cash and cash equivalents of EUR 126.0 million, Semperit has a strong balance sheet, which enables the company to invest in both its existing business and in growth. Topics such as the general economic development in important countries, geopolitical tensions and events or an increasingly protectionist policy of the US administration represent uncertainties that could influence the assumed market developments. With its own production facilities in Europe, Asia and North America, Semperit also sees itself well positioned for this case.

Dividend

The dividend policy of the Semperit Group generally aims at a distribution of around 50% of earnings after taxes – provided that business development continues successfully, and no extraordinary circumstances occur. Given the good liquidity situation and the development of free cash flow (before sale of companies) in the past fiscal year, the board has decided to deviate from the dividend policy and will propose a dividend of EUR 0.50 per share to the general meeting. In total, EUR 10.3 million is planned to be distributed.

Note

This outlook is based on the assessments of the Executive Board as of March 19, 2025, and does not take into account the impact of potential acquisitions, divestments, or other unforeseeable structural and economic changes during the remainder of the year. These assessments are subject to both known and unknown risks and uncertainties, which may result in actual events and outcomes differing from the statements made here.

Vienna, March 19, 2025

The Executive Board

Karl Haider
CEO

Helmut Sorger
CFO

Gerfried Eder
CIO

Manfred Stanek
Executive Board Member

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Consolidated income statement

in EUR thousand	Note	1–12 2024	1–12 2023[1]
Revenue	2.1, 2.2	676,573	681,764
Changes in inventories		–15,019	–11,330
Own work capitalized		2,576	2,554
Operating revenue		**664,131**	**672,988**
Other operating income	2.3	8,619	7,144
Cost of materials and purchased services	2.4	–279,693	–307,783
Personnel expenses	2.5	–218,832	–206,519
Other operating expenses	2.6	–89,350	–95,757
Earnings before interest, tax, depreciation and amortization (EBITDA)	**2.1**	**84,875**	**70,073**
Depreciation and amortization of intangible assets and property, plant, and equipment	2.1, 3.1, 3.2	–47,451	–36,507
Impairment of intangible assets and property, plant, and equipment	2.1, 3.1, 3.2	–2,449	0
Reversal of impairment of intangible assets and property, plant, and equipment	2.1, 3.1, 3.2	0	392
Earnings before interest and tax (EBIT)	**2.1**	**34,976**	**33,958**
Finance income	2.7	3,453	3,038
Finance expenses	2.7	–14,133	–7,791
Profit/loss attributable to redeemable non-controlling interests	2.7	–3,469	–2,877
Other financial result	2.7	716	–1,074
Financial result	**2.7**	**–13,433**	**–8,704**
Earnings before tax		**21,544**	**25,254**
Income taxes	2.8	–10,134	–892
Earnings after tax from continuing operations		**11,409**	**24,362**
Earnings after tax from discontinued operations	2.9	92	–41,435
Earnings after tax		**11,501**	**–17,073**
of which attributable to the shareholders of Semperit AG Holding	2.10	11,501	–16,807
of which attributable to non-controlling interests	2.10	0	–266
Earnings per share in EUR (basic and diluted)[2]	**2.10**	**0.56**	**–0.82**
of which earnings per share in EUR from continuing operations (basic and diluted)		0.56	1.18
of which earnings per share in EUR from discontinued operations (basic and diluted)		0.00	–2.00

[1] Comparative figures adjusted (see section 2.9).
[2] Earnings per share relate only to the shareholders of Semperit AG Holding.

Consolidated statement of comprehensive income

in EUR thousand	Note	1–12 2024	1–12 2023
Earnings after tax		**11,501**	**–17,073**
Other comprehensive income that will not be recognized through profit and loss in future periods		**308**	**–1,195**
Remeasurements of defined benefit plans	7.1	–917	–2,081
Income tax thereon	9.	1,224	887
Other comprehensive income that may be recognized through profit and loss in future periods		**4,053**	**17,662**
Measurement gain or loss from cash flow hedges	2.7, 6.4, 11.4	–560	0
Income tax thereon		129	0
Currency translation differences	5.1	4,484	17,662
thereof reclassification to profit or loss for the period	2.9	0	23,541
Other comprehensive income		**4,360**	**16,467**
Total comprehensive income for the year		**15,862**	**–606**
of which attributable to the shareholders of Semperit AG Holding		15,862	–287
of which attributable to non-controlling interests		0	–319

Consolidated cash flow statement

in EUR thousand	Note	1–12 2024	1–12 2023[1]
Earnings before tax		21,544	25,254
Earnings before tax from discontinued operations, less transaction costs	2.9	109	–19,314
Depreciation, amortization, impairment and reversal of impairment of intangible assets and property, plant, and equipment	2.1, 3.1, 3.2	52,977	35,627
Gain/loss from disposal of assets (including current and non-current securities and financial investments)		–120	233
Change in non-current provisions	7.	–2,688	–3,791
Profit/loss attributable to redeemable non-controlling interests	6.1	3,469	2,877
Net interest income (including income from securities)		9,839	4,628
Income taxes paid	2.8	–9,244	–18,877
Other non-cash income/expenses	2.11	–1,215	–2,220
Gross cash flow		**74,669**	**24,417**
Change in inventories	4.1	18,810	44,842
Change in trade receivables	4.2	13,565	16,846
Change in other receivables and assets	3.3, 6.5, 8.1	8,170	1,569
Change in trade payables	4.3	–2,809	–13,760
Change in other liabilities and current provisions	6.3, 7.2, 8.2	–17,854	–7,724
Cash flows from operating activities		**94,552**	**66,190**
Proceeds from sale of property, plant, and equipment	3.2	1,093	528
Proceeds from business disposals net of cash disposed of	2.9	6,586	85,252
Proceeds from sale of non-current assets held for sale	3.4	1,200	0
Purchases of intangible assets and property, plant, and equipment	2.11	–64,577	–55,603
Business acquisitions net of cash acquired	10.1	0	–164,824
Interest received	2.11	3,655	2,787
Investment grants received		117	385
Proceeds from the repayment of financial assets		0	33
Acquisition of financial assets	6.5	–4,750	0
Cash flows from investing activities		**–56,677**	**–131,443**
Cash receipt from non-current financial liabilities	2.11, 6.2	26,000	190,037
Repayment of non-current financial liabilities	2.11, 6.2	–10,000	–40,000
Repayment of current financial liabilities		–8,671	–18,565
Repayment of lease liabilities	2.11	–5,094	–4,446
Dividend to shareholders of Semperit AG Holding	5.2	–10,287	–92,580
Dividends to redeemable non-controlling interests in subsidiaries	6.1	–2,884	–6,482
Interest paid	2.11	–14,969	–7,487
Cash flows from financing activities		**–25,904**	**20,477**
Currency translation differences		1,330	–458
Net change in cash and cash equivalents		**13,301**	**–45,235**
Cash and cash equivalents at the beginning of the period related to continuing operations		112,236	105,487
Plus cash and cash equivalents related to discontinued operations		435	52,419
Cash and cash equivalents at the beginning of the period (consolidated balance sheet value)		**112,671**	**157,906**
Cash and cash equivalents at the end of the period		125,972	112,671
Less cash and cash equivalents related to discontinued operations		0	435
Cash and cash equivalents at the end of the period related to continuing operations (consolidated balance sheet value)	**6.6**	**125,972**	**112,236**

[1] Comparative figures adjusted (see section 2.9).

Consolidated balance sheet

in EUR thousand	Note	12.31.2024	12.31.2023
Intangible assets	3.1	120,701	124,971
Property, plant, and equipment	3.2	466,617	447,498
Trade receivables	4.2	142	51
Other financial assets	3.3	7,469	6,491
Other assets	8.1	5,938	14,422
Income tax receivables	9.	120	0
Deferred taxes	9.	3,240	4,302
Non-current assets		**604,228**	**597,734**
Inventories	4.1	85,745	110,760
Trade receivables	4.2	73,581	86,074
Other financial assets	3.3, 6.5	5,390	1,574
Other assets	8.1	16,078	23,781
Income tax receivables	9.	1,827	4,750
Cash and cash equivalents	6.6	125,972	112,671
Current assets		**308,593**	**339,609**
Assets held for sale	**3.4**	**76**	**541**
ASSETS		**912,898**	**937,885**
Share capital	5.1	21,359	21,359
Capital reserves	5.1	21,503	21,503
Retained earnings	5.1	372,645	371,554
Currency translation reserve	5.1	15,375	10,891
Equity attributable to the shareholders of Semperit AG Holding		**430,882**	**425,307**
Provisions	7.	31,216	35,184
Liabilities from redeemable non-controlling interests	6.1	12,527	11,905
Financial liabilities	6.2	190,009	219,165
Trade payables	4.3	1,656	851
Other financial liabilities	6.3	50,039	49,779
Other liabilities	8.2	2,602	3,052
Deferred taxes	9.	26,328	26,693
Non-current provisions and liabilities		**314,377**	**346,630**
Provisions	7.	21,406	23,824
Liabilities from redeemable non-controlling interests	6.1	3,745	2,820
Financial liabilities	6.2	44,059	8,657
Trade payables	4.3	55,099	68,336
Other financial liabilities	6.3	11,368	14,330
Other liabilities	8.2	29,953	41,887
Income tax payables		1,979	5,674
Current provisions and liabilities		**167,610**	**165,527**
Provisions and liabilities held for sale	**3.4**	**29**	**421**
EQUITY AND LIABILITIES		**912,898**	**937,885**

Consolidated statement of changes in equity

in EUR thousand	Note	Share capital	Capital reserves	Retained earnings	Currency translation reserve	Total	Non-controlling interests	Total equity
Balance at 01.01.2023		**21,359**	**21,503**	**482,136**	**–6,825**	**518,174**	**970**	**519,145**
Earnings after tax		0	0	–16,807	0	–16,807	–266	–17,073
Other comprehensive income		0	0	–1,195	17,716	16,521	–53	16,467
Total comprehensive income for the year		0	0	–18,002	17,716	–287	–319	–606
Dividend	5.2	0	0	–92,580	0	–92,580	0	–92,580
Deconsolidation of non-controlling interests		0	0	0	0	0	–651	–651
Balance at 12.31.2023		**21,359**	**21,503**	**371,554**	**10,891**	**425,307**	**0**	**425,307**

in EUR thousand	Note	Share capital	Capital reserves	Retained earnings	Currency translation reserve	Total	Non-controlling interests	Total equity
Balance at 01.01.2024		**21,359**	**21,503**	**371,554**	**10,891**	**425,307**	**0**	**425,307**
Earnings after tax		0	0	11,501	0	11,501	0	11,501
Other comprehensive income		0	0	–123	4,484	4,360	0	4,360
Total comprehensive income for the year		0	0	11,378	4,484	15,862	0	15,862
Dividend	5.2	0	0	–10,287	0	–10,287	0	–10,287
Balance at 12.31.2024		**21,359**	**21,503**	**372,645**	**15,375**	**430,882**	**0**	**430,882**

Notes to the consolidated financial statements

1. General

1.1 General information

Semperit Aktiengesellschaft Holding (SAG), a public limited company under Austrian law, is the parent company of an international industrial group (hereinafter: the Semperit Group). It is domiciled at Am Belvedere 10, 1100 Vienna, Austria, and it develops, produces, and sells highly specialized polymer products in the Semperit Industrial Applications (SIA) and Semperit Engineered Applications (SEA) divisions. B&C KB Holding GmbH is the direct majority shareholder of SAG, and B&C Privatstiftung is the controlling legal entity. The Semperit Group completed its strategic realignment and transformation to an industrial rubber specialist by selling the Medical Sector in two steps, in August 2023 and June 2024. Please see section 2.1 for additional information on the divisions.

Due to the acquisition of the Rico Group on July 31, 2023, it is only possible to make limited comparisons with the consolidated income statement for the prior-year period.

1.2 Basic preparation principles

The consolidated financial statements as of December 31, 2024 were prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), and Section 245a of the Austrian Commercial Code (*Unternehmensgesetzbuch*, UGB). The fiscal year comprises the period from January 1 to December 31. The consolidated financial statements were prepared on March 19, 2025 and approved for submission to the Supervisory Board.

The reporting currency is the euro (EUR), with figures rounded to the nearest thousand, unless expressly stated otherwise. Rounding differences may occur when totaling rounded amounts and percentages through the use of automated calculation methods.

The Surgical Operations business was recognized under discontinued operations in the consolidated financial statements as of December 31, 2024 (see section 2.9). As per the accounting rules under IFRS 5, Non-current assets held for sale and discontinued operations, the earnings after taxes of continuing and discontinued operations are shown separately in the consolidated income statement. The earnings from discontinued operations were reported as a separate item, including the earnings after taxes resulting from the measurement at fair value less costs to sell or from deconsolidation. The comparative figures in the consolidated income statement have been adjusted accordingly and also include the Examination Operations business sold in August 2023. Cash flows from continuing and discontinued operations were presented together in the consolidated cash flow statement. Cash flows from the operating, investing, and financing activities of discontinued operations are disclosed in the notes (see section 2.9). The disclosures in the notes explaining the consolidated income statement, the consolidated cash flow statement, and the consolidated balance sheet follow the presentation described here.

With the exception of the measurement of certain financial instruments, as well as provisions and deferred taxes, the consolidated financial statements were prepared based on amortized cost. Securities and derivative financial instruments are measured at fair value. The three levels in the fair value hierarchy are defined as follows:

- Level 1: Measurement based on quoted prices on an active market for a specific financial instrument
- Level 2: Measurement based on quoted market prices for similar instruments or on the basis of measurement models based exclusively on input factors that are observable on the market
- Level 3: Measurement based on models with significant input factors that are not observable on the market

In the 2024 fiscal year, no financial instruments were reclassified between the individual levels.

The amount of provisions corresponds to the best estimate of the expenditure required to settle the liabilities as of the reporting date. Deferred taxes that are expected to be realized are calculated based on the nominal amount of existing temporary differences between the IFRS carrying amounts and the tax base, using the tax rate that is expected to apply.

1.3 Consolidation principles

The consolidated financial statements include the financial statements of the parent company and the financial statements of the subsidiaries controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control begins and until the date on which control ceases. Please see sections 10.1 through 10.2 for more detailed information on the scope of consolidation.

Acquisition accounting involves offsetting the amortized cost of the equity interest in subsidiaries and the respective subsidiary's equity attributable to the investment. Receivables and liabilities between companies included in the scope of consolidation are eliminated during the course of the consolidation of intercompany balances. Foreign currency differences from the consolidation of intercompany balances are presented in the other financial result. All income and expenses from intercompany transactions, such as deliveries of goods and services, Group financing, or profit distributions, are offset during the elimination of income and expenses. Depending on the underlying transaction, foreign currency differences from the elimination of income and expenses are presented in the cost of materials, other operating expenses, or other financial result. In addition, intercompany profits and losses from intragroup goods and services are eliminated.

Currency translation

Assets and liabilities, including goodwill of subsidiaries included in the consolidated financial statements whose functional currency is not the euro, are translated at the mean exchange rate as of the reporting date; items in the consolidated income statement, the consolidated statement of comprehensive income, and the consolidated cash flow statement are translated using a mean average exchange rate for the fiscal year. The reference exchange rates of the European Central Bank (ECB) are generally used for currency translation. Currency differences resulting from this translation of subsidiaries' financial statements are recognized in the consolidated financial statements through other comprehensive income in the currency translation reserve and reclassified to the consolidated income statement upon the sale or other disposal of the subsidiary in question.

Pursuant to IAS 21, for some subsidiaries there are mixed factors and indicators for determining the functional currency. In management's judgment, attributes that give rise to a functional currency other than the local currency predominate at the following subsidiaries:

- Semperflex Optimit s.r.o., Czech Republic: Euro
- Semperit Industrial Products Singapore Pte Ltd., Singapore: U.S. dollar
- Sempermed Singapore Pte Ltd., Singapore: U.S. dollar

Due to the progressive financing of Semperflex Optimit s.r.o. (SFO), Czech Republic in euros, the management's assessment of the (mixed) factors and indicators led to the conversion of the functional currency from the Czech koruna to the euro. The new functional currency, the euro, which differs from the Czech national currency the koruna, was applied prospectively as of January 1, 2024.

At Sempertrans Bełchatów Sp. z o.o. (STB), Poland, the assessment of the (mixed) factors and indicators for determining the functional currency results in the use of the local currency as the functional currency.

1.4 Judgments and uncertainties in estimates

Judgments

The accounting policies set out in the IFRS provide users of the standards with various implicit and explicit options. The application of accounting policies is therefore subject to various exercises of judgment by management that can significantly affect the amounts recognized in the financial statements. The following judgments by management have a significant influence on these consolidated financial statements:

- Determination of the functional currency of subsidiaries (see section 1.3)
- Determination of sufficient indications of a need to recognize impairment losses or reversals of impairment losses (see sections 3.1 and 3.2)
- Internally generated intangible assets: Determination of whether future economic benefits are likely (see section 3.1)
- Determination of whether the useful life of intangible assets is indefinite (see section 3.1)
- Lease terms: Assessment of whether the exercise of extension options or the non-exercise of termination options is reasonably certain; determination of any economic disadvantages resulting from an early termination (see section 3.2)
- Treatment of non-controlling interests in subsidiaries with termination options (see sections 6.1 and 10.2)
- Classification of money market fund units as cash equivalents (see section 6.6)
- Full consolidation of companies: Assessment of whether control over a subsidiary does or does not exist (See section 10.2)
- Determination of whether the conditions for the presentation of non-current assets held for sale or discontinued operations have been met (see section 2.9 as well as the consolidated balance sheet)

Material estimates and assumptions

Preparation of the consolidated financial statements requires management to make estimates and assumptions about future developments that affect the recognition and measurement of assets and liabilities, the disclosures on other obligations as of the reporting date, and the reporting of the income generated and expenses accrued during the fiscal year. The amounts ultimately realized may differ from the amounts recognized based on the decisions and assumptions that were made. Estimates and the underlying assumptions are reviewed regularly and adjusted if necessary.

The following estimates and assumptions were made; more detailed explanations of these can be found under the respective item:

- Intangible assets: the annual impairment test of goodwill or intangible assets with indefinite useful lives (see section 3.1)
- Intangible assets and property, plant, and equipment: determination of the useful lives of assets with finite useful lives (see sections 3.1 and 3.2)
- Intangible assets and property, plant, and equipment: indication-driven impairment testing of the assets, delineation and determination of costs to sell (see section 3.2)
- Inventories: determination of net realizable values during inventory measurement (see section 4.1)
- Trade receivables: determination of loss allowances (see section 4.2)
- Financial instruments: determination of the fair values for which there is no active market (see section 6.4)
- Contract assets: determination of the stage of completion based on the total expected order cost for customer tools (see sections 2.2 and 8.1)
- Tax uncertainties: recognition and measurement of actual and deferred income taxes in cases in which there is uncertainty about the amount of (recoverable) income taxes owed (see sections 2.8 and 9)
- Deferred tax assets: availability of future taxable profits against which unused tax loss carryforwards or tax credits can be utilized, or of tax planning opportunities that will create taxable profits in future (see sections 2.8 and 9)
- Provisions for personnel: significant actuarial assumptions used in measuring provisions for pensions, severance payments, and anniversary bonuses (see sections 7.1 and 7.2)
- Other provisions: significant assumptions about the probability of occurrence and extent (see section 7.2)

Effects of climate-related matters and risks

The Semperit Group is committed to climate change mitigation and strives to take account of any environmental and social impacts when making business decisions. As part of its 2030 Sustainability Strategy, the Semperit Group is pursuing clear targets for reducing energy intensity and greenhouse gas emissions in order to support the fight against climate change. The Semperit Group conducted a climate risk and vulnerability analysis to identify and assess potential impacts and risks of future climate developments and to enable sound decisions regarding climate change adaptation and any necessary investments. The accounting implications of current developments and defined actions in relation to climate change mitigation and adaptation are continuously evaluated and are reflected accordingly in the medium-term financial plans of the Semperit Group's businesses. The current climate-related key actions concern in particular the group-wide Energy Excellence Program with measures such as plans for replacing machinery at the end of its useful life with more energy-efficient models, increasing automation in production, improving building insulation and installing LED lights and motion sensors. Key actions include further investments in photovoltaic systems and the installation of flood reservoirs. For more information on the climate risk and vulnerability analysis and the risks and actions derived from it, please see the Sustainability Statement, section ESRS E1 Climate change.

The impacts of climate-related matters and risks on the consolidated financial statements as of December 31, 2024 include the following:

- Useful life of assets

Substantial investment will be necessary to achieve the defined sustainability targets. The focus is on the continuous improvement of energy efficiency in production and building management as well as further actions to reduce greenhouse gas emissions (e.g., installing photovoltaic systems).

In the interest of sustainability, the Group plans to use existing plant and equipment until the end of its useful life if possible and then replace it with more energy-efficient machinery. The annual estimate of the remaining useful lives identified no reduction in the economic useful lives of existing plant and equipment due to stricter environmental laws or the threat of environmental impacts.

- Impairment of assets

Climate-related opportunities and risks are taken into account in the company's planning as far as possible based on the information available at the reporting date. These relate in particular to the required investments and, if necessary, actions and expenses due to changes in the legal framework.

Other climate-related matters such as stricter environmental legislation or resulting changes to the market environment can have a major influence on the underlying assumptions of the businesses' medium-term plans and consequently the impairment of their non-current assets. No such climate-related indicators of impairment have been identified.

- Accounting for emission allowances

Due to previous targeted measures to reduce emissions, the Semperit Group currently falls outside the scope of the country-specific emission allowance laws at the affected sites. As of December 31, 2024, no emission allowances had to be accounted for, as was also the case as of December 31 of the previous year. Changes to and compliance with the legal framework for emissions are monitored ongoing.

- Personnel provisions

ESG performance criteria are taken into account when determining personnel-related bonus provisions, the achievement of which has an impact on the amount of the provisions and/or personnel expenses (see section 7.2).

- Other provisions and contingent liabilities

No commitments in respect of climate-related matters that would have required the recognition of a provision or disclosure of a contingent liability were identified at the reporting date. Other environmental provisions are recognized at the present value of the expected settlement amount (see section 7.2).

- Liabilities to banks, and factoring

The measurement of SAG's bank financing margin is subject, for example, to three ESG performance criteria that can influence the level of interest by up to 6 basis points (see section 11.1). These ESG performance criteria are also used in the factoring program (see section 4.2).

Macroeconomic influences

The Semperit Group faced a challenging economic environment in fiscal year 2024, characterized in particular by changes in trading structures and geopolitical uncertainties amid a persistently weak recovery.

Semperit Industrial Applications (SIA) and Semperit Engineered Applications (SEA) performed differently due to their respective market environments and customer sectors, but managed to keep EBITDA stable. In fiscal year 2024, sales in the SIA division were down 11.3% to EUR 293.5 million (previous year: down 26.5% to EUR 330.8 million). This was due to weak demand for hydraulic and industrial hoses as well as elastomer and sealing profiles as a result of a slowdown in the construction industry and weakening OEM business, with a shift in the product mix also contributing to the decline. However, thanks to proactive cost optimization and operational efficiency improvements, EBITDA rose to EUR 52.2 million (previous year: EUR 46.9 million).

In 2024, the SEA division increased its sales by 9.1% to EUR 383.0 million (previous year: by 23.7% to EUR 351.0 million). This increase was mainly due to the inclusion of the Rico Group, which was consolidated for only five months in 2023. Despite a fall in sales in the Belting business and mixed demand in the Form business – solid demand in the handrails, transport, sanitary and household segments but a noticeable cyclical decline in the industrial and construction sectors – EBITDA remained stable at EUR 48.1 million (previous year: EUR 50.5 million). Demand for Rico products made of liquid silicone was generally satisfactory, although construction-related areas registered significant declines. Nevertheless, SEA benefited from the diversification of the product range and the positive effects from the integration of Rico, which stabilized earnings.

The streamlining of processes and the associated increase in operational efficiency, capacity-related adjustments to the workforce and savings through the cross-divisional cost reduction program gave earnings a boost. The success of the cost reduction program is mainly reflected in lower other operating expenses, which account for a significant share of the savings. Please see section 2.1 for more details on the individual divisions' performance.

Despite significant military conflicts (the Russia-Ukraine conflict and the various conflicts in the Middle East), raw materials generally remained readily available in 2024. Though the current trade conflicts between China and the USA have led to rising prices along with supply shortages for semiconductor metal compounds, raw materials price changes varied. During this time, the Semperit Group strictly followed EU sanctions and, thanks to numerous optimization initiatives, established alternative suppliers for all the raw materials concerned, which in some cases led to higher prices. International shipping from China to Europe continues to pass through Africa, which has slightly affected the availability of ships and containers and stabilized prices at a slightly higher level. In fiscal year 2024, the proportion of Russian pipeline gas in Europe fell sharply. Until the end of the year, Russian gas was still being delivered to Austria. However, as of January 1, 2025, Ukraine stopped gas transit as the transit agreement with Russia was not renewed. Overall, the price of gas has stabilized at a higher level and is expected to remain high. The energy transition is driving up electricity prices as well as their volatility. Particularly in summer, prices can turn negative in the afternoon, while they increase by multiples in periods of winter darkness. Gas and electricity price volatility was mitigated by an active purchasing policy.

Surgical Operations continued trading within the Semperit Group as a contract manufacturer for Harps Global Pte. Ltd. and Harps Investment Asia Pte. Ltd. until its final sale. Up until the second and final closing for the sale of the Medical Sector on June 30, 2024, increased sales volumes in the discontinued Surgical Operations business generated EBITDA of EUR 3.4 million (previous year: EUR 1.8 million). The fair value of Surgical Operations was determined on June 30, 2024 based on the sale price and taking into account the intended price adjustment mechanism. This resulted in an impairment requirement of EUR 2.8 million for Surgical Operations (previous year: EUR 0.0 million) – see section 2.9.

A gradual recovery should begin in the second half of the year despite the challenging economic environment, which is expected to last at least through mid-year. This has already been anticipated accordingly in the medium-term financial planning, which serves as the basis to determine value in use for impairment tests. The changed interest rate landscape following rate cuts by central banks mainly affects investment income, debt service for financial liabilities, social capital (i.e., provisions for pensions, severance payments, and anniversary bonuses), and weighted average cost of capital (WACC) for impairment test purposes (see sections 7.1 and 3.1).

As part of the impairment tests, the increased forecasting uncertainty caused by crisis developments was managed by considering alternative planning scenarios. The risk-free interest rate and the market risk premium fell year over year as central banks reduced their key rates, along with recessionary effects and lower volatility on the capital market. The calculation of the weighted average cost of capital takes into account a risk-free interest rate of 2.5% (previous year: 2.7%), which is calculated on the basis of German federal securities with a 30-year term using the Svensson method. The market risk premium was assumed to be 5.5% (previous year: 5.8%), taking into account observable developments in market rates of return. For further information, see section 3.1.

The measurement of social capital reflects the changed interest rate landscape by applying the most recent interest rates based on the Mercer Yield Curve (MYC) on the reporting date that take into account the corresponding duration of the liabilities, derived from a spot rate yield curve on euro area bonds. The current wage and salary cost pressures were countered in the measurement of social capital by assuming salary increases in 2025 to 2027 in excess of those expected in the long term (starting from 2028). Please see sections 7.1 and 7.2 for details on the measurement of social capital, including sensitivity analysis.

In fiscal year 2024, the financial position of the Semperit Group remained largely unchanged, with net debt of EUR 192,411 thousand in the previous year falling slightly to EUR 180,385 thousand as of December 31, 2024.

The financial position was heavily influenced by growth CapEx in hose production at Odry and Rico, interest payments, dividend payments, repayments of current and non-current financial liabilities, new non-current financial liabilities, and the significant increase in cash flow from operating activities.

The Semperit Group's financial liabilities currently consist of fixed-interest corporate Schuldschein loans and of mainly variable-interest bank financing (see section 6.2). Corporate Schuldschein loans do not bear any (negative) present value risk as interest rates rise, in contrast to the higher variable-interest bank financing. The effective interest rate on the corporate Schuldschein loans is below the current interest rate level and, given the current level of inflation, has a favorable effect on the Semperit Group's financial position (see section 6.4). In the past year, variable-interest bank financing totaling up to EUR 360,000 thousand was arranged. As of the reporting date, the outstanding liability from the first loan after early repayment of EUR 10,000 thousand amounted to EUR 100,000 thousand. The second loan was increased by EUR 26,000 thousand, resulting in a total drawdown of EUR 59,000 thousand (see section 6.2). Bank financing is subject to fluctuations in the standard European money market reference rates, with interest rate swaps covering part of the risk of interest rate changes (see sections 6.4 and 11.4). Please see section 11.1 for details on interest rate terms and requirements under credit law.

In the period from December 31, 2023 to December 31, 2024, the three-month EURIBOR fell from 3.9% to 2.7%, and as such, only marginally offset the increased interest expense (especially due to the ongoing bank financing for the plant expansion in Odry). Please see section 2.7 for changes in finance expenses and section 11.4 for details on the interest rate profile and sensitivities. At the time the annual report was prepared, the trend in the three-month EURIBOR forward interest rate curve indicated that lower interest rates are expected between 2024 and 2030, which will have a favorable effect on the refinancing risk. Please see section 11.2 for details on liquidity management and maturities on financial liabilities. Due to its international trade relations, the Semperit Group is exposed to currency fluctuations that are strongly influenced by macroeconomic factors. Please see section 11.5 for details on the foreign currency risk profile.

1.5 New and amended accounting standards

The following new/amended standards and interpretations were applied for the first time in the fiscal year 2024:

		Endorsement	Mandatory application for the Semperit Group	Effects on the Semperit Group
New standards and interpretations				
None				
Amended standards				
Various	Amendments to statements of cash flows and disclosure requirements related to supplier financing arrangements (amendments to IAS 7 and IFRS 7)	May 15, 2024	January 1, 2024	No
IAS 1	Amendments to the presentation of the financial statements: classification of liabilities as current or non-current, non-current liabilities with covenants	December 19, 2023	January 1, 2024	No
IFRS 16	Amendments to lease liability in a sale and leaseback	November 20, 2023	January 1, 2024	No

The following new/amended standards and interpretations will be applicable in future:

		Endorsement	Mandatory application for the Semperit Group	Effects on the Semperit Group
New standards and interpretations				
IFRS 18	Presentation and Disclosure in Financial Statements	TBD	January 1, 2027	Yes
IFRS 19	Subsidiaries without Public Accountability: disclosures	TBD	January 1, 2027	No
Amended standards				
IAS 21	Amendments to the effects of changes in foreign exchange rates in the event of lack of exchangeability	November 12, 2024	January 1, 2025	No
Various	Nature-dependent electricity contracts (amendments to IFRS 9 and IFRS 7)	TBD	January 1, 2026	No
Various	Annual Improvements to IFRS, Volume 11 (2021–2023 cycle)	TBD	January 1, 2026	No
Various	Amendments to the Classification and Measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7)	TBD	January 1, 2026	No

On April 9, 2024, the International Accounting Standards Board (IASB) published the new IFRS 18 Presentation and Disclosure in Financial Statements, the successor to IAS 1 Presentation of Financial Statements. The new rules are to be applied for fiscal years beginning on or after January 1, 2027, provided that the standard is adopted by the EU. Retrospective application for comparative periods is also required under IAS 8. The standard will not be applied early.

IFRS 18 was developed in response to investor requirements for transparency and comparability of corporate performance in financial reporting. The changes affecting the Semperit Group are, in particular, requirements regarding the allocation of income and expenses in the consolidated income statement, the classification of hedging effects and foreign exchange differences, and rules on notes to the financial statements. The standard introduces new disclosures regarding management-defined performance measures (MPMs) and enhances the requirements on aggregating and disaggregating information in the financial statements. In the Semperit Group's consolidated income statement, the three new categories "Operating", "Investing" and "Financing" will be added on a mandatory basis. A total of five categories will therefore have to be distinguished: operating, investing, financing, income taxes, and discontinued operations. In addition, mandatory subtotals are being introduced for "operating profit or loss" and "profit or loss before financing and income taxes". Foreign exchange differences are generally classified in the same category as the income and expenses from the items that led to them. IFRS 18 will also entail subsequent amendments to IAS 7 Statement of Cash Flows, IAS 33 Earnings per Share, IAS 34 Interim Financial Reporting and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

2. Performance

2.1 Segment reporting

In accordance with IFRS 8, segment reporting is based on internal reporting to the SAG Executive Board as the chief operating decision-maker, which decides on the allocation of resources to the businesses. Segment reporting is made up of the two divisions SIA and SEA as well as the two (discontinued) businesses Surgical Operations and Examination Operations.

The divisional structure distinguishes between business models that focus on different customer groups and their specific technical and organizational requirements.

- **Semperit Industrial Applications:** The Semperit Industrial Applications division focuses on industrial applications such as hydraulic and industrial hoses as well as profiles. Its business model is characterized by cost leadership in the volume business, optimization of rubber compounds, manufacture of standard products with long life cycles, high standardization of products and processes, and relatively low product portfolio complexity.

- **Semperit Engineered Applications:** The Semperit Engineered Applications division focuses on customized technical solutions and includes escalator handrails, cable car rings, and other custom-designed elastomer products including elastomer plates and conveyor belts; the Rico Group, a leading supplier of silicone injection molds and a producer of liquid and solid silicone components, is also part of this division. The Semperit Engineered Applications division's business model is characterized by a focus on industrial niches, the creation of products with a high degree of customer customization through the use of application-specific technologies and know-how, and relatively high product portfolio complexity.

- **Surgical Operations and Examination Operations:** The Medical Sector, the former Sempermed segment, consisted of two businesses: Examination Operations – which included the production of examination gloves, the production of porcelain dip molds for the production of gloves in Malaysia, and worldwide sales and distribution units – and Surgical Operations, which comprised the production of surgical gloves in Wimpassing, Austria by Semperit Technische Produkte Gesellschaft m.b.H. (STP) and their packaging in Sopron, Hungary. The (first) closing for the sale of Examination Operations to Harps Global Pte. Ltd. was effective from August 31, 2023. Ltd. The (second) closing for the sale of Surgical Operations was effective from June 30, 2024. For more information on the discontinued operations, see section 2.9.

The accounting policies applied in deriving the segment figures are identical to the Semperit Group's accounting policies. This does not apply to the presentation and measurement requirements in IFRS 5 for discontinued operations; these were not applied in internal segment reporting (see below).

The segment result is EBITDA. It is the result that is reported to the Executive Board for the purposes of allocating resources and measuring success. Trade working capital and additions to intangible assets and property, plant, and equipment are reported to the Executive Board as key performance indicators of the segment assets.

Segmentation by division and business

The segmentation by division and businesses is based on internal management and reporting. In fiscal year 2024, it still included Surgical Operations.

1–12 2024 in EUR thousand	Semperit Industrial Applications	Semperit Engineered Applications	Surgical Operations[2]	Examination Operations	Corporate	Group eliminations	Total
Revenue	293,524	383,049	23,151	0	0	0	699,724
Revenue with other segments	212	7	0	0	0	–219	0
EBITDA	52,225	48,075	740	0	–12,913	0	88,128
EBIT	31,261	20,780	–2,518	0	–14,373	0	35,151
Depreciation and amortization of intangible assets and property, plant, and equipment	–18,877	–26,933	–468	0	–1,460	0	–47,738
Impairment of intangible assets and property, plant, and equipment	–2,087	–362	–2,790	0	0	0	–5,239
Trade working capital	44,598	63,699	0	0	–4,070	0	104,227
Additions to intangible assets and property, plant, and equipment[1]	40,767	20,176	358	0	1,166	0	62,466

[1] Excluding right-of-use assets under IFRS 16
[2] EBITDA and EBIT include the transaction costs for the sale of the Surgical Operations business, see section 2.9.

1–12 2024 in EUR thousand	Total	Adjustments[2]	Discontinued + continuing operations	Discontinued operations	Continuing operations
Revenue	699,724	0	699,724	23,151	676,573
Revenue with other segments	0	0	0	0	0
EBITDA	88,128	144	88,271	3,396	84,875
EBIT	35,151	144	35,295	319	34,976
Depreciation and amortization of intangible assets and property, plant, and equipment	–47,738	0	–47,738	–287	–47,451
Impairment of intangible assets and property, plant, and equipment	–5,239	0	–5,239	–2,790	–2,449
Trade working capital	104,227	0	104,227	0	104,227
Additions to intangible assets and property, plant, and equipment[1]	62,466	0	62,466	41	62,426

[1] Excluding right-of-use assets under IFRS 16
[2] See section 2.9.

1–12 2023 in EUR thousand	Semperit Industrial Applications	Semperit Engineered Applications[2]	Surgical Operations	Examination Operations[3]	Corporate	Group eliminations	Total
Revenue	330,786	350,978	42,120	81,327	0	0	805,211
Revenue with other segments	278	163	0	0	0	–441	0
EBITDA	46,867	50,475	–6,150	–41,946	–20,965	0	28,281
EBIT	29,718	33,248	–6,996	–40,942	–22,373	0	–7,346
Depreciation and amortization of intangible assets and property, plant, and equipment	–17,541	–17,228	–846	–7,625	–1,408	0	–44,648
Reversal of impairment losses of intangible assets and property, plant and equipment	392	0	0	1,570	0	0	1,962
Trade working capital	53,340	72,022	6,741	–2	–3,603	0	128,497
Additions to intangible assets and property, plant, and equipment[1]	35,289	239,958	1,426	1,729	383	0	278,786

[1] Excluding right-of-use assets under IFRS 16
[2] EBITDA and EBIT include the transaction costs of EUR 3,350 thousand for the acquisition of the Rico Group.
[3] EBITDA and EBIT include the transaction costs for the sale of the Examination Operations business, the deconsolidation result, and the reclassification of other comprehensive income from (historical) foreign exchange differences to the profit or loss of discontinued operations, see section 2.9.

1–12 2023 in EUR thousand	Total	Adjustments	Discontinued + continuing operations	Discontinued operations	Continuing operations
Revenue	805,211	24,245	829,457	147,693	681,764
Revenue with other segments	0	0	0	0	0
EBITDA	28,281	22,320	50,601	–19,472	70,073
EBIT	–7,346	22,320	14,974	–18,984	33,958
Depreciation and amortization of intangible assets and property, plant, and equipment	–44,648	7,059	–37,589	–1,082	–36,507
Reversal of impairment losses of intangible assets and property, plant and equipment	1,962	0	1,962	1,570	392
Trade working capital	128,497	0	128,497	0	128,497
Additions to intangible assets and property, plant, and equipment[1]	278,786	0	278,786	1,752	277,034

[1] Excluding right-of-use assets under IFRS 16

The income and expenses of Group companies that engage in production and/or sales operations in more than one segment are divided and allocated to the appropriate segment so that no additional eliminations are required. The Corporate Center consists of SAG, which is not operationally active, as well as of those parts of a service company in Singapore that are assigned to the Corporate Center. In addition, certain Corporate Center services are provided by operating companies. Corporate Center's internal charging and allocations have already been assigned to the segments, to the extent possible.

The Surgical Operations business includes the residual costs of the Wimpassing production site, which cannot be allocated to the discontinued operations and thus remain in the continuing operations. Intercompany transfers between continuing operations and discontinued operations have been eliminated in full. The primary expenses underlying the intercompany transfers were allocated to the respective businesses in accordance with the contractual arrangements with Harps Global Pte. Ltd. In addition, EBITDA and EBIT were adjusted for the transaction costs of the discontinued operation in the amount of EUR 144 thousand (previous year: EUR 612 thousand). Transaction costs are presented in discontinued operations below earnings after taxes (see section 2.9).

EBITDA in the "Continuing operations" column corresponds to EBITDA in the Semperit Group's consolidated income statement; the reconciliation to earnings before tax can therefore be taken from the consolidated income statement. Please see section 2.9 for EBITDA related to discontinued operations. The “Adjustments” column includes the incurred transaction costs, which, unlike internal segment reporting, are presented separately after tax in the discontinued operation’s income statement.

Trade working capital consists of inventories plus trade receivables, less current trade payables (also see section 4).

Geographic segmentation

The Group’s activities are conducted primarily in Europe, Asia, and the Americas. In accordance with IFRS 8, the disclosures on revenue are presented by the customer’s location and those on non-current assets and additions to intangible assets and property, plant, and equipment are presented on the basis of the Semperit Group companies’ locations. The corresponding disclosures relate exclusively to continuing operations. Non-current assets do not include any deferred tax assets or securities. To the extent possible, consolidating entries have been allocated to the appropriate regions. The Semperit Group does not generate more than 10% of its revenue with one external customer.

			2024			2023
in EUR thousand	**Non-current assets**	**Additions to intangible assets and property, plant, and equipment[1]**	**Revenue**	**Non-current assets**	**Additions to intangible assets and property, plant, and equipment[1]**	**Revenue**
Europe	520,312	56,837	457,764	518,594	248,934	467,506
of which EU	488,875	56.509	418,422	485,028	215,166	430,183
of which Austria	250,679	13,196	39,673	251,484	181,845	35,695
of which EU excluding Austria	238,196	43,314	378,749	233,545	33,321	394,488
of which rest of Europe	31,437	328	39,342	33,565	33,769	37,323
America	46,758	3,592	116,843	41,404	23,222	99,478
Asia-Pacific	27,615	1,997	84,322	27,211	4,877	96,156
Africa	0	0	17,644	0	0	18,624
Group	**594,685**	**62,426**	**676,573**	**587,209**	**277,034**	**681,764**

[1] Excluding right-of-use assets under IFRS 16

2.2 Revenue

Revenue is recognized using the transaction prices assigned to the performance obligations. Deductions are made for agreed rebates, volume and cash discounts, and similar sales reductions, as well as for contractual penalties and expected returns. These sales reductions are based on contractual agreements. All available information and historical values are taken into account when estimating the variable price components. As a rule, the amount delineated as a transaction price reduction is the amount that is likely to be claimed based on agreements or historical values; these estimates are updated regularly.

A refund liability is recognized for potential returns and expected refunds on the basis of contracts or historical values over the past three years. Assets from return claims (refund assets) are recognized at the original carrying amount less expected costs for the return of the products and are presented in inventories.

The agreed transaction price is normally charged upon delivery. Revenue from deliveries must generally be recognized when economic control is transferred to the customer and therefore refers to a given date in accordance with the Incoterms agreed for the delivery of the goods. In the Rico business, revenue from toolmaking is recognized over time. This is done by applying the cost-to-cost method, which best reflects the manufactured tools' degree of completion. In this way, the expenses already incurred for customer tools are set in relation to the expected total order costs and the pro rata margins are realized over time based on the degree of completion.

With the production of injection molding tools in the Rico business, part of the revenue is generated with an amortization component. These injection molding tools are sold to customers at a reduced sales price. Higher sales prices for the series production of customer-specific finished products will be charged in return. Both the receivable from the amortization component and the revenue from the injection molding tool are recognized at the non-reduced sales price. The receivable from the amortization component is subsequently reduced based on the added margin of the products sold from series production.

The payment targets normally granted are between 14 and 90 days.

For practical reasons, revenue has not been adjusted for the effects of a significant financing component if the period between satisfaction of the performance obligation and payment by the customer is not more than one year. As in the previous year, no revenue was generated in the 2024 fiscal year from contracts that included a significant financing component and for which the period between satisfaction of the performance obligation and payment by the customer is longer than one year.

Some contracts are agreements with several components that, in addition to the sale of certain products, also include additional performance obligations such as services. In accordance with IFRS 15, the consideration is allocated to the components in line with the relative stand-alone selling prices, where appropriate.

Contractually agreed warranties, which represent a separate and identifiable performance obligation, are recognized pro rata over the warranty period from the date on which control of the product sold is transferred.

Contract performance costs exist in the form of tool costs that are paid by customers but not transferred to them. The tools are capitalized in accordance with the provisions of IAS 16, and depreciated over a useful life of one to ten years. These tools are offset by contract liabilities, which are recognized in revenue over the useful life of the tools.

Contract initiation costs, if material, are capitalized when the contract term exceeds twelve months. As in the previous year, there were no instances of such cases in the fiscal year 2024.

Revenue from contracts with customers is broken down by division and by geographic region based on the location of the invoice recipient, as follows:

1–12 2024 in EUR thousand	Semperit Industrial Applications	Semperit Engineered Applications	Group
Europe	234,726	223,038	457,764
America	34,818	82,025	116,843
Asia-Pacific	23,377	60,945	84,322
Africa	603	17,041	17,644
Revenue	**293,524**	**383,049**	**676,573**

1–12 2023 in EUR thousand	Semperit Industrial Applications	Semperit Engineered Applications	Group
Europe	263,980	203,526	467,506
America	41,870	57,608	99,478
Asia-Pacific	24,176	71,980	96,156
Africa	760	17,865	18,624
Revenue	**330,786**	**350,978**	**681,764**

In the fiscal year 2024, the Semperit Group's revenue from customers in the countries affected by the Russia-Ukraine conflict totaled 0.6% (previous year: 0.7%) of the revenue from continuing operations. In Russia and Belarus (as in the previous year), no revenue was generated. The Semperit Group's revenue with customers in Ukraine is broken down by division as follows:

in EUR thousand	1–12 2024	1–12 2023
Semperit Industrial Applications	2,476	2,762
Semperit Engineered Applications	1,337	2,156
Revenue from Ukraine	**3,813**	**4,919**

As of December 31, 2024, gross trade receivables from Ukrainian customers totaled EUR 101 thousand (previous year: EUR 0 thousand).

2.3 Other operating income

in EUR thousand	1–12 2024	1–12 2023
Income from the TSFAs and co-use agreement with Harps Global Pte. Ltd. and its subsidiaries	2,773	620
Research grants	940	1,565
Compensation for damages	893	742
Income from the sale of property, plant, and equipment	807	246
Sale of by-products and waste materials	285	479
Rental income	243	228
Income from the sale of emission allowances	0	932
Miscellaneous	2,679	2,333
Total	**8,619**	**7,144**

On the occasion of the sale of the Medical Sector, the Semperit Group entered into transitional service framework agreements (TSFAs) and a co-use agreement with Harps Global Pte. Ltd. and/or its subsidiaries to ensure a smooth transition and continuation of business operations in the premises of STP. Under the TSFAs and the co-use agreement, the Semperit Group provided services in research and development, technical product management, quality management and regulatory matters, IT, human resources, tax and logistics, and rental services in fiscal year 2024. The resulting other operating income totaled EUR 2,773 thousand (previous year: EUR 620 thousand).

The income from the sale of property, plant, and equipment mainly stemmed from the sale of the property and associated buildings of Semperit Profiles Leeser GmbH in Germany. The carrying amount was EUR 541 thousand and was presented in assets held for sale until the sale. Income from the sale (less costs of sale) amounted to EUR 612 thousand and was recognized in the SIA division.

Other operating income includes government grants of EUR 422 thousand (previous year: EUR 904 thousand), which the Semperit Group received mainly for employee support programs, research expenses, and investments. Grants were mainly awarded in Austria in the amount of EUR 385 thousand (previous year: EUR 830 thousand).

2.4 Cost of materials and purchased services

in EUR thousand	1–12 2024	1–12 2023
Cost of materials	238,390	262,958
Energy expenses	26,851	29,540
Production-related maintenance costs	9,679	11,442
Purchased services	4,772	3,843
Total	**279,693**	**307,783**

2.5 Personnel expenses

in EUR thousand	1–12 2024	1–12 2023
Salaries	92,412	84,113
Wages	78,890	76,150
Statutory social security expenses and other compulsory wage-related payments	40,128	37,577
Severance payments	3,072	5,146
Other social security expenses	2,956	2,166
Retirement benefit expenses	1,374	1,367
Total	**218,832**	**206,519**

In fiscal year 2024, the expenses for research and development in continuing operations were approximately EUR 14,900 thousand (previous year: EUR 15,700 thousand); these were mainly personnel expenses. Personnel expenses also include expenses for temporary staff. In fiscal year 2024, the average number of temporary staff (in full-time equivalents) was 93 employees (previous year: 159). Please see section 12 for information on the remuneration paid to members of the Executive Board. The Rico Group, acquired on July 31, 2023, accounts for EUR 39,580 thousand of personnel expenses (previous year: EUR 15,752 thousand).

In Austria, the average number of employees (in full-time equivalents) was 1,208 (previous year: 1,261); the average number of employees of the Semperit Group in the continuing operations was as follows:

in full-time equivalents	2024	2023
Blue-collar workers	2,695	2,909
White-collar workers	1,336	1,427
Total continuing operations[1]	**4,031**	**4,336**

[1] The corresponding head count as of the reporting date was 4,084 (previous year: 4,220).

2.6 Other operating expenses

in EUR thousand	1–12 2024	1–12 2023
Outgoing freight	22,890	22,958
Maintenance and external services	12,499	9,539
Legal, consulting and auditing fees	7,314	10,967
Insurance premiums	6,770	6,256
Travel expenses	5,534	5,535
Software licence expenses	4,099	3,176
Commission and advertising expenses	3,959	3,984
IT consultancy and implementation expenses	3,698	4,473
Energy costs unrelated to production	3,013	3,930
Rental and lease expenses	2,540	2,393
Waste disposal	2,391	2,172
Cleaning expenses	2,193	2,035
Other taxes	1,823	2,473
Training and education expenses	1,032	763
Research expenses	993	941
Office equipment	901	915
Fees, subscriptions and donations	876	1,217
Communications	839	729
Complaint costs (+) / income of disposals of complaint provisions (-)	–503	3,891
Miscellaneous	6,487	7,409
Total	**89,350**	**95,757**

Warranty expenses were negative in fiscal year 2024; net income resulted from the reversal of warranty provisions. This income was mainly due to a change in estimates related to the warranty risks of a single case for hoses in the Semperit Industrial Applications division.

The following fees were recognized as consulting and audit expenses for the services rendered in the 2024 fiscal year by the auditors of the consolidated financial statements Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. and the companies in the Ernst & Young global network:

in EUR thousand	2024	2023
Auditing of consolidated financial statements and related assurance services	928	1,082
thereof Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.	496	505
Other assurance of valuation services	130	261
Other services	0	356
Total	**1,059**	**1,699**

2.7 Financial result

in EUR thousand	1–12 2024	1–12 2023
Expense (+) / income (–)		
Interest income	–3,352	–2,919
Income from securities	–101	–119
Finance income	**–3,453**	**–3,038**
Interest expense	14,133	7,791
Finance expenses	**14,133**	**7,791**
Profit/loss attributable to redeemable non-controlling interests	**3,469**	**2,877**
Net foreign currency result	–1,310	582
Net result from the FVPL measurement category	–245	9
Miscellaneous	839	484
Other financial result	**–716**	**1,074**
Financial result	**13,433**	**8,704**

Interest expense includes interest expense from lease liabilities amounting to EUR 2,201 thousand (previous year: EUR 1,214 thousand) and from factoring amounting to EUR 780 thousand (previous year: EUR 0 thousand).

Of the interest expenses included in the financial result, EUR 14,104 thousand (previous year: EUR 7,670 thousand) is attributable to financial liabilities in the AC (at amortized cost) measurement category. An interest expense of EUR 92 thousand (previous year: EUR 42 thousand) is attributable to interest accrued on non-current provisions. In the liabilities from redeemable non-controlling interests, the portion of the earnings recorded in the consolidated income statement in the amount of EUR 3,469 thousand (previous year: EUR 2,877 thousand) represents the "interest expense".

The net result from financial assets in the AC (at amortized cost) measurement category consists of the following:

in EUR thousand	1–12 2024	1–12 2023
Expense (+) / income (–)		
Interest income	–3,352	–2,919
Net foreign currency result	–737	633
Valuation allowances (+) / income from the release of valuation allowances (–)	71	–90
Net result from the AC (at amortized cost) measurement category	**–4,017**	**–2,375**

Loss allowances on financial assets at amortized cost are recognized in other operating expenses (see section 2.6). Other operating expenses also include reversals of impairment losses on financial assets at amortized cost previously recognized as an expense.

In fiscal year 2024, the financial instruments in the FVPL (at fair value through profit and loss) measurement category concerned forward exchange contracts to hedge parts of the operating business at Semperflex Asia Corp. Ltd. (SAC), Thailand (see section 11.5).

The net result from financial instruments in the FVPL measurement category comprised the following:

in EUR thousand	1–12 2024	1–12 2023
Expense (+) / income (–)		
Results from the measurement and disposal of securities and derivatives	–390	–106
Income from forward exchange contracts	–38	–48
Expenses from forward exchange contracts	183	162
Net result from the FVPL (fair value through profit and loss) measurement category	**–245**	**9**

In fiscal year 2024, an interest rate swap designated as a cash flow hedge was concluded to hedge parts of the interest rate risk from SAG's bank financing (see sections 6.4 and 11.4). The effects of the interest rate swap recognized in comprehensive income are as follows:

in EUR thousand	1–12 2024	1–12 2023
Expense (+) / income (–)		
Cash-flow Hedges – recognized in interest expense for the period	–92	n.a
Cashflow Hedges - fair value changes recognized in other comprehensive income (hedge reserve)	560	n.a
Cash-flow Hedges – ineffective portion of fair value changes	0	n.a

The net foreign currency result from financial liabilities at amortized cost is EUR –452 thousand (previous year: EUR –299 thousand).

2.8 Income taxes

The tax expense presented for the fiscal year comprises the current taxes on taxable income calculated for the individual Group companies' continuing operations and the tax rate applicable in the respective country, as well as deferred taxes.

in EUR thousand	1–12 2024	1–12 2023
Current tax expense (+) / tax income (–)		
for the current period	8,573	11,268
for previous periods	–313	–239
Total current tax expense (+) / tax income (–)	**8,260**	**11,030**
Deferred tax expense (+) / tax income (–)		
relating to origination and reversal of temporary differences	124	2,126
relating to allowance for tax loss carryforwards, tax credits, and temporary differences	3,797	–10,998
other deferred tax effects	–2,047	–1,265
Total deferred tax expense (+) / tax income (–)	**1,874**	**–10,137**
Total	**10,134**	**892**

Appropriate provisions were recognized for tax uncertainties related to the amount of tax loss carryforwards to be utilized. Please see section 9 for information on accounting policies, reconciliation of earnings, and details on deferred taxes.

2.9 Earnings after tax from discontinued operations

On December 16, 2022, the Executive Board and Supervisory Board of the Semperit Group decided to sell the former Sempermed segment, consisting of the Examination Operations and Surgical Operations businesses, to Harps Global Pte. Ltd., which is based in Singapore and maintains production activities in Malaysia. A corresponding sale and purchase agreement (SPA) was also concluded on December 16, 2022. The strategic decision of the Executive Board and the Supervisory Board on January 28, 2020 to dispose of the Medical Sector, to focus on the Industrial Sector in future, and to complete the transformation into an industrial rubber and elastomer specialist was thus implemented. Completion of the transaction was subject to regulatory approval under investment control and competition law and was implemented in two steps:

The (first) closing for the sale of the Medical Sector took place on August 31, 2023, and included the sale of the 100% stake in Semperit Investments Asia Pte. Ltd. (now Harps Investment Asia Pte. Ltd.), Singapore, and in Sempermed Europe GmbH (now Harps Europe GmbH), Austria, as well as certain intellectual property rights held by STP. This transaction separated the Semperit Group from Examination Operations and comprised a total of twelve subsidiaries.

The (second) closing for the sale of the Medical Sector included the sale of the operation housed by STP to produce surgical gloves in Wimpassing, Austria, to HARPS Europe Manufacturing GmbH and the sale of the 100% stake in Sempermed Kft., which packages the surgical gloves in Sopron, Hungary, to Harps Global Pte. Ltd. The Surgical Operations business was used as contract manufacturing for Harps Global Pte. Ltd. and Harps Investment Asia Pte. Ltd. until its final sale. A contract manufacturing agreement (CMA) was concluded for this purpose, which provided for the delivery of defined quantities at cost plus. A co-use agreement was concluded on March 21, 2024 that stipulates the conditions for the use of certain properties at the Wimpassing production site by Harps after the (second) closing. As a result, the requirements for Surgical Operations to be presented as a discontinued operation were met as of March 31, 2024 for the first time. The (second) closing for the sale of the Medical Sector took place on June 30, 2024.

The buyers paid the preliminary purchase price of EUR 9,116 thousand. The cash and cash equivalents of the deconsolidated company totaled EUR 2,530 thousand as of the closing date. The net proceeds from business disposals therefore amounted to EUR 6,586 thousand. The final purchase price is EUR 9,182 thousand. The resulting purchase price receivable of EUR 66 thousand was taken into account in these consolidated financial statements.

The fair value (Level 1) of Surgical Operations was determined on June 30, 2024 on the basis of cash and debt free and taking into account the intended price adjustment mechanism. The resulting impairment of Surgical Operations as of June 30, 2024 in the amount of EUR 2,790 thousand (previous year: EUR 0 thousand) was allocated to the businesses' significant non-current assets.

The revenue of the two discontinued operations presented in the consolidated income statement comprise the following:

in EUR thousand	1–12 2024	1–12 2023
Surgical Operations result	92	503
Examination Operations result	0	–41,938
Earnings after tax from discontinued operations	**92**	**–41,435**

The income statement for the discontinued operations is presented below:

in EUR thousand	Surgical Operations 1–12 2024	Surgical Operations 1–12 2023	Examination Operations 1–12 2024	Examination Operations 1–12 2023
Revenue	23,151	39,317	0	108,376
Changes in inventories	–175	328	0	–3,774
Own work capitalized	16	75	0	216
Operating revenue	**22,993**	**39,720**	**0**	**104,817**
Other operating income	628	1,200	0	400
Cost of materials and purchased services	–11,518	–22,871	0	–93,620
Personnel expenses	–7,171	–13,562	0	–19,113
Other operating expenses	–1,536	–2,720	0	–13,722
Earnings before interest, tax, depreciation and amortization (EBITDA)	**3,396**	**1,766**	**0**	**–21,238**
Depreciation and amortization of intangible assets and property, plant, and equipment	–287	–1,082	0	0
Impairment of intangible assets and property, plant, and equipment	–2,790	0	0	0
Reversal of impairment of intangible assets and property, plant, and equipment	0	0	0	1,570
Earnings before interest and tax (EBIT)	**319**	**684**	**0**	**–19,668**
Finance income	0	0	0	189
Finance expenses	–4	–10	0	–40
Other financial result	–61	3	0	141
Financial result	**–66**	**–7**	**0**	**289**
Earnings before tax	**253**	**677**	**0**	**–19,379**
Income taxes	–17	–174	0	–239
Earnings after tax	**236**	**503**	**0**	**–19,618**
Transaction costs recognized	–144	0	0	–612
Income taxes on transactions costs recognized	0	0	0	0
Result from deconsolidation and disposals	0	0	0	1,833
Reclassification from other comprehensive income to profit or loss	0	0	0	–23,541
Subtotal	**–144**	**0**	**0**	**–22,320**
Result from discontinued operations	**92**	**503**	**0**	**–41,938**
of which attributable to the shareholders of Semperit AG Holding	92	503	0	–41,672
of which attributable to non-controlling interests	0	0	0	–266

The cost of materials and purchased services comprise the following:

in EUR thousand	Surgical Operations 1–12 2024	Surgical Operations 1–12 2023	Examination Operations 1–12 2024	Examination Operations 1–12 2023
Cost of materials	8,508	15,439	0	68,032
Energy expenses	1,355	4,097	0	23,849
Purchased services	1,192	2,150	0	209
Production-related maintenance costs	463	1,184	0	1,531
Total	**11,518**	**22,871**	**0**	**93,620**

Personnel expenses comprise the following:

in EUR thousand	Surgical Operations 1–12 2024	Surgical Operations 1–12 2023	Examination Operations 1–12 2024	Examination Operations 1–12 2023
Wages	3,522	6,580	0	3,687
Salaries	2,220	4,248	0	11,078
Statutory social security expenses and other compulsory wage-related payments	1,265	2,425	0	2,256
Other social security expenses	90	173	0	1,879
Severance payments	67	136	0	68
Retirement benefit expenses	7	0	0	144
Total	**7,171**	**13,562**	**0**	**19,113**

The average number of employees in Austria (full-time equivalents) was 89 in the Surgical Operations business (previous year: 86 in Surgical Operations and 23 in Examination Operations). The average number of employees in the Semperit Group in the Surgical Operations business up to June 30, 2024 and in the Examination Operations business up to August 31, 2023 was as follows:

in full-time equivalents	Surgical Operations 2024	Surgical Operations 2023	Examination Operations 2024	Examination Operations 2023
Blue-collar workers	243	253	0	1,797
White-collar workers	45	48	0	411
Total discontinued operations	**288**	**301**	**0**	**2,208**

Cash flows from operating, investing, and financing activities of discontinued operations

The influence of discontinued operations on the consolidated cash flow statement (condensed) was as follows:

in EUR thousand	Surgical Operations 1–12 2024	Surgical Operations 1–12 2023	Examination Operations 1–12 2024	Examination Operations 1–12 2023
Cash flows from operating activities	1,076	–1,961	–421	–10,646
Cash flows from investing activities	–171	–1,360	0	–1,521
Cash flows from financing activities	–25	–107	0	–455

The net assets disposed of in the amount of EUR 9,182 thousand at the time of deconsolidation comprise the following:

in EUR thousand	06.30.2024
Intangible assets	225
Property, plant, and equipment	1,474
Non-current assets	**1,698**
Inventories	8,057
Other financial assets	19
Other assets	125
Cash and cash equivalents	2,530
Current assets	**10,730**
Provisions	1,615
Other financial liabilities	142
Other liabilities	22
Non-current provisions and liabilities	**1,779**
Provisions	198
Trade payables	172
Other financial liabilities	267
Other liabilities	803
Income tax payables	27
Current provisions and liabilities	**1,468**
Disposal of net assets	**9,182**

The deconsolidation and disposal result is as follows:

in EUR thousand	06.30.2024
Selling price	9,182
Disposal of net assets	–9,182
Result from deconsolidation and disposals	**0**

2.10 Earnings per share

in EUR	1–12 2024	1–12 2023
Earnings after tax	11,501,180	–17,073,158
Result attributable to non-controlling interests	0	–265,909
Result attributable to ordinary shares	**11,501,180**	**–16,807,249**
Average number of shares outstanding (in units)	**20,573,434**	**20,573,434**
Earnings per share (basic and diluted)	**0.56**	**–0.82**
of which earnings per share in EUR from continuing operations (basic and diluted)	0.56	1.18
of which earnings per share in EUR from discontinued operations (basic and diluted)	0.00	–2.00

As of December 31, 2024 and as of December 31, 2023, no dilutive effects had to be taken into account.

2.11 Cash flow statement

The cash flow statement is prepared jointly for continuing and discontinued operations; no distinction is made between the cash flows of the individual businesses. Cash flows from operations, investments, and financing activities of discontinued operations are disclosed in the notes (see section 2.9).

The cash flow from operating activities is determined using the indirect method. The measurement effects are presented under other non-cash expenses or income. These include, in particular, income from changes in exchange rates, the measurement of derivatives, and changes in write-downs on inventories and loss allowances for trade receivables. Of the other non-cash income or expense of EUR –1,215 thousand (previous year: EUR –2,220 thousand), intragroup currency translation differences accounted for EUR –477 thousand (previous year: EUR –2,309 thousand), measurement effects from financial assets and liabilities accounted for EUR –291 thousand (previous year: EUR –314 thousand), and the measurement of derivatives accounted for EUR –177 thousand (previous year: EUR –323 thousand).

The cash flows from investing and financing activities are determined directly. Interest received is presented in the cash flows from investing activities, interest paid is presented in the cash flows from financing activities.

Additions of intangible assets and property, plant, and equipment totaled EUR 69,884 thousand (previous year: EUR 66,177 thousand). Of this amount, EUR 7,418 thousand (previous year: EUR 4,326 thousand) relates to additions of right-of-use assets. Liabilities related to additions of intangible assets and property, plant, and equipment decreased by EUR 10,029 thousand (previous year: increased by EUR 11,800 thousand), and prepayments decreased by EUR 7,051 thousand (previous year: increased by EUR 5,697 thousand). Capitalized interest on the assets in the amount of EUR 867 thousand (previous year: EUR 430 thousand) is shown in the cash flows from financing activities. The net income from the sale of companies amounted to EUR 6,586 thousand and related to the (second) closing in the sale of the Medical Sector.

The non-current financial liabilities relate to the plant expansion at the site in Odry, Czech Republic in the amount of EUR 26,000 thousand (previous year: EUR 150,000 thousand for the acquisition of the Rico Group and EUR 33,000 thousand for the plant expansion in Odry). Repayment of non-current financial liabilities includes the early repayment of EUR 10,000 thousand of SAG bank financing (previous year: EUR 40,000 thousand). The increase in interest paid in the amount of EUR 7,482 thousand mainly relates to SAG and SFO bank financing and from the bank and lease financing acquired from the Rico Group.

in EUR thousand	Liabilities from financing activities				
	Financial liabilities	Liabilities from redeemable non-controlling interests	Derivative financial liabilities	Lease liabilities	Total
Balance at 01.01.2023	**52,460**	**18,907**	**1,923**	**19,952**	**93,243**
Financing cash flows	131,472	–6,482	0	–4,031	120,960
Interest paid	–6,225	0	0	–1,222	–7,447
Effect of changes in foreign exchange rates	–826	–592	0	–194	–1,613
Additions due to business acquisitions	44,590	0	0	29,736	74,326
Other changes	6,351	2,892	207	4,188	13,638
Balance as at 12.31.2023	**227,822**	**14,725**	**2,130**	**48,429**	**293,107**
Thereof non-current	219,165	11,905	2,130	43,574	276,774
Thereof current	8,657	2,820	0	4,855	16,332
Balance at 01.01.2024	**227,822**	**14,725**	**2,130**	**48,429**	**293,107**
Cash flows from financing activities	7,329	–2,884	0	–5,083	–638
Interest paid	–12,764	0	0	–2,203	–14,967
Effect of changes in foreign exchange rates	30	987	1	796	1,815
Other changes	11,650	3,444	258	6,795	22,147
Balance at 12.31.2024	**234,068**	**16,272**	**2,390**	**48,733**	**301,463**
of which non-current	190,009	12,527	2,368	43,524	248,427
of which current	44,059	3,745	22	5,209	53,036

The other changes include interest expenses, the share of earnings after taxes from redeemable non-controlling interests, as well as non-cash additions and disposals from leases.

3. Non-current assets

3.1 Intangible assets

Acquired intangible assets

Acquired intangible assets are recognized at cost and subsequently amortized on a straight-line basis over the expected useful life. The estimated useful life is normally in the range of one to 15 years. Assumptions and estimates must be made when determining useful lives. Upon visible indications of a change in value, acquired intangible assets are tested for impairment.

Internally generated intangible assets

Internally generated intangible assets are recognized at cost. With regard to amortization and impairment testing, the explanation relating to acquired intangible assets above applies by analogy to internally generated intangible assets. Internally generated intangible assets essentially comprise software implementations and, to a minor extent, capitalizable development costs, which are only recognized if management judges that expected future economic benefits are likely. The estimated useful life is generally eight years.

Intangible assets acquired through business combinations

The cost of intangible assets acquired through a business combination and recognized separately from any goodwill is the fair value of such assets at the acquisition date. These are specifically trademarks, technology-based intangible assets, and (non-) contractual customer relationships. The assumed useful lives are typically between five and 15 years for technology-based intangible assets and between one and 25 years for (non-) contractual customer relationships. Trademarks may be assumed to have an indefinite useful life and are subject to an annual impairment test. Otherwise, an impairment test is only performed for observable indications of a change in the value of intangible assets acquired as a result of business combinations.

Goodwill and trademark rights

Goodwill and trademark rights are not amortized but tested for impairment annually and additionally if there are indications of a possible impairment, provided that there are no circumstances that would allow forgoing the annual impairment test in accordance with IAS 36.

In the Semperit Group, the businesses are the lowest level (cash generating unit, CGU) at which goodwill is monitored for internal management purposes. The Hoses and Profiles businesses from the SIA division, and the Belting, Form, and Rico business from the SEA division.

Management determined the recoverable amount as of September 30, 2024 for the impairment test of goodwill in the amount of EUR 1,677 thousand (previous year: EUR 1,677 thousand) in the Hoses business (manufacture and sale of hydraulic and industrial hoses). The recoverable amount was calculated as value in use. The increased forecasting uncertainty due to a slowdown in economic development and geopolitical crises was countered by considering alternative planning scenarios (upside and downside scenarios). The products from the Hoses business are typically used in the agriculture, construction, food, and chemical industries and are exposed to their cyclical developments.

Full customer inventories in the first two quarters of fiscal year 2024, shifts in the product mix, and the ongoing recession were the main reasons for the decline in revenue in the 2024 fiscal year (see section 2.2). There are no signs of a significant recovery of the European market in fiscal year 2025. The trend on the North American market is viewed more positively than that on the European market.

The planning scenarios differ from the base case scenario mainly in the assumptions for the different estimations of the market trend and consequently the annual growth rate of production quantities. In addition, the downside scenario assumed a reduction in the gross margin due to higher personnel expenses. The relative gross margin in the upside scenario is the same as for the base case scenario.

The key assumptions that were used in determining the recoverable amount of the Hoses business relate to the future development of the EBITDA margin. In the perpetual annuity phase (i.e., from planning year 2030), the EBITDA margin is around 23% (previous year: 23%). The EBITDA margins in the perpetual annuity phase differ depending on the planning scenarios and are around 20% (previous year: 22%) in the downside scenario and 23% (previous year: 23%) in the upside scenario. The planning was initially based on management's assumptions regarding the development of the markets, the Hoses business' market shares, and strategic product and customer initiatives. Management's medium-term planning is based on the continuation of the Hoses business' successful niche strategy to focus exclusively on hose production and thereby distinguish itself from competitors who also produce or assemble fittings and lines or manufacture complete hydraulic systems.

Planned measures to improve earnings that require capacity expansion or infrastructure improvements as well as such measures that have yet to be sufficiently substantiated were not taken into account when determining the value in use. However, account was taken of the new plant expansion in Odry, Czech Republic, with a total investment volume of EUR 110,000 thousand, which began in 2023: In order to increase capacity, a further EUR 50,500 thousand will be invested in the production of hydraulic hoses in the period from 2025 to 2029. Particular attention is being paid to meeting sustainability criteria and achieving a high degree of automation. The capacity increase is around 24 million meters; the production facilities will be ramped up gradually from fiscal year 2025. In addition, the production of 3.6 million meters of flexible spiral hoses was relocated from Wimpassing, Austria to Odry in fiscal year 2024. The adjustments made to the plant development plans in fiscal year 2023 were taken into account in the impairment test. The new production plants are operated exclusively using green energy and are therefore low in emissions. The total water consumption at the Odry location will drop by around 40–50% after completion of the new production facilities, irrespective of the capacity expansion. The capital expenditure on property, plant, and equipment is helping to maintain capacity. Changes to trade working capital are planned on the basis of revenue.

The cash flows in the perpetual annuity phase (i.e., beginning in planning year 2030) were extrapolated using a long-term growth rate of 2.0% (previous year: 2.0%). The growth rate reflects the competition and the price pressure on the market as well as an assumption of moderate market growth. The weighted average cost of capital (WACC) was determined as the discount rate using the capital asset pricing model. A uniform peer group was assumed for the Hoses, Profiles, Belting, and Form businesses. The pre-tax discount rate calculated for the Hoses business is 10.3% (previous year: 10.5%). The after-tax discount rate is 8.0% (previous year: 8.8%).

The recoverability of the recognized goodwill was confirmed in the course of the impairment test for the Hoses business.

In the Rico business (manufacture of injection molding tools, manufacture of plastic parts, in particular, from liquid silicone and solid silicone in single, two, or multi-component injection molding, and their distribution), management determined the recoverable amount as of September 30, 2024 for the impairment test of goodwill at EUR 49,358 thousand (previous year: EUR 49,358 thousand) and trademark rights at EUR 10,029 thousand (previous year: EUR 9,907 thousand). Indefinite useful lives were assumed for the Rico Group's trademarks identified during purchase price allocation, because the brand names are very well established in the respective product markets and have clear brand attributes. The Semperit Group will continue to use the brand names for an indefinite period of time and continue to expand the Rico business under these brand names. Methodologically speaking, impairment of trademarks and goodwill is tested at the level of the CGU, i.e., the Rico business. The recoverable amount was calculated as value in use. The Rico business' products are used especially in the automotive and medical technology industries, as well as in the consumer and household goods industries. The increased forecasting uncertainty due to the economic slowdown and geopolitical crises was countered by considering alternative planning scenarios (upside and downside scenarios).

The planning scenarios differ from the base case scenario mainly in the assumptions for the different estimations of the market trend and consequently the annual growth rate of production quantities (i.e., the plastic parts requested by customers and the sales of injection molding tools). The relative gross margin is unchanged in the upside and downside scenarios.

The key assumptions used in determining the recoverable amount of the Rico business relate to the ramp-up of production facilities from the expansion of capacity, which the SAG Executive Board and Supervisory Board committed to in the course of the acquisition, the increased activity on the U.S. market, and the future development of the EBITDA margin. In the perpetual annuity phase (i.e., from planning year 2030), the EBITDA margin is around 23% (previous year: 25%). The EBITDA margins in the perpetual annuity phase differ depending on the planning scenarios and are around 22% (previous year: 24%) in the downside scenario and 24% (previous year: 26%) in the upside scenario. The planning was based on management's assumptions regarding the development of the markets, the Rico business' market shares, and strategic product and customer initiatives with respect to the production of injection molding tools, as well as advice on component development and the mass production of customer-specific plastic parts. Management's medium-term planning focuses on consolidating and expanding its technological edge in the production of high-cavity injection molds, automation, and problem-solving expertise. In addition, the focus is on strengthening sales and expanding geographically in relation to this.

Planned measures to improve earnings that require capacity expansion or infrastructure improvements as well as such measures that have yet to be sufficiently substantiated were not taken into account when determining the value in use. However, the plant expansion in Thalheim, Austria, which is currently being implemented, as well as further capacity expansion with a total investment volume of around EUR 36,479 thousand (previous year: EUR 39,800 thousand) by fiscal year 2029 were taken into account. The capital expenditure on property, plant, and equipment is intended to maintain capacity; it roughly corresponds to planned depreciation. Changes to trade working capital are planned on the basis of revenue.

The cash flows in the perpetual annuity phase (i.e., beginning in planning year 2030) were extrapolated using a long-term growth rate of 2.0% (previous year: 2.0%). The weighted average cost of capital (WACC) was determined as the discount rate using the capital asset pricing model. A separate peer group was formed for the Rico business. These companies operate in similar geographic markets and have similar business models. The pre-tax discount rate calculated for the Rico business is 9.3% (previous year: 9.9%). The after-tax discount rate is 7.8% (previous year: 8.3%).

The key assumptions for determining the recoverable amount underwent a sensitivity analysis during the impairment test of the Rico business. The Rico business' value in use would fall below the carrying amount if one of the following changes were to occur: the long-term growth rate starting from the last planning year falls below 0.9% instead of the planned 2.0%, the WACC increases to above 8.4% instead of 7.8% or EBITDA falls by more than EUR 2,957 thousand in the last planning year, which equates to an EBITDA margin of 21% in the base case scenario, 20% in the downside scenario, and 23% in the upside scenario.

The recoverability of the recognized goodwill and trademark rights was confirmed in the course of the impairment test for the Rico business.

Impairment testing (other than goodwill and trademark rights)

As part of an ongoing software development project to capture production and machine data, the implementation partner was changed in fiscal year 2024. In the wake of this, an impairment loss of EUR 215 thousand (previous year: EUR 0 thousand) was recognized for a part of the project for which no further benefit arose. For an overall presentation of impairment losses recognized in the fiscal year, see section 3.2.

Development of intangible assets

The development of intangible assets is as follows:

in EUR thousand	Software licences, industrial property rights and similar rights	Goodwill	Development costs	Total
Acquisition/production costs				
Balance at 01.01.2023	**40,747**	**2,537**	**2,650**	**45,934**
Currency translation differences	869	0	6	875
Additions	402	0	14	416
Additions due to business acquisitions	71,515	49,358	0	120,872
Disposals	–243	0	0	–243
Transfers	33	0	130	163
Balance at 12.31.2023	**113,323**	**51,894**	**2,800**	**168,018**
Currency translation differences	–164	0	2	–162
Additions	371	0	1,566	1,937
Disposals	–13,004	0	–30	–13,033
Reclassification to non-current assets held for sale	–468	0	–550	–1,018
Transfers	90	0	–90	0
Balance at 12.31.2024	**100,148**	**51,894**	**3,698**	**155,741**
Depreciation and amortization / impairment losses / reversals of impairment losses				
Balance at 01.01.2023	**37,203**	**859**	**1,589**	**39,651**
Currency translation differences	41	0	0	41
Depreciation and amortization	3,391	0	146	3,537
Disposals	–184	0	0	–184
Balance at 12.31.2023	**40,452**	**859**	**1,735**	**43,046**
Currency translation differences	56	0	0	56
Depreciation and amortization	4,524	0	103	4,627
Impairment losses	72	0	323	394
Disposals	–12,110	0	0	–12,110
Reclassification to non-current assets held for sale	–462	0	–512	–974
Balance at 12.31.2024	**32,532**	**859**	**1,649**	**35,040**
Carrying amounts				
Carrying amount 01.01.2023	3,544	1,677	1,061	6,283
Carrying amount 12.31.2023	72,872	51,035	1,065	124,971
Carrying amount 12.31.2024	**67,617**	**51,035**	**2,049**	**120,701**

3.2 Property, plant, and equipment

Property, plant, and equipment are measured at cost less accumulated depreciation and impairment losses.

They are amortized by allocating the cost less their expected residual value on a straight-line basis over the expected useful life. Assumptions and estimates have to be made when determining the useful lives, which are reviewed at each reporting date and adjusted if necessary.

The assumed useful lives of each category of property, plant, and equipment are within the following ranges:

Property, plant, and equipment excluding right-of-use assets	Useful life in years
Technical plants and other operational buildings	2–50
Technical equipment and machinery	2–40
Operating and office equipment	2–25
Vehicles	2–25

The assumed useful lives of the right-of-use assets included in property, plant, and equipment are within the following ranges:

Right-of-use assets	Useful life in years
Land and buildings, including on land owned by third parties	2–20
Technical equipment and machinery	2–5
Operating and office equipment	2–8
Vehicles	2–7

Impairment tests

If there are observable indications of impairment, items of property, plant, and equipment are tested pursuant to IAS 36 as to whether the carrying amount of the asset or the cash generating unit in question exceeds the recoverable amount. An appropriate impairment loss is recognized if the carrying amount exceeds the recoverable amount. The assessment of recoverability and determination of the recoverable amount are subject to significant estimates and assumptions. In particular, these include assumptions about corporate planning, future inflation, and growth rates, as well as regarding foreign currency rates, the cost of capital rate used to discount future cash flows, the expected economic development of each individual cash generating unit, as well as with regard to the separate recoverable amounts for individual assets as the lower limit of an impairment loss.

Right-of-use assets and lease liabilities were taken into account during impairment testing in accordance with IFRS 16. The carrying amount of the cash generating unit contains the right-of-use assets; it is reduced by the carrying amount of the lease liabilities. The recoverable amount as the total value of the cash generating unit includes the present value of the cash flows, which is reduced by the lease payments.

Due to lack of opportunities for future use, impairment losses of EUR 1,745 thousand and EUR 315 thousand, respectively (previous year: EUR 0 thousand in both cases) were recognized for two salt bath plants belonging to German company Semperit Profiles Leeser GmbH and a kneading machine at STP in Austria. The remaining impairments of property, plant, and equipment concern machinery at SFO in the Czech Republic for which there is no future use. Impairment losses on intangible assets (see section 3.1) and property, plant, and equipment are broken down by division as follows:

	Semperit Industrial Applications		Semperit Engineered Applications	
in EUR thousand	1–12 2024	1–12 2023	1–12 2024	1–12 2023
Impairment of intangible assets	67	0	148	0
Impairment of property, plant, and equipment	2,020	0	214	0
Total impairment of intangible assets and property, plant, and equipment	**2,087**	**0**	**362**	**0**

Development of property, plant, and equipment

Property, plant, and equipment developed as follows:

in EUR thousand	Land and buildings, including on land owned by third parties	Technical equipment and machinery	Other equipment, operating and office equipment	Assets under construction	Total
Acquisition/production costs					
Balance at 01.01.2023	**184,024**	**514,507**	**73,306**	**29,613**	**801,451**
Currency translation differences	–267	697	–489	29	–30
Additions	4,798	13,200	6,161	38,891	63,049
Additions due to business acquisitions	48,641	51,965	4,862	20,331	125,799
Disposals	–700	–2,791	–4,384	–90	–7,964
Reclassification to non-current assets held for sale	–778	0	–271	0	–1,050
Transfers	27,113	13,841	1,778	–42,894	–163
Balance at 12.31.2023	**262,831**	**591,418**	**80,962**	**45,879**	**981,091**
Currency translation differences	2,317	5,938	810	161	9,226
Additions	19,479	18,002	4,962	25,462	67,906
Disposals	–3,019	–10,994	–3,579	–1,653	–19,245
Reclassification to non-current assets held for sale	–4,027	–34,337	–2,976	–24	–41,364
Transfers	19,765	16,823	2,193	–38,738	43
Balance at 12.31.2024	**297,345**	**586,850**	**82,373**	**31,088**	**997,657**
Depreciation and amortization / impairment losses / reversals of impairment losses					
Balance at 01.01.2023	**93,648**	**357,416**	**55,195**	**1,660**	**507,920**
Currency translation differences	35	–155	–421	54	–488
Depreciation and amortization	6,758	21,854	5,441	0	34,052
Reversals of impairment losses	–392	0	0	0	–392
Disposals	–456	–2,617	–3,907	–10	–6,990
Reclassification to non-current assets held for sale	–249	0	–260	0	–509
Transfers	12	1,263	3	–1,279	0
Balance at 12.31.2023	**99,355**	**377,761**	**56,051**	**426**	**533,593**
Currency translation differences	758	3,664	680	5	5,106
Depreciation and amortization	9,599	27,109	6,401	0	43,110
Impairment losses	893	2,258	0	1,745	4,896
Disposals	–583	–10,875	–3,343	–1,106	–15,907
Reclassification to non-current assets held for sale	–3,619	–33,682	–2,499	–3	–39,802
Transfers	250	44	–220	–32	43
Balance at 12.31.2024	**106,654**	**366,279**	**57,071**	**1,035**	**531,039**
Carrying amounts					
Carrying amount 01.01.2023	90,376	157,091	18,111	27,953	293,531
Carrying amount 12.31.2023	163,476	213,657	24,911	45,453	447,498
Carrying amount 12.31.2024	**190,691**	**220,571**	**25,302**	**30,053**	**466,617**

Of the carrying amount reported for land and buildings, including buildings on third-party land, EUR 10,568 thousand (previous year: EUR 11,060 thousand) relates to land (basic value).

In fiscal year 2024, borrowing costs were capitalized as part of the production costs of qualified assets in the course of the expansion of a production hall in Odry, Czech Republic, amounting to EUR 867 thousand (previous year: EUR 145 thousand for the production hall in Odry and EUR 285 thousand for the Thalheim production facility). The borrowing costs directly attributable to production were capitalized.

As of December 31, 2024, property, plant, and equipment with a carrying amount of EUR 22,455 thousand (previous year: EUR 23,422 thousand) in the Rico business were pledged as security for liabilities.

A new production facility in the United States belonging to the Profiles business was opened in the fiscal year 2021. The ownership rights to the newly constructed production line of U.S.-based Semperit Industrial Products Inc. were then conveyed to the Coweta County Development Authority, Georgia, in order to optimize property-related taxes. At the same time, the company purchased a municipal revenue bond issued by the Development Authority to finance the transaction and entered into a lease agreement for the use of the transferred production line. The nominal amount of the bond as of December 31, 2024 translated into EUR 9,077 thousand (previous year: EUR 7,025 thousand) and was increased by the investments made in fiscal year 2024 amounting to EUR 1,541 thousand (previous year: EUR 433 thousand). The bond will be repaid with the lease payments. The business may transfer the bond to the Development Authority at any time, or at the latest at the end of the term, and thereby reacquire the ownership rights to the production line. There are no cash flows because the company is both the lessee and the bondholder. From an economic perspective, therefore, neither a sale-and-lease-back agreement nor a revenue bond was concluded or recognized. The production line for rubber gaskets will continue to be recognized in property, plant, and equipment.

Right-of-use assets

The Semperit Group is a lessee in particular with regard to right-of-use assets related to land and buildings, office equipment, and motor vehicles.

As the lessee, the Semperit Group recognizes a lease liability for leases that must be recognized as an other financial liability and a right-of-use asset under property, plant, and equipment at the time the leased asset is made available to the company. The lease liability bears interest and is amortized on an annuity basis by the current payments; the right-of-use asset is amortized on a straight-line basis over the shorter of the asset's useful life or lease term.

The option not to apply the lease accounting requirement to short-term leases (i.e., up to 12 months), to low-value leased assets (i.e., up to a replacement value of approximately EUR 5 thousand), and to intangible assets is exercised. The Semperit Group therefore does not recognize right-of-use assets or lease liabilities for these types of contracts; lease payments from these contracts are recognized as an expense on a straight-line basis over the lease term.

The right-of-use assets from leases included in property, plant, and equipment developed as follows in fiscal year 2024:

	Right-of-use assets			
in EUR thousand	Land and buildings, including on land owned by third parties	Technical equipment and machinery	Other equipment, operating and office equipment	Total
Acquisition/production costs				
Balance at 01.01.2023	**19,642**	**922**	**4,641**	**25,204**
Currency translation differences	–254	35	–2	–221
Additions	1,282	51	2,033	3,366
Additions due to business acquisitions	27,334	2,048	354	29,736
Disposals	–494	–5	–1,087	–1,587
Balance at 12.31.2023	**47,509**	**3,051**	**5,938**	**56,499**
Currency translation differences	904	5	0	908
Additions	5,643	132	1,643	7,418
Disposals	–2,870	–110	–1,256	–4,236
Reclassification to non-current assets held for sale	–211	0	–142	–353
Balance at 12.31.2024	**50,975**	**3,078**	**6,182**	**60,236**
Depreciation and amortization / impairment losses / reversals of impairment losses				
Balance at 01.01.2023	**3,546**	**149**	**2,131**	**5,825**
Currency translation differences	–38	4	–1	–35
Depreciation and amortization	2,772	381	1,279	4,432
Disposals	–253	0	–926	–1,179
Balance at 12.31.2023	**6,027**	**534**	**2,483**	**9,044**
Currency translation differences	148	3	–1	151
Depreciation and amortization	3,738	647	1,529	5,914
Impairment losses	98	0	0	98
Disposals	–602	–17	–1,028	–1,647
Reclassification to non-current assets held for sale	–172	0	–65	–237
Balance at 12.31.2024	**9,237**	**1,167**	**2,918**	**13,322**
Carrying amounts				
Carrying amount 01.01.2023	16,096	773	2,510	19,379
Carrying amount 12.31.2023	41,482	2,518	3,455	47,455
Carrying amount 12.31.2024	**41,738**	**1,911**	**3,264**	**46,913**

As of December 31, 2024, right-of-use assets in the amount of EUR 46,913 thousand (previous year: EUR 47,455 thousand) were recognized in property, plant, and equipment and lease liabilities under current and non-current other financial liabilities in the amount of EUR 48,733 thousand (previous year: EUR 48,429 thousand). Please see section 11.2 for the maturity analysis of lease liabilities as of December 31, 2024.

The Semperit Group has concluded several lease agreements that contain renewal and termination options. These options were negotiated by management in order to manage the portfolio of leased assets flexibly and in accordance with the Group's particular business requirements. The assessment of whether the exercise of these renewal and termination options is reasonably certain requires material judgments by management.

The following table shows the undiscounted potential future lease payments for periods after the exercise date of the renewal and termination options that are not included in the lease term.

in EUR thousand	within the next 5 years	over 6 to 10 years	Total
Renewal options that are not expected to be exercised	2,030	4,964	6,994
Termination options that are expected to be exercised	841	841	1,681
Total potential future lease payments as of 12.31.2024	**2,871**	**5,805**	**8,676**

in EUR thousand	within the next 5 years	over 6 to 10 years	Total
Renewal options that are not expected to be exercised	1,468	3,830	5,299
Termination options that are expected to be exercised	658	841	1,499
Total potential future lease payments as of 12.31.2023	**2,127**	**4,671**	**6,798**

The following amounts from leases were recognized in profit or loss:

in EUR thousand	2024	2023
Depreciation expense for right-of-use assets	5,914	4,432
Interest expense for lease liabilities	2,206	1,264
Expense relating to short-term leases	1,104	1,089
Other rental expenses	1,054	1,137
Expense relating to leases of low-value assets	397	725
Impairment of right-of-use assets	98	0
Total amount recognized in profit or loss	**10,773**	**8,647**
of which attributable to continuing operations	10,639	7,975
of which attributable to discontinued operations	134	672

In the 2024 fiscal year, the Semperit Group’s cash outflows for leases (including short-term leases and low-value leased assets) totaled EUR 8,697 thousand (previous year: EUR 7,052 thousand).

3.3 Other financial assets (non-current)

The carrying amounts of the other non-current financial assets are comprised of the following:

in EUR thousand	12.31.2024	12.31.2023
Financial assets measured at fair value through profit or loss		
Shares in funds, shares, other securities	6,303	6,224
	6,303	**6,224**
Financial assets measured at amortized cost		
Receivables due from employees	13	19
Miscellaneous other financial assets	1,153	248
	1,166	**267**
Total	**7,469**	**6,491**

The fund shares comprise 97,500 shares (previous year: 97,500 shares) in Amundi GF Euro Rent, a bond fund that is suitable to cover pension provisions and invests predominantly in fixed and variable-interest government bonds in the euro area, in the amount of around EUR 5,770 thousand (previous year: EUR 5,702 thousand) and 3,402 shares (previous year: 3,402 shares) in the Portfolio Management Solide T fund, an investment fund that invests around 70% in domestic and foreign bond investments and around 30% in domestic and foreign equity investments, in the amount of around EUR 533 thousand (previous year: EUR 522 thousand). The Portfolio Management Solide T fund serves to secure bank financing in the Rico business.

Other financial assets essentially include blocked funds amounting to EUR 750 thousand (previous year: EUR 0 thousand), which serve as security for the bank loans of the Rico Group, as well as rental and other security deposits.

Disclosures on financial instruments – current and non-current assets

The following table shows the carrying amounts of the individual financial assets classified in accordance with the measurement categories pursuant to IFRS 9.

in EUR thousand	Measurement category according IFRS 9[1]	Level	Note	Carrying amount 12.31.2024	Carrying amount 12.31.2023
Trade receivables			4.2		
Held to collect	AC	–	4.2	45,693	48,782
Held to collect and for sale	FVOCI	2	4.2	28,030	37,343
Other financial assets			3.3, 6.5		
Securities	FVPL	1	3.3	6,303	6,224
Derivative financial instruments	FVPL	2	6.5	0	98
Miscellaneous other financial assets	AC	–	3.3, 6.5	6,556	1,743
Cash and cash equivalents			6.6	125,972	112,671

[1] FVPL (fair value through profit and loss); FVOCI (fair value through OCI); AC (at amortized cost)

Other financial assets include financial investments, receivables from personnel and other receivables (see sections 3.3 and 6.5).

Financial assets at fair value

Financial assets are recognized or derecognized on the basis of a regular way purchase or sale at the settlement date. The fair values of securities are determined using publicly available prices.

The derivative financial instruments measured at fair value through profit or loss are forward exchange contracts.

In addition to operational measures, individual derivative financial instruments, primarily forward exchange contracts, are used to hedge foreign currency risks. They are measured at the current fair value. The fair value corresponds to the value that the respective Group company would receive or have to pay if the transaction were terminated on the reporting date. Positive fair values as of the reporting date are presented under other financial assets and negative fair values under other financial liabilities. If the requirements for hedge accounting are met, this is applied in part. Recognition is as described in section 6.4 depending on whether it is a cash flow hedge or a fair value hedge.

Trade receivables measured at fair value through other comprehensive income include trade receivables held to collect and for sale under the factoring program (see section 4.2).

Financial assets at amortized cost

For all financial assets not measured at fair value, the carrying amounts approximate the fair value.

3.4 Assets held for sale and provisions and liabilities held for sale

Under IFRS 5, all those non-current assets and disposal groups that can be disposed of in their current condition and are very likely to be disposed of within twelve months due to the management's properly documented intention to dispose shall be classified as held for sale. Non-current assets or disposal groups held for sale are measured at the lower of the carrying amount and the fair value less costs to sell.

The assets held for sale or provisions and liabilities as of December 31, 2024 relate to other financial receivables or other financial liabilities of the disposal group of the discontinued Surgical Operations business. As of December 31, 2023, liabilities of the discontinued Examination Operations business were included in provisions and liabilities held for sale.

The property held for sale, including the buildings on it, of Semperit Profiles Leeser GmbH in Germany was sold in fiscal year 2024 (see section 2.3). The non-current assets held for sale, outside the discontinued operations' disposal groups, by the Semperit Group are as follows:

in EUR thousand	**Business**	**Asset**	**12.31.2024**	**12.31.2023**
Semperit Profiles Leeser GmbH, Hückelhoven, Germany	Profiles	Land	0	158
		Buildings	0	373
		Other equipment, operating and office equipment	0	11
Total			**0**	**541**

4. Trade working capital

Trade working capital consists of inventories, current trade receivables, and current trade payables.

4.1 Inventories

Inventories must be measured at the lower of cost and net realizable value, whereby, in the course of determining the net sales values, in particular realization risks related to obsolete or surplus inventories are taken into account. Utilization is determined using the moving average price method. Income and expenses from intercompany deliveries of inventories are eliminated unless they are of minor significance.

in EUR thousand	12.31.2024	12.31.2023
Raw materials, consumables, and supplies	37,728	42,182
Finished goods and merchandise	36,446	50,811
Work in progress	11,527	17,079
Refund assets	45	26
Prepayments	0	662
Total	**85,745**	**110,760**

in EUR thousand	12.31.2024	12.31.2023
Inventories		
of which at cost of acquisition/production	66,655	82,644
of which at net realizable value	19,090	28,116
Total	**85,745**	**110,760**

Net realizable values as part of the inventory measurement on the reporting date are determined based on specific customer contracts or, in the absence of such contracts, existing list prices; each business' management team also assesses recoverable prices and market developments. The net reversals of write-downs on inventories recognized through profit or loss amounted to EUR 424 thousand (previous year: additions to write-downs EUR 1,936 thousand).

4.2 Trade receivables

Trade receivables, which essentially originate from revenue with the Semperit Group's customers, must be allocated to the AC (at amortized cost) measurement category in accordance with IFRS 9 and are therefore measured at amortized cost less expected defaults.

Under a factoring program concluded on December 29, 2023, euro and U.S. dollar trade receivables from STP in Austria, SFO in the Czech Republic, and STB in Poland can be sold to a German factoring bank for a maximum amount of EUR 75,000 thousand. The purchase price and therefore also the fair value of the receivables sold is equal to the nominal value, so there is no earnings effect on derecognition. All delcredere risk is transferred to the factoring bank, but only the payment date risk and interest rate risk remain in part with the Semperit Group. The requirements for derecognition in full of trade receivables sold under the factoring program are met in accordance with IFRS 9. Interest on factoring is included in interest expense and is based on the one-month EURIBOR (or one-month SOFR for USD receivables) plus a margin, with a discount of up to 2.5 basis points linked to the achievement of ESG performance criteria. The ESG performance criteria are the same as those used for SAG's bank financing (see section 11.1).

As of December 31, 2024, trade receivables of EUR 16,826 thousand (previous year: EUR 0 thousand) were sold to the factoring bank. In fiscal year 2024, interest expenses for factoring amounted to EUR 780 thousand (previous year: EUR 0 thousand).

The trade receivables comprise the following:

	12.31.2024			12.31.2023		
in EUR thousand	Gross	Allowances	Net	Gross	Allowances	Net
Receivables not yet due	60,756	–7	60,749	69,791	–11	69,780
Up to 30 days overdue	10,390	0	10,390	10,596	–1	10,595
30 to 90 days overdue	1,823	0	1,823	5,100	–5	5,095
More than 90 days overdue	1,521	–760	761	1,486	–831	656
Total	**74,490**	**–767**	**73,723**	**86,973**	**–848**	**86,125**

Internal measurement guidelines are used to assess creditworthiness. The Semperit Group analyzes the losses of the past four years by business and country group to determine the impairment need. Based on this, an impairment matrix is prepared using time bands. This impairment matrix is updated to include forward-looking macroeconomic variables. Payment defaults for fiscal years 2024 and 2025 as forecast by the credit insurer Allianz Trade were also taken into consideration in the calculation of the impairment matrix. The analysis of the past did not identify an elevated default risk for receivables that are overdue by more than 90 days. As a result, the Group does not deem overdue status of more than 90 days to be an indicator that a loss event has occurred, which would imply an allocation to level 3 of the impairment model according to IFRS 9. Loss events are, for example, a significant downgrade of creditworthiness by credit rating agencies, the commissioning of collection services, or the insolvency of the customer.

The subsidiaries belonging to the Rico business were integrated into the Semperit Group’s credit insurance regime in fiscal year 2024. A significant portion of the Semperit Group’s gross trade receivables (97.8%; previous year: 90.3% or 77.2% including the Rico Group) are covered by credit insurance, bank guarantees, secure payment terms, and bank acceptance drafts. The credit insurances include a deductible if a loss occurs. The maximum loss allowance recognized for a credit loss is the insurance deductible for these receivables. In the case of payments from credit insurance, the insured receivable is derecognized in accordance with the payment amount under other operating expenses. The payments for the credit insurance policies are presented in other operating income.

Receivables not covered by credit insurance, or deductibles for receivables covered by credit insurance, are written down based on empirical values in accordance with the default risk categories in the impairment matrix (level 2 of the impairment model in accordance with IFRS 9). Receivables allocated to level 3 of the impairment model in accordance with IFRS 9 based on an individual assessment of the creditworthiness of the relevant customers are also written down to the expected recoverable amount.

The overdue receivables are essentially covered by credit insurance, as all subsidiaries with significant receivables are insured against credit. With respect to the receivables not covered by credit insurance and to the deductibles for receivables covered by credit insurance, there is no significant concentration of credit risk as the customers are widely dispersed.

The loss allowances in level 2 amounting to EUR 9 thousand (previous year: EUR 101 thousand) are based on the following impairment matrix:

	12.31.2024			
	Not due	1–30 days	31–90 days	>90 days
Hoses	0.00–0.01%	0.00–0.01%	0.00–0.16%	0.00–0.13%
Profiles	0.00–0.02%	0.00–0.31%	0.00–2.47%	0.00–3.51%
Form	0.00–0.01%	0.00–0.04%	0.00–0.32%	0.00–0.86%
Belting	0.00–0.01%	0.00–0.04%	0.00–0.16%	0.00–0.06%
Rico	0.00–0.00%	0.00–0.01%	0.00–0.05%	0.00–0.28%

	12.31.2023			
	Not due	1–30 days	31–90 days	>90 days
Hoses	0.00–0.01%	0.00–0.01%	0.00–0.17%	0.00–0.14%
Profiles	0.00–0.01%	0.00–0.34%	0.00–3.10%	0.00–2.65%
Form	0.00–0.01%	0.00–0.03%	0.00–0.30%	0.00–0.81%
Belting	0.00–0.01%	0.00–0.07%	0.00–0.20%	0.00–0.06%
Rico	0.00–0.00%	0.00–0.00%	0.00–0.07%	0.00–0.30%

The ranges arise from the geographic regions where the revenue is generated. The impairment of trade receivables is generally recognized indirectly via allowance accounts. The loss allowances changed as follows:

in EUR thousand	Adjusted lifetime expected credit loss impaired on collective basis (level 2)	Adjusted lifetime expected credit loss impaired on individual basis (level 3)	Total
Balance at 01.01.2023	**22**	**1,155**	**1,178**
Release	–18	–407	–425
Currency translation differences	3	18	22
Written down due to irrecoverability	0	–20	–20
Additions	94	0	94
Balance at 12.31.2023	**101**	**747**	**848**
Release	–82	–25	–107
Currency translation differences	–2	16	13
Written down due to irrecoverability	–9	–3	–12
Additions	1	23	24
Balance at 12.31.2024	**9**	**758**	**767**

Receivables determined to be irrecoverable are derecognized if the receivable loss has been determined conclusively, with loss allowances recognized beforehand being used. In fiscal year 2024, trade receivables of EUR 135 thousand (previous year: EUR 429 thousand), which were not written down, were derecognized.

4.3 Trade payables

Trade payables must be allocated to the AC (at amortized cost) measurement category in accordance with IFRS 9 and are therefore measured at amortized cost.

As of December 31, 2024, the carrying amount of current and non-current trade payables totaled EUR 56,756 thousand (previous year: EUR 69,187 thousand).

5. Equity

5.1 Share capital and reserves

Share capital

The share capital of SAG as of December 31, 2024 remained unchanged compared to the previous year at EUR 21,359 thousand. This is broken down into 20,573,434 fully paid-in no-par value ordinary shares of which each has an equal participation in the share capital. Each share is entitled to a voting right and to receive a dividend.

The Executive Board was authorized by the Annual General Meeting on April 23, 2024 to buy back and, if necessary, to redeem the company's treasury shares up to the legally permissible amount of 10% of the share capital for a period of 30 months from the date that the resolution was passed in the Annual General Meeting pursuant to Section 65(1) No. 8 of the Stock Corporation Act (AktG) with agreement from the Supervisory Board. At the same Annual General Meeting, the Executive Board was also authorized, pursuant to Section 65(1b) Stock Corporation Act (AktG), and with the approval of the Supervisory Board, to decide on a different type of sale than via the stock exchange or through a public offering, and to decide on an exclusion of the buyback option (purchase right) on the part of shareholders. The authorizations were granted with the simultaneous repeal of the related resolutions of the Annual General Meeting of April 27, 2022. There is currently no share buyback program.

The Executive Board was authorized by the Annual General Meeting on April 25, 2023 with the agreement of the Supervisory Board to increase the share capital by 50% or up to 10,286,716 new no-par-value shares over the next five years following registration of the change to the Articles of Incorporation on the Company Register, through cash and/or non-cash contributions. The Executive Board was also authorized to issue convertible bonds with agreement from the Supervisory Board. This may be linked to a right of conversion or purchase or a mandatory conversion or purchase of up to 10,286,716 no-par-value shares (50% of the existing shares) in the company.

Capital reserves

The capital reserves result primarily from the amount generated beyond the proportional amount of the share capital following the issue of shares (share premium). Capital reserves also include EUR 21,503 thousand in appropriated reserves as of December 31, 2024 (previous year: EUR 21,503 thousand). These may only be released to offset any net loss otherwise stated in the SAG annual financial statements under corporate law, unless there are any free reserves available to cover such a loss.

Retained earnings

Revenue reserves contain the retained results of the Semperit Group and the accumulated other comprehensive income (excluding currency translation differences).

The distribution of revenue reserves is as follows:

in EUR thousand	Retained earnings	Hedge reserve	IAS 19 reserve	Total
Balance at 01.01.2023	**490,601**	**0**	**–8,464**	**482,136**
Earnings after tax	–16,807	0	0	–16,807
Other comprehensive income	0	0	–1,195	–1,195
Total comprehensive income for the year	–16,807	0	–1,195	–18,002
Dividend	–92,580	0	0	–92,580
Balance at 12.31.2023	**381,213**	**0**	**–9,659**	**371,554**
Balance at 01.01.2024	**381,213**	**0**	**–9,659**	**371,554**
Earnings after tax	11,501	0	0	11,501
Other comprehensive income	0	–431	308	–123
Total comprehensive income for the year	11,501	–431	308	11,378
Dividend	–10,287	0	0	–10,287
Balance at 12.31.2024	**382,427**	**–431**	**–9,351**	**372,645**

Revenue reserves include, inter alia, the SAG statutory reserve of EUR 999 thousand (previous year: EUR 999 thousand), which may only be released to offset any net loss otherwise stated in the annual financial statements under corporate law. The fact that free reserves are available to offset the loss is no obstacle to the release for the purposes of offsetting the loss.

The hedge reserve comprises the portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges until the hedged cash flows are subsequently recognized in profit or loss.

The IAS 19 reserve includes the effects of remeasurements of defined benefit plans due to severance payments and pensions.

Currency translation reserve

The currency translation reserve records translation differences resulting from converting the subsidiaries' financial statements from their functional currency to euros until the subsidiaries in question are sold or disposed of by other means.

In the 2024 fiscal year, currency translation differences totaled EUR 4,484 thousand (previous year: EUR 17,662 thousand). Of this amount, EUR 0 thousand (previous year: EUR 23,541 thousand) was reclassified, i.e., “recycled” to the consolidated income statement in fiscal year 2024. Taking into account the hedge reserve, other comprehensive income as of December 31, 2024 that may be recognized through profit or loss in future periods totaled EUR 14,944 thousand (previous year: EUR 10,891 thousand).

5.2 Dividend and treasury shares

The shareholders are entitled to a distribution of SAG's net profit for the year. For the fiscal year now ended, the Executive Board proposes a dividend of EUR 0.50 per share, thus a total of EUR 10,287 thousand, which has yet to be approved by the Annual General Meeting and is therefore not yet accounted for as a liability in these financial statements.

The distribution for the 2023 fiscal year was made in April 2024 and amounted to EUR 10,287 thousand (EUR 0.50 per share).

The Semperit Group held no treasury shares as of December 31, 2024 or December 31, 2023.

6. Net debt

The net debt of EUR 180,385 thousand (previous year: EUR 192,411 thousand) is made up of the liabilities from redeemable non-controlling interests, financial liabilities, and other financial liabilities, less other financial assets (current), and cash and cash equivalents.

6.1 Liabilities from redeemable non-controlling interests

Shares of subsidiaries' net assets held by non-controlling shareholders are recognized as liabilities from redeemable non-controlling interests if the respective shareholder has an unconditional termination right or a termination right linked to conditions whose fulfillment or non-fulfillment lies outside the control of the Semperit Group, or if the company in which the non-controlling shareholder owns an interest has a limited life span.

The liability was initially recognized at fair value. As IFRS do not provide any guidance on the subsequent measurement of such an obligation, the amount of the liability initially recognized is increased by the share in profit or reduced by the share in loss accruing at the measurement date in accordance with the option described in the statement issued by the Institute of Public Auditors in Germany (IDW RS HFA 45). In this connection, this share of profit or loss also includes the share in other comprehensive income. In addition, any amounts reported directly in equity are included in the measurement of the liability. Dividends distributed to non-controlling shareholders reduce the liabilities. The amounts recognized as part of the subsequent measurement are recognized in the consolidated income statement and constitute finance expenses. This is disclosed separately as results attributable to redeemable non-controlling interests.

The pro-rata cash flows relevant to measurement were derived from the latest medium-term financial planning to determine the fair value (Level 3) of the redeemable non-controlling interests of SAC, Thailand. The detailed planning period runs until the end of planning year 2029. The pro-rata cash flows relevant to measurement in the perpetual annuity phase (i.e., beginning in planning year 2030) were extrapolated using a long-term growth rate of 2.0% (previous year: 2.0%). The growth rate reflected the competition and the price pressure in the market as well as an assumption of moderate market growth. The weighted average cost of capital (WACC) was determined as the discount rate using the capital asset pricing model. The after-tax discount rate is 9.0% (previous year: 9.8%). The main assumptions used in determining the fair value relate in particular to the market-dependent future development of the EBITDA margin.

Liabilities from redeemable non-controlling interests changed as follows:

in EUR thousand	2024	2023
Carrying amount 01.01	**14,725**	**18,907**
Distributions	–2,884	–6,482
Share of earnings after tax	3,469	2,877
Share of remeasurements of defined benefit plans	–26	15
Currency translation differences	987	–592
Carrying amount 12.31	**16,272**	**14,725**
of which Semperflex Asia Corp. Ltd., Thailand	16,272	14,725
Fair value 12.31	**73,507**	**86,027**

6.2 Financial liabilities

Both corporate Schuldschein loans and liabilities to banks are initially recognized at fair value less transaction costs. Subsequently, they are measured at amortized cost in accordance with the effective interest method.

They are derecognized if and when the underlying obligation is settled or terminated or has expired.

in EUR thousand	12.31.2024	Thereof non-current	Thereof current	12.31.2023	Thereof non-current	Thereof current
Corporate Schuldschein loan	38,404	6,990	31,414	38,392	37,970	422
Liabilities to banks	195,664	183,019	12,645	189,430	181,196	8,235
Total	**234,068**	**190,009**	**44,059**	**227,822**	**219,165**	**8,657**

Corporate Schuldschein loans

Between 2013 and 2016, SAG issued several corporate Schuldschein loans, some with fixed and some with variable-interest rates, in euros (EUR) as well as in the foreign currencies US dollars (USD), Polish zloty (PLN), and Czech crown (CZK). The loans had a total volume of EUR 344,466 thousand. The total nominal value outstanding (excluding accrued interest) as of the reporting date was EUR 38,000 thousand (previous year: EUR 38,000 thousand); 100% of this is in EUR and the interest rate is fixed.

As of December 31, 2024 accrued interest in the amount of EUR 421 thousand (previous year: EUR 422 thousand) was recognized under corporate Schuldschein loans. The difference between the carrying amounts excluding interest (clean price) and the nominal amounts follows from the transaction costs of emissions that are allocated over the terms of the individual corporate Schuldschein loan tranches in accordance with the effective interest rate method.

							31.12.2024
	Final maturity	Effective interest rate	Currency	Nominal value in local currency	Carrying amount in EUR thousand	Thereof non-current	thereof current
Fixed-interest Schuldschein loan	07.25.2025	2.41%	EUR thousand	31,000	31,320	0	31,320
Fixed-interest Schuldschein loan	07.25.2030	3.09%	EUR thousand	7,000	7,084	6,990	95
Total					**38,404**	**6,990**	**31,414**

	Final maturity	Effective interest rate	Currency	Nominal value in local currency	Carrying amount in EUR thousand	Thereof non-current	thereof current
Fixed-interest Schuldschein loan	07.25.2025	2.41%	EUR thousand	31,000	31,309	30,981	327
Fixed-interest Schuldschein loan	07.25.2030	3.09%	EUR thousand	7,000	7,083	6,988	95
Total					**38,392**	**37,970**	**422**

Liabilities to banks

Two bank credit facilities with a funding volume of up to EUR 360,000 thousand were concluded effective March 31, 2023.

Bank financing totaling EUR 250,000 thousand comprises a loan of up to EUR 150,000 thousand and a general credit line of up to EUR 100,000 thousand. It is provided by a consortium of six Austrian and international banks. The loan was fully utilized on July 28, 2023 to finance the acquisition of the Rico Group. An early repayment of EUR 40,000 thousand was made on December 20, 2023 and another of EUR 10,000 thousand on July 30, 2024. A total of EUR 0 thousand (previous year: EUR 0 thousand) of the general credit line was drawn as of the reporting date.

The second bank credit facility in the amount of EUR 110,000 thousand was concluded specifically to finance the expansion investment in Odry, Czech Republic. EUR 59,000 thousand of this credit line was drawn as of the reporting date (previous year: EUR 33,000 thousand).

See section 11.1 for details on credit agreement clauses (financial covenants) related to this bank financing.

The Rico Group also has bank financing. EUR 36,882 thousand of these credit lines was drawn as of December 31, 2024 (previous year: EUR 46,377 thousand).

						12.31.2024
	Effective interest rate	Currency	Nominal value in local currency	Carrying amount in EUR thousand	Thereof non-current	thereof current
Fixed-interest liabilities to banks	2.50%	EUR thousand	1,329	1,192	917	275
	1.00%–2.49%	CHF thousand	2,012	2,119	1,729	390
	3.44%–5.52%	USD thousand	1,598	1,451	710	741
	2.00%	EUR thousand	210	210	210	0
Variable-interest liabilities to banks	4.88%	EUR thousand	12,530	12,530	12,113	417
	4.63%–5.75%	EUR thousand	8,228	8,228	5,572	2,655
	1.50%	CHF thousand	1,466	1,552	1,536	16
	4.31%	EUR thousand	6,000	6,000	5,200	800
	4.90%	EUR thousand	100,000	100,449	99,647	801
	4.50%	EUR thousand	3,600	3,600	0	3,600
	4.08%	EUR thousand	59,000	58,333	55,383	2,950
Total				**195,664**	**183,019**	**12,645**

						12.31.2023
	Effective interest rate	Currency	Nominal value in local currency	Carrying amount in EUR thousand	Thereof non-current	thereof current
Fixed-interest liabilities to banks	2.50%	EUR thousand	1,431	1,431	1,164	268
	1.00%–2.49%	CHF thousand	2,246	2,426	584	1,842
	3.44%–5.52%	USD thousand	2,132	1,930	1,268	662
	2.00%	EUR thousand	210	210	210	0
Variable-interest liabilities to banks	5.25%–5.75%	EUR thousand	16,815	16,815	15,693	1,122
	5.24%–6.00%	EUR thousand	11,570	11,570	8,077	3,494
	2.34%	CHF thousand	1,476	1,594	1,545	49
	4.93%	EUR thousand	6,800	6,800	6,000	800
	5.44%	EUR thousand	110,000	110,607	110,607	0
	4.75%	EUR thousand	3,600	3,600	3,600	0
	5.29%	EUR thousand	32,446	32,446	32,446	0
Total				**189,430**	**181,196**	**8,235**

6.3 Other financial liabilities

With the exception of derivatives, other financial liabilities are measured at amortized cost using the effective interest method. Liabilities from derivative financial instruments are measured at fair value through profit or loss. Please see section 6.4 for information on the determination of fair values.

Liabilities to personnel (including bonuses and commission) are recognized at the present value of the expected disbursement amount, to the extent that they concern services already rendered. However, the amounts are discounted only if the interest effect is material.

in EUR thousand	12.31.2024	thereof non-current	thereof current	12.31.2023	thereof non-current	thereof current
Lease liabilities	48,733	43,524	5,209	48,429	43,574	4,855
Personnel liabilities	4,414	0	4,414	6,337	0	6,337
Derivatives	2,390	2,368	22	2,130	2,130	0
Accrued commissions	835	0	835	1,075	0	1,075
Refund liabilities	229	0	229	1,284	0	1,284
Miscellaneous other financial liabilities	4,808	4,148	660	4,853	4,075	778
Total	**61,408**	**50,039**	**11,368**	**64,109**	**49,779**	**14,330**

The contingent purchase price liability arising from the acquisition of M+R Dichtungstechnik GmbH (M+R) amounting to EUR 1,808 thousand (previous year: EUR 2,130 thousand), the liability from a cash flow hedge amounting to EUR 560 thousand (previous year: n.a.) and derivatives for hedging currency risks amounting to EUR 22 thousand (previous year: EUR 0 thousand) are reported in derivatives. For more information on the cash flow hedge, see section 11.4. The present value of the deferred purchase price liability from the acquisition of the Rico Group amounting to EUR 4,148 thousand (previous year: EUR 3,925 thousand) is included in other financial liabilities.

6.4 Disclosures on financial instruments – liabilities

in EUR thousand	Measurement category according IFRS 9[1]	Level	Note	Carrying amount 12.31.2024	Carrying amount 12.31.2023
Liabilities from redeemable non-controlling interests	AC	3	6.1	16,272	14,725
Corporate Schuldschein loan	AC	3	6.2	38,404	38,392
Liabilities to banks	AC	3	6.2	195,664	189,430
Trade payables	AC	–	4.3	56,756	69,187
Other financial liabilities			6.3		
Derivative financial instruments	FVPL	2	6.3	22	0
Derivative financial instruments	FVPL	3	6.3	1,808	2,130
Derivative financial instruments	FVOCI	2	6.3	560	0
Lease liabilities	AC	–	6.3	48,733	48,429
Miscellaneous other financial liabilities	AC	–	6.3	10,284	13,550

[1] FVPL (fair value through profit and loss); FVOCI (fair value through OCI); AC (at amortized cost)

Liabilities at fair value

Derivative financial instruments are occasionally used to hedge interest rate and currency risks. Provided that the prospective effectiveness measurements as required by IFRS 9 are met and the hedging strategy is documented, the derivative financial instruments are either accounted for as cash flow hedges or as fair value hedges.

Financial instruments measured at fair value through profit or loss are forward exchange contracts (see sections 6.3 and 11.5) and a contingent purchase price liability arising from the acquisition of M+R on January 4, 2021 that is recognized as a derivative (see section 6.3).

Financial instruments measured at fair value through other comprehensive income are interest rate swaps designated as cash flow hedges to hedge interest rate risk (see sections 6.3 and 11.4). Unrealized gains and losses for the effective portion (per effectiveness measurements) are recognized in other comprehensive income. The ineffective portion is recognized in other financial income in profit or loss for the period. When the hedged transaction (e.g., interest payment) is realized, the corresponding amount recognized in other comprehensive income is reclassified to the consolidated income statement.

The fair values of the forward exchange contracts and interest rate swaps are determined using accepted actuarial measurement models. Future payment flows are simulated using the yield curves published on the reporting date. In addition, the carrying amount is adjusted to take into account the credit risk of the respective counterparty. When doing so, positive exposures are measured considering the default risk of the counterparty, while negative exposures are measured considering the Group’s own default risk. The contingent purchase price liability is calculated using the future development of the business activities of M+R and is discounted with a cost of equity rate typically applied on the market. It is measured at fair value through profit or loss and reported as a derivative in other non-current financial liabilities.

Liabilities at amortized cost

The fair values correspond to the carrying amounts for all financial assets and liabilities, with the exception of those stated below and the liabilities from redeemable non-controlling interests (see section 6.1). Actuarial measurement models are used to determine the fair value of financial instruments for which no active market is available. The parameters relevant to measurement for determining fair value are based in part on forward-looking assumptions.

in EUR thousand	Measurement category according IFRS 9[1]	Level	Fair value 12.31.2024	Fair value 12.31.2023
Liabilities				
Corporate Schuldschein loan	AC	3	37,831	37,445
Liabilities to banks	AC	3	195,884	190,771

[1] AC (at amortized cost)

The fair value of the corporate Schuldschein loans and fixed-interest bank financing was determined by discounting the contractual payment streams with current interest rates. The comparable interest rates on the reporting date were derived from capital market yields with matching terms, adjusted for current risk and liquidity costs that are observable on the market, and determined in a range of 0.72–7.90% (previous year: 1.68–5.81%). These comparable interest rates were derived based on management's current assessment of the Semperit Group's rating using a Moody's methodology. The difference between the carrying amount and the fair value is the result of the significant volatility in the banks' refinancing costs since the corporate Schuldschein loans were issued and the fact that several clauses in the corporate Schuldschein loan contract are worded in the Semperit Group's favor. The significant volatility in the banks' refinancing costs (as part of the cost of corporate financing through banks) arise due to the measures taken by the European Central Bank (ECB), such as medium-term refinancing tenders for banks at different interest rates and the ECB's monetary policy which lead to considerably volatile risk premiums. For variable-interest bank financing, the fair value is the carrying amount.

6.5 Other financial assets (current)

in EUR thousand	12.31.2024	12.31.2023
Financial assets measured at fair value through profit or loss		
Derivatives	0	98
	0	**98**
Financial assets measured at amortized cost		
Receivables due from employees	152	231
Accruals and deferrals	40	204
Other financial assets	5,198	1,042
	5,390	**1,476**
Total	**5,390**	**1,574**

Other financial assets include, in particular, current financial investments of EUR 4,750 thousand (previous year: EUR 0 thousand), rental and other deposits of EUR 158 thousand (previous year: EUR 691 thousand), and blocked funds totaling EUR 193 thousand (previous year: EUR 120 thousand).

Please see section 3.3 for details of their fair values and other additional information. An impairment loss needs to be taken into consideration for financial assets measured at amortized cost (see section 4.2).

6.6 Cash and cash equivalents

in EUR thousand	12.31.2024	12.31.2023
Cash deposits in banks	110,630	101,299
Short-term investments	15,326	11,357
Cash on hand	16	15
Total	**125,972**	**112,671**

Short-term investments are cash equivalents and consist of fixed-time deposits with a remaining term of no more than three months from the date of acquisition amounting to EUR 10,805 thousand (previous year: EUR 9,205 thousand) and money market fund units amounting to EUR 4,522 thousand (previous year: EUR 2,152 thousand). The fixed-time deposits are comprised of EUR 10,000 thousand in euros (previous year: EUR 750 thousand), EUR 0 thousand in Indian rupees (INR) (previous year: EUR 4,896 thousand), EUR 805 thousand in Chinese renminbi (CNY) (previous year: EUR 318 thousand), and EUR 0 thousand in Swiss francs (CHF) (previous year: EUR 3,240 thousand). These items enable the Semperit Group to meet short-term payment obligations and minimize the negative interest rate risk. As a result, they are not typically held for investment or other purposes.

The assessment of whether money market fund units are to be classified as cash equivalents in accordance with IAS 7 requires discretionary judgment. Cash equivalents refer to short-term, highly liquid financial investments that are readily convertible to known amounts of cash and are only subject to immaterial risks of fluctuations in terms of their value; equity investments are generally not classified as cash equivalents, unless they are such investments by their very nature. The investments made by the Semperit Group in the CIFM RMB money market funds were classified as cash equivalents as of December 31, 2024. This classification was based on an analysis of the fund characteristics and their integration into the Semperit Group's cash management or liquidity management. An assessment of whether the financial investment is highly liquid or not took into account the redemption options and the fund's liquidity. Given that classification as cash equivalents also requires the financial investment to be able to be converted directly into a payment amount already determined when the deposit is made, money market fund units cannot be classified as cash equivalents on their own as they can be traded at any time on an active market at the respective market price. As for assessing the immateriality of risks of fluctuations in terms of their value, the Semperit Group is continuously analyzing whether the variability of returns is small and comparable to the variability of returns for the money market interest rate, the "PBOC (People's Bank of China) 7 Days Deposit Rate". This assessment also takes into account the fund's rigorous investment policy, the weighted average fixed-interest period of the fund portfolio (well below three months), the fund's risk and volatility exposure, and its high diversification and issuer spread along with the fund's strong credit rating. The money market fund units are an integral part of the Semperit Group's payment and liquidity management measures.

7. Provisions

in EUR thousand	Note	12.31.2024	thereof non-current	thereof current	12.31.2023	thereof non-current	thereof current
Provisions for pensions and severance payments	7.1	24,928	22,742	2,187	27,542	25,712	1,830
Other provisions	7.2	27,693	8,475	19,219	31,467	9,473	21,994
Total		**52,622**	**31,216**	**21,406**	**59,008**	**35,184**	**23,824**

7.1 Retirement benefit expenses, provisions for pensions and severance payments

Retirement benefit plans – defined benefit plans

In the case of defined benefit plans, the cost of providing the benefit is calculated using the projected unit credit method (PUC); for this purpose, an actuarial assessment is carried out at each reporting date. All remeasurement results of plan assets and obligations, especially actuarial gains and losses, are reported directly in equity under other comprehensive income in accordance with IAS 19.

The provision recognized in the balance sheet for defined benefit plans equals the present value of the benefits accruing to the employees on the reporting date, less the fair value of any plan assets required to settle the obligation as of the reporting date.

Pension commitments

Based on an existing SAG and STP pension statute, company pensions are granted to employees who joined the company before January 1, 1991 in the form of a fixed amount, with this amount being dependent on the relevant employee's number of years of service. The statute stipulates that only retired former employees or their surviving dependents are now entitled to these pensions. The obligations of this statute are not funded by plan assets.

A number of former members of the Executive Board have been granted pensions under individual pension agreements. These liabilities are not covered by pension plan assets either.

Severance payment commitments

Depending on their length of service, most employees in Austria, France, India, Poland, Switzerland, and Thailand are legally entitled to a one-off payment, particularly on retirement.

The benefits due on retirement are considered to be payments due following termination of the employment relationship in accordance with IAS 19. These liabilities are not funded by plan assets.

Overview of the carrying amounts of the pension and severance payment provisions

The carrying amounts of pension and severance payment provisions are distributed across the individual countries as follows:

in EUR thousand	12.31.2024	12.31.2023
Austria – pensions	9,628	9,964
Austria – severance payments	10,551	12,948
Germany – pensions	1,903	2,035
Switzerland – pensions	429	424
Other countries – severance payments		
France	1,125	1,055
Switzerland	195	211
Poland	172	182
India	214	157
Thailand	713	565
Total	**24,928**	**27,542**

Actuarial assumptions

The most important actuarial parameters for the defined benefit pension and severance payment plans are as follows. Interest rates were determined separately in the individual countries depending on the pension plan.

Interest rate p.a. in %	12.31.2024	12.31.2023
Austria – pensions	3.10% / 3.20%	3.60%
Austria – severance payments	2.90%–3.50%	3.60% / 3.70%
Germany – pensions	3.31%	3.44%
Switzerland – pensions	0.95%	1.50%
Other countries – severance payments		
France	3.34%	3.62%–4.00%
Switzerland	0.95%	1.50%
Poland	5.00%	5.00%
India	7.04%	7.51%
Thailand	1.99%–3.55%	2.36%–4.69%

Increases in remuneration in the individual countries were determined on the basis of the applicable plan and separately for blue-collar and white-collar workers as necessary. The increases in remuneration indicated in the table below correspond to management's long-term assumptions; larger pay increases were assumed for the fiscal years 2025 to 2027.

Wage/salary increases p.a. in %	12.31.2024	12.31.2023
Austria – pensions	0.00% / 1.75%	0.00% / 1.75%
Austria – severance payments	2.00%	2.00%
Germany – pensions	2.00% / 3.25%	2.00%
Switzerland – pensions	1.00%	1.50%
Other countries – severance payments		
France	2.50%	1.83%
Switzerland	0.00%	0.00%
Poland	2.50%	2.83%
India	5.00% / 10.00%	5.00% / 10.00%
Thailand	3.00%	3.00%

Employee turnover deductions were taken into account depending on the length of service of the employees.

Employee turnover deductions p.a. in %	12.31.2024	12.31.2023
Austria – pensions	0.00%	0.00%
Austria – severance payments	0.00%	0.00%
Germany – pensions	0.00%	0.00%
Switzerland – pensions	0.00%	0.00%
Other countries – severance payments		
France	0.00%–5.00%	0.00%–7.00%
Switzerland	0.00%–14.80%	0.00%–15.00%
Poland	0.00%–24.20%	0.00%–24.00%
India	1.00% / 2.00%	1.00% / 2.00%
Thailand	0.00%–30.00%	0.00%–35.00%

The average weighted duration of defined benefit pension and severance payment liabilities, presented in years, is as follows:

Weighted average duration in years	12.31.2024	12.31.2023
Austria – pensions	8.1	7.9
Austria – severance payments	8.9	8.7
Germany – pensions	7.9	8.3
Switzerland – pensions	12.8	12.3
Other countries – severance payments		
France	12.1	15.5
Switzerland	3.8	4.7
Poland	10.2	11.9
India	15.8	15.0
Thailand	15.2	15.0

The retirement age was set either in accordance with the individual regulations of the specific plan or, in the absence of such, at the earliest possible statutory retirement age of the country concerned.

The following biometric calculation bases and assumptions were used to determine the present value of the obligations (defined benefit obligation – DBO):

- Austria: AVÖ (Austrian Actuarial Society) 2018-P ANG
- Germany: Heubeck 2018G
- France: TH 00-02 / TF 00-02
- Switzerland: BVG 2020G
- Poland: Life Expectancy Table of Poland 2023
- India: Indian Assured Lives Mortality (2012–2014)
- Thailand: Thailand TM017

The provisions for pensions and severance payments comprise the following:

in EUR thousand	Total 12.31.2024	thereof non-current	thereof current	Total 12.31.2023	thereof non-current	thereof current
Provisions for pensions	11,960	10,620	1,339	12,424	10,985	1,439
Provisions for severance payments	12,969	12,121	847	15,118	14,727	391
Total	**24,928**	**22,742**	**2,187**	**27,542**	**25,712**	**1,830**

The following table shows the maturities of the expected benefit payments:

in EUR thousand	12.31.2024	12.31.2023
Pensions		
Under 1 year	1,339	1,439
1 to 5 years	7,366	7,604
6 to 10 years	4,978	5,136
Over 10 years	10,274	9,888
Severance payments		
Under 1 year	847	391
1 to 5 years	3,680	6,145
6 to 10 years	6,137	6,775
Over 10 years	12,365	16,064

Provisions for pensions

in EUR thousand	12.31.2024	12.31.2023
Present value of funded defined benefit obligations	9,397	8,353
Fair value of plan assets	–7,111	–5,936
Deficit	2,286	2,418
Present value of unfunded defined benefit obligations	9,674	10,006
Provisions for pensions as of 12.31	**11,960**	**12,424**

The present value of the obligations arising from defined benefit pension plans changed as follows:

in EUR thousand	2024	2023
Present value of obligations (DBO) as of 01.01	**18,359**	**11,999**
Current service costs	303	53
Interest expense	517	529
Total expenses for pensions	**820**	**582**
Remeasurements	1,082	1,475
Payments/transfers	–1,105	–1,760
Additions due to business acquisitions	0	5,766
Currency translation differences	–85	297
Present value of obligations (DBO) as of 12.31	**19,070**	**18,359**

Both the service costs and the interest expense are recorded as expenses for retirement benefits under personnel expenses in the consolidated income statement (see section 2.5).

Plan assets measured at fair value comprise the following:

in EUR thousand	12.31.2024	12.31.2023
Cash funds	7,111	5,936
Fair value of plan assets as of 12.31	**7,111**	**5,936**

Plan assets changed as follows:

in EUR thousand	2024	2023
Fair value of plan assets as of 01.01	**5,936**	**80**
Interest income from plan assets	88	47
Remeasurements of plan assets	489	142
Additions due to business acquisitions	0	5,640
Employer contributions	406	259
Employee contributions	183	70
Payments/transfers	88	–577
Currency translation differences	–79	277
Fair value of plan assets as of 12.31	**7,111**	**5,936**

Provisions for severance payments

in EUR thousand	2024	2023
Present value of obligations (DBO) as of 01.01	**15,118**	**14,722**
Current service costs	410	342
Interest expense	528	608
Total expenses for severance payments	**938**	**950**
Remeasurements	324	748
Additions due to business acquisitions	0	1,005
Payments	–2,142	–2,305
Currency translation differences	79	–2
Reclassifications to provisions and liabilities held for sale	–1,349	0
Present value of obligations (DBO) as of 12.31	**12,969**	**15,118**

Remeasurements

The remeasurements recognized under other comprehensive income in accordance with IAS 19 comprise the following:

in EUR thousand	2024	2023
Pensions		
Changes to financial assumptions	–524	–737
Experience adjustments	–558	–739
	–1,082	**–1,475**
Remeasurements of plan assets	489	142
Pensions total	**–593**	**–1,334**
Severance payments		
Changes to demographic assumptions	285	–18
Changes to financial assumptions	–684	–717
Experience adjustments	74	–12
Severance payments total	**–324**	**–748**
Remeasurements total	**–917**	**–2,081**

Sensitivity analysis

Sensitivity analyses were performed for pension and severance payment plans with regard to the effect of significant actuarial assumptions. Sensitivities were determined based on the same actuarial assumptions used to measure the provisions for pensions and severance payments, with one parameter changing in each case. The other parameters remained unchanged. If the change of the parameter results in a negative interest rate, then this is used for the calculation.

The impact of changes to these parameters – plus/minus one percentage point with regard to the interest rate and increases in wages and salaries, and plus/minus one year with regard to life expectancy – on the present value of pension obligations of EUR 19,070 thousand (previous year: EUR 18,359 thousand) and on the present value of severance payment liabilities of EUR 12,969 thousand (previous year: EUR 15,118 thousand) were as follows:

		Present value of obligation (DBO) 12.31.2024		Present value of obligation (DBO) 12.31.2023	
in EUR thousand	Change in parameter	Increase in parameter	Decrease in parameter	Increase in parameter	Decrease in parameter
Pensions					
Interest rate	+/– 1 percentage point	17,371	21,140	16,273	20,576
Increases in salaries	+/– 1 percentage point	19,920	18,319	19,623	17,327
Life expectancy	+/– 1 year	19,735	18,425	19,343	17,397
Severance payments					
Interest rate	+/– 1 percentage point	11,774	14,102	13,866	16,558
Increases in salaries	+/– 1 percentage point	14,060	11,789	16,188	14,244

Retirement benefit plans – defined contribution plans

Contributions to defined contribution plans are recognized as an expense if the employees have actually completed the service obliging the company to make this contribution.

SAG is required to contribute to a pension fund for all current members of the Executive Board. An amount fixed by contract is paid into a pension fund (APK Pensionskasse AG) each year. In fiscal year 2024, the expense for these contributions totaled EUR 153 thousand (previous year: EUR 163 thousand).

One former member of the Executive Board and selected executives were granted pensions in the past that are covered by reinsurance policies with Generali Versicherung AG, with the pension entitlement matching the amount covered by the reinsurance. In fiscal year 2024, the expense for these contributions totaled EUR 93 thousand (previous year: EUR 103 thousand).

Employees whose employment is subject to Austrian law and who entered into this employment relationship after December 31, 2002 are not entitled to severance payments from their employer. For these employees and all current members of the Executive Board, contributions amounting to 1.53% (previous year: 1.53%) of their wages or salaries were paid into a staff pension fund. In fiscal year 2024, the expense for these contributions totaled EUR 811 thousand (previous year: EUR 895 thousand).

For employees in Singapore, contributions equivalent to a fixed percentage of the annual salary are paid into a pension fund. In fiscal year 2024, the expense for these contributions totaled EUR 88 thousand (previous year: EUR 105 thousand).

Semperit Group employees are also entitled to country-specific state pension plans, which are usually financed on a pay-as-you-go (unfunded) basis. The obligations of the Semperit Group are limited to paying contributions when they are due. There is no legal or de facto obligation with regard to future benefits.

7.2 Other provisions

Provisions are recognized at the present value of the expected settlement amount based on management's best possible estimate of the uncertain obligation. This is done by taking account of unavoidable risks and uncertainties associated with a large number of events and scenarios as well as future events, insofar as there exist sufficient objective and substantial indications of their occurrence. However, discounting takes place only if the interest effect is material.

If it can be assumed that the amount required to settle the obligation will be completely or partially reimbursed by a third party, this reimbursement claim is recognized if and to the extent that it is virtually certain that such reimbursement will be received and the amount can be estimated reliably.

The timings of the expected payment flows from other provisions (except anniversary bonuses) largely reflect the maturities outlined below.

The carrying amounts of the other provisions are as follows:

in EUR thousand	12.31.2024	thereof non-current	thereof current	12.31.2023	thereof non-current	thereof current
Bonuses and other personnel provisions	12,303	562	11,741	11,242	689	10,554
Guarantees	4,295	0	4,295	7,579	0	7,579
Anniversary bonuses	3,900	3,382	517	4,484	3,959	525
Miscellaneous	7,196	4,530	2,666	8,161	4,825	3,336
Total	**27,693**	**8,475**	**19,219**	**31,467**	**9,473**	**21,994**

The other provisions changed as follows:

in EUR thousand	01.01.2024	Additions	Currency differences	Release	Use	Reclassification	12.31.2024
Bonuses and other personnel provisions	11,242	13,486	129	–2,842	–9,516	–197	12,303
Guarantees	7,579	5,545	52	–6,171	–2,608	–102	4,295
Anniversary bonuses	4,484	446	–1	–319	–297	–414	3,899
Miscellaneous	8,161	1,121	–538	–601	–1,050	102	7,196
Total	**31,467**	**20,598**	**–357**	**–9,933**	**–13,471**	**–611**	**27,693**

The reclassification concerns in particular the provisions of the discontinued Surgical Operations business that were allocated to provisions and liabilities held for sale (see section 2.9) and personnel provisions reclassified to other financial liabilities.

Anniversary bonuses

Provisions for anniversary bonuses are calculated using the PUC method in accordance with IAS 19, based on an actuarial assessment. Remeasurements (actuarial gains and losses) are recognized as personnel expenses in profit or loss for the period.

Provisions for anniversary bonuses are established for employees in Austria, Germany, Switzerland, and the Czech Republic, whose entitlement to them is based on collective bargaining agreements. They are measured based on the same actuarial assumptions used to measure the provision for pensions and severance payments.

As of December 31, 2024, undiscounted cash flows arise for the provision of anniversary bonuses of EUR 517 thousand (previous year: EUR 525 thousand) within one year and EUR 3,442 thousand (previous year: EUR 4,332 thousand) for up to ten years.

The average weighted duration of the present value of the anniversary bonus obligations is around eight years (previous year: around eight years). Sensitivity analyses were performed regarding the effect of significant actuarial parameters (interest rate, wage and salary increases). These resulted in the following effects on the present value of the provisions for anniversary bonuses:

		Present value of obligation (DBO) 12.31.2024		Present value of obligation (DBO) 12.31.2023	
in EUR thousand	Change in parameter	Increase in parameter	Decrease in parameter	Increase in parameter	Decrease in parameter
Interest rate	+/– 1 percentage point	3,627	4,215	4,162	4,859
Increases in salaries	+/– 1 percentage point	4,144	3,679	4,780	4,222

Guarantees

The provisions for guarantees are based largely on case-by-case assessments of the guarantee risks; guarantee provisions that are allocated on a portfolio basis derived from experience are of minor importance in the Semperit Group. Since guarantee claims may involve lengthy negotiations as well as legal proceedings, it is not possible to accurately predict when payments will actually have to be made.

Bonuses and other personnel provisions

The provisions for bonuses paid to employees (as per the Semperit Group Bonus Policy), managers (also for a select group of participants as per a Long-term Incentive Plan based on long-term performance bonuses for the Executive Board), and Executive Board members (as per the remuneration policy) are recognized at the best-possible estimated settlement amounts. The estimated settlement amounts take into account the projected achievement of Group targets, which include ESG performance criteria (see Sustainability Statement, section ESRS 2, General disclosures, GOV-3 disclosures). In cases where employee bonuses are also based on individual target achievement, the average of the individual target achievement over the last three years is used. Long-term performance bonuses are distributed over several periods and accumulated; the anticipated vesting of the claims determines the end of the accumulation period. Due to a lack of materiality, there is no discounting of the long-term performance bonuses. Where applicable, local bonus agreements also exist for employees and management staff. These are also taken into account in the provisions, based on of the individually estimated and anticipated achievement of targets.

Other provisions

The remaining other provisions include a provision for tax proceedings relating to transaction taxes in Brazil in respect of the assessment years 2008–2010 in the amount of EUR 3,206 thousand (previous year: EUR 3,571 thousand). The duty (PIS/COFINS) is levied on the import and resale of goods in Brazil. For the PIS/COFINS resale, a deposit was made in fiscal year 2017 after unsuccessful appeals in the administrative proceedings for the further handling of the case in the courts. The provision in the amount of EUR 3,206 thousand (previous year: EUR 3,571 thousand) continues accompanied by a corresponding demand for a reimbursement of the deposit made with the civil court. For the assessment years 2011 and 2012, management is assuming that the period of limitation has expired.

In the case of disputed charges (including any interest on arrears) for the disposal of raw materials imported into Poland, there is a provision amounting to EUR 1,649 thousand (previous year: EUR 1,430 thousand). Furthermore, an environmental reserve of EUR 513 thousand (previous year: EUR 863 thousand) exists for a soil treatment obligation with a Polish subsidiary.

One subsidiary is involved in competition law proceedings. These lengthy proceedings are currently at a stage where the outcome is highly uncertain. The case is being heard before the authorities in consultation with local specialists, and the subsidiary in question is cooperating with the competent authorities and providing all the necessary assistance. For the anticipated costs and the associated risk, a provision in the most likely amount has been recognized in line with an assessment made by the Semperit Group. The amount is reviewed periodically in order to determine if it needs to be adjusted.

Detailed disclosures on the specific financial impact would seriously weaken the position of the Semperit Group in asserting its interests in current legal proceedings and is therefore omitted pursuant to IAS 37.92.

8. Other non-financial assets and liabilities

8.1 Other non-financial assets

in EUR thousand	12.31.2024	thereof non-current	thereof current	12.31.2023	thereof non-current	thereof current
Tax receivables	8,533	3,210	5,323	9,732	4,060	5,672
Accrued expenses	7,476	1,824	5,651	7,774	2,428	5,346
Contract assets	3,701	0	3,701	6,532	0	6,532
Prepayments	1,937	810	1,127	13,577	7,858	5,719
Other non-financial assets	370	93	276	588	76	512
Total	**22,016**	**5,938**	**16,078**	**38,203**	**14,422**	**23,781**

The contract assets include the Rico business' customer tools currently under construction (see section 2.2).

8.2 Other non-financial liabilities

in EUR thousand	12.31.2024	thereof non-current	thereof current	12.31.2023	thereof non-current	thereof current
Liabilities from tax and social security contributions	11,344	0	11,344	11,532	0	11,532
Contract liabilities	9,711	1,922	7,788	20,783	2,330	18,453
Unused vacations and time balances	8,926	3	8,924	9,417	2	9,415
All other non-financial liabilities	2,574	677	1,896	3,207	720	2,486
Total	**32,555**	**2,602**	**29,953**	**44,939**	**3,052**	**41,887**

Of the contract liabilities amounting to EUR 9,711 thousand (previous year: EUR 20,783 thousand), EUR 5,386 thousand arose in the 2024 fiscal year (previous year: EUR 12,798 thousand). Of the previous year's contract liabilities, EUR 14,868 thousand (previous year: EUR 6,778 thousand) was recognized as revenue.

9. Taxes

Tax reconciliation statement

The reconciliation of earnings before tax to tax expense in the Group is prepared jointly for continuing and discontinued operations and is as follows:

in EUR thousand	1–12 2024	1–12 2023
Earnings before tax from continuing operations	**21,544**	**25,254**
Earnings before tax from discontinued operations	**109**	**–41,022**
Earnings before tax	**21,653**	**–15,768**
Tax expense (–) / tax income (+) at 23% (previous year: 24%)	**–4,980**	**3,784**
Different tax rates in other countries	129	311
Tax rate changes	104	–1,055
Profit/loss attributable to redeemable non-controlling interests	–798	–690
Non-deductible expenses	–863	–3,196
Non-taxable income, tax exemptions, and tax deductibles	146	706
Reduction of current tax expenses on the basis of as yet unused tax loss carryforwards and tax credits	361	461
Unrecognized deferred tax assets on new loss carryforwards and tax credits in the fiscal year	–3,306	–6,099
Change in the loss allowance for deferred tax assets arising from temporary differences, and tax loss carryforwards and tax credits arising from previous years	–860	11,969
Changes to outside basis differences	351	35
Tax effects on valuations of holdings of fully consolidated companies	322	–774
Tax effect on the deconsolidation of discontinued operations and the reclassification of (historic) foreign currency differences in the consolidated income statement	654	–5,210
Withholding taxes	–1,131	–1,590
Taxes from previous periods	314	183
Other	–596	–139
Income taxes	**–10,152**	**–1,306**
of which income taxes from continuing operations	**–10,134**	**–892**
of which income taxes from discontinued operations	**–17**	**–413**

Earnings before tax from discontinued operations include earnings before tax of EUR 253 thousand (previous year: EUR –18,702 thousand), and transaction costs of EUR –144 thousand (previous year: EUR –612 thousand), earnings from deconsolidation of EUR 0 thousand (previous year: EUR 1,833 thousand), and the reclassification of other comprehensive income to profit or loss of EUR 0 thousand (previous year: EUR –23,541 thousand), see section 2.9.

in EUR thousand	1–12 2024	1–12 2023
Earnings before tax	21,653	–15,768
Profit/loss attributable to redeemable non-controlling interests	3,469	2,877
Total	**25,122**	**–12,891**
Income taxes	10,152	1,306
Effective tax rate in %	**40.4%**	**–10.1%**

Deferred taxes

After temporary differences, deferred taxes in the consolidated balance sheet for continuing operations were categorized as follows:

in EUR thousand	12.31.2024 Deferred tax assets	12.31.2024 Deferred tax liabilities	12.31.2023 Deferred tax assets	12.31.2023 Deferred tax liabilities
Intangible assets	604	13,749	769	14,444
Property, plant, and equipment	252	39,983	127	39,448
Other financial assets	0	1	14	0
Inventories	2,248	47	2,600	17
Trade receivables	263	250	262	117
Other (financial) assets	209	174	119	234
Personnel provisions	3,131	0	3,278	0
Other provisions	2,325	85	2,354	99
Trade payables	237	0	351	14
Other (financial) liabilities	11,947	392	12,496	1,355
Temporary differences in connection with shares in subsidiaries (outside basis differences)	0	1,459	0	1,728
Tax loss carryforwards and unused tax credits	68,016	n.a.	65,461	n.a.
Total deferred tax assets/liabilities	**89,232**	**56,140**	**87,829**	**57,456**
Allowance for deferred tax assets	–56,181	n.a.	–52,765	n.a.
Offsetting of deferred tax assets and tax liabilities	–29,812	–29,812	–30,763	–30,763
Deferred tax assets	**3,240**		**4,302**	
Deferred tax liabilities		**26,328**		**26,693**

Allowances of EUR 56,181 thousand for deferred tax assets (previous year: EUR 52,765 thousand) include the allowance for deferred tax assets on temporary differences of EUR 1,575 thousand (previous year: EUR 2,496 thousand), the allowance for deferred tax assets on loss carryforwards of EUR 28,680 thousand (previous year: EUR 24,088 thousand), and the allowance for unused tax credits of EUR 25,925 thousand (previous year: EUR 26,180 thousand). The allowances per jurisdiction are as follows:

in EUR thousand	12.31.2024	12.31.2023
Czech Republic	24,766	25,043
Austria	23,139	19,675
USA	5,205	5,195
France	1,011	256
Australia	640	651
Brazil	583	717
Germany	330	329
India	150	477
Hungary	122	69
Thailand	107	98
Singapore	84	0
China	44	226
Poland	0	29
Allowance for deferred tax assets	**56,181**	**52,765**

The allowance also includes deferred tax assets that arose but were (still) not recognized in the relevant fiscal year. Deferred tax assets and liabilities of the same taxable entity are offset if they relate to income taxes levied by the same tax authority and there is a right to offset current tax liabilities against current reimbursement claims. The corporate group formed in Austria in accordance with Section 9 of the Austrian Corporation Tax Act (KStG) is deemed to constitute a taxable entity for this purpose. In Germany, a corporate tax group exists between Semperit Profiles Deggendorf GmbH and Semperit Profiles Leeser GmbH. Deferred tax assets recognized more than five years in the past were written down unless there were sufficient non-current taxable temporary differences available for offset. In the statement of comprehensive income, income taxes include effects from the change in the allowance for deferred tax assets of EUR 1,013 thousand (previous year: EUR 441 thousand).

Of the allowances for deferred tax assets on temporary differences and loss carryforwards, a total of EUR 23,139 thousand (previous year: EUR 19,412 thousand) is related to the group of companies in accordance with Section 9 of the Austrian Corporation Tax Act (KStG), whose parent company is SAG. Due to the Austrian tax group's history of losses in the recent past, there are stringent IFRS requirements for reliable tax planning. The recognition of deferred tax assets (not covered by deferred tax liabilities) on temporary differences and loss carryforwards requires additional substantial evidence that, in the upcoming fiscal years, tax results will be generated that can be used for future tax relief. In view of the Austrian tax group's history of losses in the recent past and the uncertainties that exist primarily due to the slowing down of the economy and geopolitical crises, the Group's deferred tax assets are not eligible for recognition pursuant to Section 9 of the Austrian Corporation Tax Act (KStG) on the basis of future taxable income. In fiscal year 2024, the Group was expanded in accordance with Section 9 of the KStG to include the Austrian companies of the Rico Group. Taking the loss carryforward limit into account, this makes it possible to offset portions of the deferred tax liabilities that arose in particular from the purchase price allocation at Rico Group GmbH, Rico Elastomere Projecting GmbH, and HTR GmbH with deferred tax assets on SAG's loss carryforwards.

The net amount of deferred tax assets and deferred tax liabilities has changed by EUR 696 thousand. Of this amount, EUR 1,768 thousand was recognized as tax expense (of which continuing operations: tax expense of EUR 1,874 thousand; of which discontinued operations: tax income of EUR –107 thousand), EUR –1,353 thousand as income taxes attributable to other comprehensive income from the remeasurement of defined benefit plans and the measurement of cash flow hedges, and EUR 282 thousand relating to the currency translation of the deferred tax items from the functional currency into the reporting currency.

As of the reporting date, there were deductible temporary differences of EUR 6,247 thousand (previous year: EUR 10,419 thousand), tax loss carryforwards of EUR 123,279 thousand (previous year: EUR 102,608 thousand), and unused tax credits of EUR 29,578 thousand (previous year: EUR 29,842 thousand) for which no deferred tax assets have been recognized. Of these unused tax losses and tax credits, EUR 26,953 thousand will expire within the next five years (previous year: EUR 17,887 thousand within the next five years and EUR 26,463 thousand within the next six years). The major part of the remaining tax losses and deductible temporary differences can be carried forward without limit.

In the fiscal year, the surplus of deferred tax assets of EUR 128 thousand (previous year: EUR 3,254 thousand) is accounted for in tax jurisdictions with tax losses, and affects China (previous year: EUR 3,218 thousand Germany and EUR 36 thousand France).

Deferred tax liabilities of EUR 26,363 thousand (previous year: EUR 29,146 thousand) were not recognized for taxable temporary differences of EUR 118,798 thousand (previous year: EUR 128,953 thousand) in connection with interests in subsidiaries as the parent is able to control when the temporary difference is reversed, and it is likely that the temporary differences will not be reversed in the foreseeable future. There were also deductible temporary differences of EUR 6,337 thousand (previous year: EUR 4,001 thousand) for which deferred tax assets of EUR 829 thousand (previous year: EUR 920 thousand) were not recognized as it is unlikely that the temporary differences will be reversed in the foreseeable future.

The Austrian Minimum Taxation Act (MinBestG), which entered into force on January 1, 2024, transposed the OECD Model Rules and the corresponding EU Directive on ensuring a minimum level of taxation for enterprise groups (Pillar II) into Austrian law. A number of other countries have already introduced corresponding minimum taxation schemes. Among the countries in which SAG operates with Group companies, no implementing measures have yet been taken in China, the USA, India, Poland, Thailand, Brazil, and Singapore.

The B&C Privatstiftung, Vienna, is the ultimate parent entity of SAG and its subsidiaries within the meaning of the minimum taxation rules. Under the Minimum Taxation Act, SAG is a partly owned parent company.

The effective tax rate and any top-up tax are calculated according to MinBestG on a country-by-country basis, i.e., jointly for all businesses of a corporate group located in a tax jurisdiction (jurisdictional blending). The B&C Privatstiftung Group consists of several subgroups. To ensure a coordinated approach between the B&C Privatstiftung subgroups in order to meet all tax obligations arising in Austria in connection with the MinBestG and, in particular, the administrative requirements, a corresponding offsetting agreement was concluded in the 2024 fiscal year between the ultimate parent entity of the subgroups and B&C Privatstiftung. Furthermore, the mutual rights and obligations, responsibilities, cost distribution, liabilities, and, in particular, regulations on tax allocations are contractually stipulated, whereby any top-up taxes incurred in Austria must be allocated according to the cost-by-cause principle based on a stand-alone view of the subgroups when determining offsetting amounts for tax.

Given the country-specific approach for the purposes of the minimum taxation regulations, as some of the subgroups of B&C Privatstiftung and its businesses outside Austria have a presence in the same countries, a coordinated approach between the subgroups is essential for the fulfillment of all tax and administrative obligations arising from the statutory provisions in the countries concerned. To this end, the subgroups signed a corresponding declaration of intent in fiscal year 2024, which – taking into account local statutory provisions – governs mutual rights and obligations as well as responsibilities, cost distribution, liabilities, and, in particular, the cost-by-cause allocation of any top-up taxes incurred in the countries concerned based on a stand-alone view of the subgroups, unless otherwise provided for by law.

The tax burden and impact of the Pillar II regulations for SAG as a subgroup of B&C Privatstiftung are being jointly evaluated on an ongoing basis, although in light of the temporary safe harbor rules and the minimum tax computation, no material effects on SAG's income taxes are currently expected. The assessment is based primarily on the data from country-by-country reporting for the 2023 fiscal year and a provisional computation for the 2024 fiscal year, and is updated continuously. Based on these evaluations, the safe harbor rules are currently clearly upheld in a stand-alone assessment of the SAG subgroup, with slight uncertainties regarding the effects from the other subgroups of B&C Privatstiftung because of the country-specific approach, as well as legal provisions abroad that deviate from the Austrian MinBestG, which are considered immaterial at present.

In this consolidated financial statement, the exception pursuant to IAS 12.4A with respect to the accounting of deferred taxes arising from the global minimum taxation rules is applied.

Current Pillar II taxes are recognized as current taxes in accordance with IAS 12, but no corresponding taxes were recognized in fiscal year 2024 based on the provisional computation.

Receivables from current income taxes

Receivables from current income taxes stem from refundable prepayments.

10. Structure of the Group

10.1 Scope of consolidation

Subsidiaries where control is exercised pursuant to IFRS 10 are included in the scope of consolidation of SAG's consolidated financial statements.

The scope of consolidation of the Semperit Group changed in fiscal year 2024 as follows:

	Fully consolidated companies
Balance at 01.01.2024	**31**
Deconsolidations	–1
Reorganizations	–4
Balance at 12.31.2024	**26**

	Fully consolidated companies
Balance at 01.01.2023	**39**
First-time consolidations	5
Deconsolidations	–12
Reorganizations	–1
Balance at 12.31.2023	**31**

Deconsolidations in the 2024 fiscal year

In fiscal year 2024, the Semperit Group successfully completed the (second) closing of the sale of the Medical Sector to southeast Asian glove manufacturer Harps Global Pte. Ltd. As a result, Sempermed Kft., Hungary was deconsolidated on June 30, 2024.

Please see section 2.9 for the net assets disposed of, the result of discontinued operations, and the deconsolidation result.

Restructuring in fiscal year 2024

The French companies Semperit (France) S.A.R.L. and Sempertrans France Belting Technology S.A.S. were merged into the French company Sempertrans Maintenance France Nord S.A.S. in fiscal year 2024.

The American companies Sempertrans USA, LLC and Sempertrans North America Investments Corp. were merged into the American company Semperit Industrial Products Inc. in fiscal year 2024.

First-time consolidations in the 2023 fiscal year

In fiscal year 2023, the Rico Group was consolidated for the first time as a result of the acquisition. By acquiring 100% of the voting rights in the Rico Group, SAG obtained control of the following companies as of July 31, 2023:

- RICO Group GmbH, Thalheim bei Wels, Austria
- RICO-Elastomere Projecting GmbH, Thalheim bei Wels, Austria
- Härtereitechnik Rosenblattl GmbH (now HTR GmbH), Thalheim bei Wels, Austria
- Silcoplast AG, Wolfhalden, Switzerland
- SIMTEC Silicone Parts, LLC, Miramar, Florida, USA

Deconsolidations in the 2023 fiscal year

In fiscal year 2023, the Semperit Group successfully completed the (first) closing in the sale of the Medical Sector to Harps Global Pte. Ltd. The following companies were deconsolidated as of August 31, 2023:

- Sempermed Europe GmbH, Vienna, Austria
- Shanghai Changning Sempermed Glove Trading Co. Ltd., Shanghai, China
- Semperit Industrial Products Ltd., Birmingham, Great Britain
- Sempermed Magyarország Kft., Budapest, Hungary
- Latexx Partners Berhad, Kamunting, Malaysia
- FormTech Engineering (M) Sdn Bhd, Nilai, Malaysia
- Latexx Engineering Technology Asia Sdn Bhd, Penang, Malaysia
- Latexx Manufacturing Sdn Bhd, Kamunting, Malaysia
- Latexx Manpower Services Sdn Bhd, Kamunting, Malaysia
- Medtexx Manufacturing Sdn Bhd, Kamunting, Malaysia
- Semperit Investments Asia Pte. Ltd., Singapore
- Sempermed USA Inc., Clearwater, Florida, USA

Restructuring in fiscal year 2023

In fiscal year 2023, Carlona Sp. z o.o. in Poland was merged with Sempertrans Conveyor Belt Solutions GmbH in Austria.

10.2 Fully consolidated companies

		12.31.2024			12.31.2023		
	Currency	Authorized share capital in ’000s	Direct holding in %	Group holding in %	Authorized share capital in ’000s	Direct holding in %	Group holding in %
Europe							
Semperit Aktiengesellschaft Holding, Vienna, Austria	EUR	21,359			21,359		
Semperit Technische Produkte Gesellschaft m.b.H., Vienna, Austria	EUR	61,701	100.00	100.00	61,701	100.00	100.00
Sempertrans Conveyor Belt Solutions GmbH, Vienna, Austria	EUR	3,136	100.00	100.00	3,136	100.00	100.00
RICO Group GmbH, Thalheim bei Wels, Austria	EUR	39	100.00	100.00	39	100.00	100.00
RICO-Elastomere Projecting GmbH, Thalheim bei Wels, Austria	EUR	35	100.00	100.00	35	100.00	100.00
HTR GmbH, Thalheim bei Wels, Austria	EUR	35	100.00	100.00	35	100.00	100.00
Silcoplast AG, Wolfhalden, Switzerland	CHF	100	100.00	100.00	100	100.00	100.00
Semperflex Rivalit GmbH, Waldböckelheim, Germany	EUR	1,281	100.00	100.00	1,281	100.00	100.00
Semperit Profiles Deggendorf GmbH, Deggendorf, Germany	EUR	11,050	100.00	100.00	11,050	100.00	100.00
Semperit Profiles Leeser GmbH, Hückelhoven, Germany	EUR	81	100.00	100.00	81	100.00	100.00
M+R Dichtungstechnik GmbH, Seligenstadt, Germany	EUR	249	100.00	100.00	249	100.00	100.00
Semperit (France) S.A.R.L., Courbevoie, France	EUR	0	0.00	0.00 [2]	495	100.00	100.00
Sempertrans France Belting Technology S.A.S., Courbevoie Cedex, France	EUR	0	0.00	0.00 [2]	2,542	100.00	100.00
Sempertrans Maintenance France Nord S.A.S., Annezin, France	EUR	176	100.00	100.00	176	100.00	100.00
Sempertrans Bełchatów Sp. z o.o., Rogowiec, Poland	PLN	7,301	100.00	100.00	7,301	100.00	100.00
Semperflex Optimit s.r.o., Odry, Czech Republic	CZK	470,318	100.00	100.00	470,318	100.00	100.00
Semperflex A.H. s.r.o., Odry, Czech Republic	CZK	100	100.00	100.00	100	100.00	100.00
Sempermed Kft., Sopron, Hungary	EUR	0	0.00	0.00 [3]	3,680	100.00	100.00
Semperform Kft., Sopron, Hungary	HUF	243,000	100.00	100.00	243,000	100.00	100.00

		12.31.2024			12.31.2023		
	Currency	Authorized share capital in '000s	Direct holding in %	Group holding in %	Authorized share capital in '000s	Direct holding in %	Group holding in %
America							
Sempermed Brasil Promoção de Vendas Ltda., São Paulo, Brazil	BRL	33,971	100.00	100.00	33,971	100.00	100.00
Semperit Industrial Products Inc., Newnan, New Jersey, USA	USD	19,800	100.00	100.00	1	100.00	100.00
Sempertrans North America Investments Corp., Atlanta, USA	USD	0	0.00	0.00 [2]	19,800	100.00	100.00
Sempertrans USA, LLC, Atlanta, USA	USD	0	0.00	0.00 [2]	17,894	100.00	100.00
SIMTEC Silicone Parts, LLC, Miramar, Florida, USA	USD	3,393	100.00	100.00	3,393	100.00	100.00
Asia-Pacific							
Semperflex Shanghai Ltd., Shanghai, China	USD	15,000	100.00	100.00	15,000	100.00	100.00
Semperit (Shanghai) Management Co. Ltd., Shanghai, China	USD	2,570	100.00	100.00	2,570	100.00	100.00
Shanghai Semperit Rubber & Plastic Products Co. Ltd., Shanghai, China	EUR	2,471	100.00	100.00	2,471	100.00	100.00
Sempertrans India Pte. Ltd., Roha, Maharashtra, India	INR	790,769	100.00	100.00	790,769	100.00	100.00
Semperit Industrial Products Singapore Pte Ltd., Singapore	USD	2,965	100.00	100.00	2,965	100.00	100.00
Sempermed Singapore Pte Ltd., Singapore	USD	11,285	100.00	100.00 [4]	11,285	100.00	100.00 [4]
Semperflex Asia Corp. Ltd., Hat Yai, Thailand	THB	380,000	50.00	50.00 [1]	380,000	50.00	50.00 [1]

[1] The shares of the other shareholders are presented as redeemable non-controlling interests.
[2] Merged
[3] Discontinued operation
[4] In liquidation

In respect of SAC, the Semperit Group's capital investment and voting rights amounted to 50%. The Semperit Group's management has conducted and continues to conduct ongoing analysis of the subsidiary in order to determine whether control exists within the meaning of IFRS 10 and if consolidation would therefore be justified. Based on past and current analyses, as of December 31, 2024, the management of the Semperit Group remained of the opinion that SAC should be incorporated into the consolidated financial statements of the Semperit Group as a consolidated subsidiary. This discretionary decision is based on the underlying contracts, an investigation of the relevant activities, and the facts and circumstances. The following points were evaluated:

- The Chairman of the Board of Directors, who is appointed by the Semperit Group, has a casting vote.
- The Semperit Group has a call option for the remaining 50% of shares in the Sri Trang Group, which can be exercised at a fixed price until mid-2026.
- Purchasing, production, and sales are managed by the Semperit Industrial Applications division's management.
- Two positions were established for local employees to implement the Semperit Group's right of control.
- As of the reporting date, there were no indications of the Sri Trang Group effectively restricting the Semperit Group's exercise of control.

The Semperit Group held no non-controlling interests. The minority interests in SAC were shown as redeemable non-controlling interests in the liabilities from redeemable non-controlling interests (see section 6.1).

11. Risk management

As a group with international operations, the Semperit Group is continuously confronted with new challenges resulting from global economic developments and their strong regional variations. The Semperit Group operates in countries with different economic framework conditions. In addition, these countries are going through different stages of political, constitutional, and social development. On account of the differences in their strategic orientation, the success of the Semperit Group's two divisions is dependent on the overall economic environment to varying degrees. The Semperit Group is exposed to the corresponding risks.

Due to its involvement in international trading activities in various foreign currencies, the Semperit Group is exposed to currency risks.

In principle, derivative financial instruments and natural hedges are used in the Semperit Group to hedge currency and interest rate risks. The risk management strategy aimed at hedging currency and interest rate risks is applied to individual cases and specific projects in both the long and short term. Cost-benefit/risk considerations play a decisive role here. In the short term, currency risks arising, e.g., from expected customer, investment, and dividend payments, are hedged in some cases using forward exchange contracts that are accounted for as freestanding derivatives. Interest rate risks from a bank financing are currently partly hedged by an interest rate swap designated as a cash flow hedge.

11.1 Capital risk management

The objectives of capital management are to ensure the company's ability to continue as a going concern, to enable growth-oriented organic and non-organic investment activities as necessary, and to allow for a compatible respective dividend policy. The financing structure, liquidity, and finance risk positions are managed centrally by the Semperit Group. Based on capital market principles, the long-term capital management additionally includes decisions regarding fixed or variable-interest borrowing and hybrid borrowing.

In connection with loan agreements, credit agreement clauses (financial covenants) exist that include termination by investors in case of non-compliance as well as a lowering of agency credit ratings for the Semperit Group, which could therefore result in a potential negative effect on the company's financial position and financial performance, as well as credit agreement clauses (ESG performance criteria) that may affect the rate of return in the event of compliance or non-compliance.

From a capital management perspective, the total capital of the Semperit Group consists of equity, including any non-controlling interests in subsidiaries, redeemable non-controlling interests, and net financial debt defined in the financial covenants. Net financial debt of EUR 103,345 thousand (previous year: EUR 115,151 thousand) corresponds to the sum of financial liabilities of EUR 234,068 thousand (previous year: EUR 227,822 thousand) from Schuldschein loans and liabilities to banks, less cash and cash equivalents of EUR 125,972 thousand (previous year: EUR 112,671 thousand) and short-term financial investments of EUR 4,750 thousand (previous year: EUR 0 thousand).

The Semperit Group is not subject to any legal requirements with regard to minimum equity, minimum equity ratios, or maximum levels of gearing; however, it is subject to certain credit agreement stipulations. In addition to the formal criteria customary in credit agreements, these also relate to a maximum leverage ratio. This is the ratio of EBITDA to net financial debt. A default would occur if a leverage ratio of 3.5 is exceeded. The leverage ratio of 3.5 may be exceeded twice during the term of the credit up to a figure of 4.0 in the event of an acquisition in the reporting period concerned. Compliance with the credit agreement stipulations is checked twice a year, on June 30 and December 31. As of December 31, 2024, the leverage ratio was 1.2 (previous year: 1.6).

SAG's bank financing taken out in the 2023 fiscal year with a carrying amount of EUR 100,449 thousand (previous year: EUR 110,607 thousand) is subject to variable interest rates and is linked to the three-month EURIBOR. After exercising an option to extend for one year in fiscal year 2024, the loan is due on March 31, 2029. In addition, there is a second option to extend the term for another year. The margins are linked to the leverage ratio (150 to 250 basis points if a leverage ratio of 3.5 is exceeded) and ESG performance criteria (up to 6 basis points starting from fiscal year 2025). The ESG performance criteria to be met by 2030 include reducing energy consumption by 5% relative to the reference year 2023, reducing the accident rate by 8% p.a. and integrating sustainability into the supply chain with more than 75% of all expenditure covered by ESG-certified suppliers. The undrawn general credit line of EUR 100,000 thousand has comparable terms and conditions in relation to the leverage ratio (120 to 220 basis points if a leverage ratio of 3.5 is exceeded) and identical ESG performance criteria. The provisions concerning default apply by analogy.

The bank financing for the plant expansion in Odry with a carrying amount of EUR 58,333 thousand (previous year: EUR 32,446 thousand) is linked to the one-month EURIBOR during the availability period (until September 30, 2025) and then to the three-month EURIBOR, plus a 0.675% margin. The first repayment date is December 31, 2025. ESG performance criteria are not taken into account and a default would occur in the same way as for SAG's bank financing if the leverage ratio of 3.5 or 4.0 is exceeded based on the Semperit Group's consolidated financial statements. This is likewise reviewed twice a year, on June 30 and December 31.

Compliance with the financial covenants was confirmed as of December 31, 2024 as well as on the previous review dates. The Semperit Group also expects to meet the requirements over the next twelve months.

11.2 Liquidity risk management

In addition to continual liquidity planning, liquidity risk management also entails monitoring the applicable financial covenants as well as ensuring the availability of both drawdown options (from the framework credit agreement) and reserve liquidity. In addition, a cash pool in EUR is available for significant Group companies and, since fiscal year 2024, a cash pool in USD.

The maturities of the undiscounted contractual cash flows from financial liabilities break down as follows:

						12.31.2024
in EUR thousand	Total	up to 1 month	2 to 3 months	4 to 12 months	1 to 5 years	over 5 years
Corporate Schuldschein loans	40,045	0	0	31,963	865	7,216
Liabilities to banks	233,548	1,595	874	16,767	182,609	31,702
Trade payables	56,756	34,386	19,202	1,511	1,424	233
Refund liabilities	229	0	0	229	0	0
Derivatives	2,566	–27	3	132	2,458	0
Lease liabilities	67,202	615	1,215	5,366	20,702	39,305
Other financial liabilities	10,415	4,218	881	816	4,500	0
Total	**410,760**	**40,787**	**22,175**	**56,784**	**212,558**	**78,456**

						12.31.2023
in EUR thousand	Total	up to 1 month	2 to 3 months	4 to 12 months	1 to 5 years	over 5 years
Corporate Schuldschein loans	41,006	0	0	965	32,609	7,432
Liabilities to banks	237,534	478	1,175	16,537	186,133	33,210
Trade payables	66,510	46,539	17,265	1,855	851	0
Refund liabilities	1,280	4	110	1,165	0	0
Derivatives	2,333	0	0	0	2,333	0
Lease liabilities	67,046	541	1,171	5,052	20,673	39,609
Other financial liabilities	12,265	5,226	1,140	476	4,843	581
Total	**427,974**	**52,789**	**20,862**	**26,049**	**247,442**	**80,832**

The EUR 100 million variable-interest general credit line provided by a consortium of six Austrian and international banks in fiscal year 2023 was undrawn as of December 31, 2024. Please see section 11.1 for details on defined interest rate terms and the effect of the defined ESG performance criteria and the leverage ratio on interest rates.

Compliance with the financial covenants associated with the financing (see section 11.1) is continuously monitored and possible deviations are forecast in order to take timely risk minimization measures. Liquidity and cash flow trends are proactively analyzed to ensure that the agreed conditions are met and that potential financial shortfalls can be identified and addressed early on. Unlike the variable-interest bank financing described in section 11.1, the Schuldschein loans and some of the liabilities to banks assumed in the acquisition of the Rico Group in fiscal year 2023 are subject to fixed interest rates. Please see section 6.2 for more details on maturities and interest rate terms.

Cash pooling in EUR and USD as well as the factoring program can improve the liquidity of the Semperit Group. For more details on the sale of receivables under the factoring program, see section 4.2. Cash pooling allows businesses to optimally utilize liquidity surpluses, thereby helping to reduce financing costs, while the factoring program shortens the average receivable term and optimizes the liquidity position. These strategies, combined with a high level of trade receivables covered by credit insurance (see section 4.2), play a key role in protecting the Semperit Group from a potential liquidity shortfall and in maintaining financial stability. Individual interest rate strategies are continuously evaluated, for example by entering into fixed interest rate swaps. These types of measures make it possible to actively manage interest rate risks and to benefit from favorable market conditions, which has a positive effect on the liquidity position.

The maturities of the undiscounted contractual cash flows from the liabilities to banks include SAG's loan of EUR 119,404 thousand, which is due on March 31, 2029, as well as the one for SFO of EUR 65,903 thousand, which will be repaid in 20 quarterly fixed installments starting on December 31, 2025, and the Rico Group's liabilities to banks of EUR 48,242 thousand, which fall due on various dates, the latest being July 31, 2030. SAG's loan has an extension option for one year. The maturities of the undiscounted cash flows of derivatives at December 31, 2024 relate mainly to the payment of a contingent purchase price liability (see section 6.3) and the net settlement of an interest rate swap (see sections 6.4 and 11.4).

11.3 Default and credit risk management

Credit risks arise when products or goods manufactured in house are sold to customers on credit. The risk arises as soon as the Semperit Group no longer has access to the shipped products or goods; in the case of customized manufacturing, however, it begins even before production. A business partner check is performed vis-à-vis the customers and business information is obtained to minimize the risks. Customers undergo credit checks, first of all by means of credit reports, and the trade receivables are also protected to a very high degree by credit insurance in order to mitigate the risks.

According to the Semperit Group's credit policy, every customer serviced by credit must have an approved credit limit. If limits are exceeded or payments delayed, deliveries are halted and only resumed after specific conditions have been met and the resumption of deliveries has been approved by authorized individuals specified in Semperit Group directives. Customer credit risks are monitored on an ongoing basis and the credit limits adjusted accordingly, even for those customers with the best credit ratings.

The default risk associated with non-insured receivables from customers can therefore basically be considered minor, as customer creditworthiness is monitored continuously and the Group's diversified customer structure implies that risk is not concentrated with individual customers. However, the default risk is assumed to increase significantly if there are negative effects on credit ratings due to the occurrence of bankruptcy or the start of insolvency proceedings. Default is anticipated if recoverability is no longer seen as realistic and payment is therefore no longer expected. For more detailed information on the receivables derecognized in fiscal year 2024, see section 4.2.

The Semperit Group can be exposed to default risks relating to its bank deposits in the event that individual banks run into difficulties or another banking and/or financial crisis occurs. Such deposits are not or only partially secured by deposit protection funds. An investment guideline limits the amount of cash that may be held per bank and defines the financial instruments in which the excess liquidity may be invested. In case of bankruptcy of individual banks or occurrence of another bank and/or financial crisis, the Semperit Group might not be able to access this liquidity or these credit lines, or only partially or only with some delay. With regard to investments in quasi-liquidity money market fund units, the default risk is effectively on par with that of bank deposits but is significantly reduced due to the fund's status as a contractual investment fund and the diversification within the fund into different investment securities and issuers.

In addition, the Semperit Group conducts business activities in countries with capital controls or has restrictive agreements with joint venture partners. In countries with restricted cash transfers, the Semperit Group tries to limit the amount kept locally to the minimum necessary for business operations. The above-mentioned risks may have a negative effect on the company's financial position and financial performance in the event of restrictions being placed on the free availability of cash and cash equivalents, or on access to credit lines.

The default risk associated with financial assets is recognized through loss allowances. Determined on the basis of the risk of a total default of all debtors (without taking credit insurance into account), the maximum default risk in the corresponding measurement categories breaks down as follows:

in EUR thousand	12.31.2024	12.31.2023
Cash and cash equivalents	125,972	112,671
Trade receivables	12,398	25,580
Other financial assets – securities	6,303	6,224
Derivative financial instruments	0	98
Other financial assets	6,556	1,743
Total	**151,230**	**146,316**

11.4 Interest rate risk management

Operating resources, investments, and acquisitions in the framework of the Group's business operations are financed using debt, some of which bears variable interest and some fixed interest. Depending on what happens to interest rates, hedging transactions could have a significant influence on the Group's financial position and financial performance.

The risk associated with fixed-interest financial instruments is that market values could be negatively impacted by changes in interest rates. In the case of variable-interest financial instruments, the risk is that fluctuations in cash flows can adversely affect the balance of cash and cash equivalents and the planning of future cash flows.

The Semperit Group's company deposits have consistently earned interest and the interest rate on the variable-rate financial liabilities has been falling as a result of the ECB's recent decisions on key rates. The Semperit Group pursues an active liquidity management strategy. The Semperit Group's investment policy is strictly adhered to at all times. The interest rate profile of the Semperit Group's interest-bearing financial instruments is shown below:

	12.31.2024		12.31.2023	
in EUR thousand	Fixed interest	Variable interest	Fixed interest	Variable interest
Financial assets	28,228	93,203	30,759	79,692
Financial liabilities	43,376	190,842	45,934	182,038
	71,604	**284,045**	**76,693**	**261,730**

The interest rate risk sensitivity analysis focuses on the risk arising from variable-interest financial instruments. The assumption is that the variable-interest financial assets and financial liabilities have been outstanding for a full year as of the reporting date, and the variable-interest financial liabilities hedged by means of interest rate swap are not taken into account when determining sensitivities. When performing this sensitivity analysis, a change of 100 basis points is simulated. The effects of the simulations on the financial result are shown below:

	12.31.2024			12.31.2023		
		Sensitivity to changes in interest rates by			Sensitivity to changes in interest rates by	
in EUR thousand	Balance	+100 basis points	–100 basis points	Balance	+100 basis points	–100 basis points
Variable-interest financial assets	93,203	932	–798	79,692	797	–205
Variable-interest financial liabilities	190,842	–1,609	1,609	182,038	–1,820	1,896

The Semperit Group continuously evaluates individual interest rate strategies, including by entering into fixed interest rate swaps.

On July 16, 2024, the Group entered into an interest rate swap with a nominal value of EUR 30,000 thousand designated as a cash flow hedge, to hedge interest rate risk of the same amount from SAG's total bank financing with EUR 100,000 thousand outstanding as of

December 31, 2024. The variable (three-month EURIBOR) interest rate for the nominal amount of EUR 30,000 thousand was thus exchanged for a fixed interest rate from the end of July 2024. The relevant conditions regarding payments from the hedged item (future interest payments) and the hedging instrument are identical or counterbalance each other, i.e., the critical terms match is fullfilled. The hedging ratio based on the forecast interest payments of the hedging instrument is 1:1. This means that 100% of the interest rate risk of the hedged portion of the hedged item is fully hedged. Ineffectiveness may arise in particular from changes in the future interest payments of the hedged item over time or from a change in the credit risk of the counterparties. This risk is considered low.

Net payments from the cash flow hedge were recognized in interest expense (see section 2.7). The derivative is measured at fair value through other comprehensive income in accordance with IFRS 9. As of December 31, 2024, an other financial liability amounting to EUR 560 thousand (previous year: n.a.) was recognized in this context (see sections 6.3 and 6.4).

	12.31.2024				
Interest rate derivatives	Nominal in EUR thousand	Carrying amount in EUR thousand[2]	Hedging period	Net interest in EUR thousand[2]	Fixed interest rate
Fixed purchase / Variable sale[1]	30,000	–560	07/2024 - 04/2028	–92	2.699%

[1] The underlying loan was linked to the three-month EURIBOR as of December 31, 2024.
[2] Receivable, expense (+)/liability, income (–)

11.5 Currency risk management

Due to its involvement in international trading activities in various foreign currencies, the Semperit Group is exposed to currency risks. Transaction risks exist at all Group companies, e.g., for those that purchase input factors in foreign currencies and/or sell products in a different currency. The principal currencies in continuing operations in this context are USD, CNY, INR, PLN, CZK, and CHF.

The most significant foreign currency in the Semperit Group's continuing operations is the USD at 18.4% (previous year: 15.7%) of revenue and 13.2% (previous year: 10.8%) of cost of materials.

The translation of foreign financial statements into the euro reporting currency resulted in currency translation differences (translation risk) amounting to EUR 4,484 thousand (previous year: EUR –5,878 thousand), which were recognized in other comprehensive income. No items were reclassified from other comprehensive income to profit or loss in fiscal year 2024. In the previous year the foreign currency translation reserve increased due to the reclassification of EUR 23,541 thousand of other comprehensive income to profit or loss following the deconsolidation of the companies in the (first) closing of the sale of the Medical Sector. The currency translation differences in the fiscal year 2024 (as in the previous year) were mainly due to changes in the USD exchange rate. The EUR/USD exchange rate changed from USD 1.10500/EUR as of December 31, 2023 to USD 1.03890/EUR as of December 31, 2024, which equates to an average rate of USD 1.08227/EUR in fiscal year 2024 (previous year: USD 1.08122/EUR).

The carrying amounts of assets and liabilities of subsidiaries not located in the euro area, and the contribution of these subsidiaries to the Semperit Group's earnings, are to a significant extent contingent upon the changes in the euro exchange rates of the functional currencies of these subsidiaries; the translation risk is not considered within the scope of the following disclosures pursuant to IFRS 7.

The following breakdown of the revenue, cost of materials, and personnel expenses of the Semperit Group's continuing operations by material currency (as a percentage of the continuing operations' revenue) shows that in fiscal year 2024, 27.9% of revenue (previous year: 25.8%), 35.5% of the cost of materials (previous year: 32.3%) and 35.4% of personnel expenses (previous year: 36.4%) were generated in foreign currencies. This shows that the currency risks on the selling and procurement sides are largely eliminated by natural offsetting effects. It should also be noted that the functional currency is usually the local currency (for exceptions, see section 1.3) and that personnel expenses are always in the local currency.

as a % of revenue from continuing operations	2024	2023
EUR	72.2%	74.2%
USD	18.4%	15.7%
CNY	4.4%	3.9%
INR	2.2%	2.6%
CHF	1.5%	0.6%
PLN	0.6%	1.9%
GBP	0.5%	0.4%
THB	0.1%	0.2%
AUD	0.1%	0.1%
SEK	0.1%	0.3%
CZK	0.0%	0.1%

as a % of cost of materials from continuing operations	2024	2023
EUR	64.5%	67.7%
USD	13.2%	10.8%
CZK	7.7%	6.9%
CNY	5.1%	4.2%
INR	4.2%	3.9%
PLN	2.6%	3.6%
THB	1.5%	2.1%
CHF	0.6%	0.2%
HUF	0.5%	0.6%

in % personnel expenses from continued operations	2024	2023
EUR	64.6%	63.6%
PLN	10.7%	10.5%
CZK	9.5%	12.5%
USD	6.4%	5.3%
CNY	2.6%	2.7%
CHF	2.0%	0.9%
HUF	1.4%	1.6%
THB	1.3%	1.3%
INR	0.9%	0.7%
SGD	0.6%	0.8%

A significant portion of the Semperit Group’s earnings are generated by subsidiaries that do not have their registered office in the euro area (see section 10.2).

The Group’s financial management system aims to avoid currency risks as much as possible by coordinating payment flows. The table below shows the derivative financial instruments used to hedge against currency risks by group company, type of hedging transaction, and hedged currency. In the fiscal year 2024, the financial instruments consisted of forward exchange contracts to hedge parts of the operating business at SAC.

12.31.2024	Country	Type of transaction	Currency	Hedge amount[1]	Hedge rate[2]	Fair value in EUR thousand 2024	Range of remaining days to maturity
Semperflex Asia Corp. Ltd., Hat Yai, Thailand	Thailand	Forward exchange contract	USD	2,200,000	33.48	–22	72–172

[1] Refers to the total amount of all existing derivative financial instruments for USD as of the reporting date.
[2] Refers to the weighted average rate derived from all existing derivative financial instruments as of the reporting date.

12.31.2023	Country	Type of transaction	Currency	Hedge amount[1]	Hedge rate[2]	Fair value in EUR thousand 2023	Range of remaining days to maturity
Semperflex Asia Corp. Ltd., Hat Yai, Thailand	Thailand	Forward exchange contract	USD	3,293,454	34.93	98	57–187

[1] Refers to the total amount of all existing derivative financial instruments for USD as of the reporting date.
[2] Refers to the weighted average rate derived from all existing derivative financial instruments as of the reporting date.

SAC's derivative financial instruments were accounted for as freestanding financial instruments and not as hedging transactions. The fair values were shown in the consolidated balance sheet as other financial assets or other financial liabilities.

For the purposes of currency risk management, sensitivity analyses were prepared for the measurement at the reporting date of monetary items that deviate from the functional currency. These analyses also present the effects on profit of hypothetical changes in exchange rates for each currency pair. Here, receivables and liabilities in the currency pair in question as of the reporting date are taken into account, as are the forward exchange contracts. No uniform change was assumed with regards to the range of exchange rate fluctuation; instead, appropriate fluctuation ranges for each currency pair were determined on the basis of historical fluctuations during the year. The following table shows the effects of the appreciation and depreciation of major foreign currencies versus the euro (EUR) and the U.S. dollar (USD):

	2024			2023		
	Calculated fluctuation range	Impact on profit from rate increase	Impact on profit from rate decrease	Calculated fluctuation range	Impact on profit from rate increase	Impact on profit from rate decrease
Change in currency to EUR	in %	in EUR thousand	in EUR thousand	in %	in EUR thousand	in EUR thousand
USD	3%	431	–431	3%	77	–77
THB	7%	88	–88	5%	–60	60
PLN	1%	–12	12	6%	–79	79
CZK	2%	–224	224	3%	903	–903
HUF	4%	17	–17	4%	–11	11
GBP	2%	35	–35	2%	30	–30
CNY	2%	–8	8	6%	–3	3
INR	3%	–2	2	3%	–4	4
SEK	3%	0	0	5%	20	–20
CHF	4%	197	–197	4%	–12	12

	2024			2023		
	Calculated fluctuation range	Impact on profit from rate increase	Impact on profit from rate decrease	Calculated fluctuation range	Impact on profit from rate increase	Impact on profit from rate decrease
Change in currency to USD	in %	in EUR thousand	in EUR thousand	in %	in EUR thousand	in EUR thousand
EUR	3%	275	–275	3%	384	–384
PLN	3%	–98	98	8%	–21	21
CZK	4%	0	0	5%	52	–52
CNY	2%	–11	11	5%	–42	42
INR	1%	4	–4	1%	–4	4
SGD	3%	3	–3	2%	2	–2
AUD	4%	–127	127	6%	–157	157
THB	7%	36	–36	5%	–19	19

12. Other

12.1 Related-party transactions with companies and individuals

Outstanding balances and transactions between SAG and its subsidiaries were eliminated in the course of consolidation and are not further discussed here.

B&C KB Holding GmbH is the direct majority shareholder of SAG, and B&C Privatstiftung is the controlling legal entity. B&C Holding Österreich GmbH is the indirect majority shareholder, which draws up and publishes consolidated financial statements in which the Semperit Group is consolidated. According to IAS 24, B&C Privatstiftung and all its subsidiaries, joint ventures, and associates are related parties of the Semperit Group.

Related parties of the Semperit Group include the members of the Executive and Supervisory Boards of SAG, the managing directors and Supervisory Board members of all companies that directly or indirectly hold a majority stake in SAG, and finally the members of the Executive Board of B&C Privatstiftung and the close family members of these Executive and Supervisory Board members and managing directors. In the 2024 fiscal year, there were free consultancy agreements between SAG (the Supervisory Board) and B&C KB Holding GmbH's managing directors, with Dr. Markus Fürst.

The remuneration of members of the Executive Board and the Supervisory Board is presented in the following table:

			2024			2023
in EUR thousand	Supervisory Board members	Executive Board members	Total	Supervisory Board members	Executive Board members	Total
Short-term benefits	714	2,512	3,226	731	1,626	2,357
Benefits after termination of employment relationship	0	153	153	0	163	163
Other long-term benefits	0	145	145	0	72	72
Termination benefits	0	0	0	0	1,325	1,325
Total	**714**	**2,810**	**3,524**	**731**	**3,186**	**3,917**

The short-term benefits include not only regular payments but also the short-term incentive (STI), which is due within one year.

The benefits upon termination of the employment contract relate to payments to the APK Pensionskasse AG pension fund. Payments made by SAG to the employee severance fund (*Betriebliche Vorsorgekasse*, BVK) on behalf of members of the Executive Board also constitute payments upon termination of the employment contract. In the 2024 fiscal year, these amounted to EUR 27 thousand (previous year: EUR 35 thousand). However, these payments were excluded from the table above in order to ensure comparability with the remuneration report.

The other long-term benefits relate to the long-term incentive (LTI). The termination benefits granted in fiscal year 2023 relate to the one-time severance payment made to Kristian Brok.

Payments to former members of the Executive Board and their survivors totaled EUR 752 thousand in the fiscal year 2024 (previous year: EUR 680 thousand).

The following transactions were conducted with the companies mentioned below and the following balances existed as of the reporting date: in fiscal year 2024, the Group conducted transactions with unit-IT Dienstleistungs GmbH & Co KG totaling EUR 637 thousand (previous year: EUR 640 thousand). These transactions related to the purchase and maintenance of SAP licenses and were conducted at arm's length. There were no outstanding liabilities to unit-IT Dienstleistungs GmbH & Co KG as of December 31, 2024 (previous year: EUR 0 thousand).

Transactions amounting to EUR 13 thousand were conducted with Grohs Hofer Rechtsanwälte GmbH in the 2024 fiscal year (previous year: EUR 11 thousand). These transactions related to legal consulting services and were conducted at arm's length. There were liabilities to Grohs Hofer Rechtsanwälte GmbH amounting to EUR 3 thousand as of December 31, 2024 (previous year: EUR 0 thousand).

Transactions amounting to EUR 54 thousand were conducted with B&C KB Holding GmbH in the 2024 fiscal year (previous year: EUR 50 thousand). These transactions related to management and other services, and internal charging, and were conducted at arm's length. There were liabilities to B&C KB Holding GmbH amounting to EUR 1 thousand as of December 31, 2024 (previous year: EUR 15 thousand).

Transactions amounting to EUR 65 thousand were conducted with B&C Holding Österreich GmbH in the 2024 fiscal year (previous year: EUR 0 thousand). These transactions related to management and other services, and internal charging for the application of the global minimum taxation rules for enterprise groups (Pillar II) and were conducted at arm's length. In the 2024 fiscal year, an offsetting agreement was also signed in order to ensure a coordinated approach to meeting tax obligations under the minimum taxation rules. See section 9 for details. There were liabilities to B&C Holding Österreich GmbH amounting to EUR 65 thousand as of December 31, 2024 (previous year: EUR 0 thousand).

No transactions were conducted with Mr. Patrick Lackenbucher in the 2024 fiscal year (previous year: EUR 161 thousand).

12.2 Other obligations and risks

Contingent liabilities and other financial obligations

The constant changes and in some cases tightening of the rules in national and international tax law increase the demands on tax compliance to monitor and comply with these rules. Given this situation, there are tax uncertainties and tax-related contingent liabilities, especially for income taxes (e.g., with regard to the existence of tax loss carryforwards and from international transfer pricing rules) and transaction taxes as well as due to liabilities under tax exemptions from the SPA with Harps Global Pte. Ltd. for the discontinued operation's former subsidiaries. There are also contingent liabilities from the SPA with Harps Global Pte. Ltd. due to existing standard transaction assurances and warranty commitments relating to the subsidiaries of the former discontinued operation. Detailed disclosures on the specific financial impact would seriously weaken the position of the Semperit Group in asserting its interests in current legal proceedings and is therefore omitted pursuant to IAS 37.92.

There were liabilities from the use of intangible assets and property, plant, and equipment not recognized in the balance sheet due to rental agreements and leases that are not reported in accordance with IFRS 16, as the option for short-term leases (i.e., up to twelve months) and low-value leased assets (i.e., up to a replacement value of around EUR 5 thousand) was exercised (see section 3.2).

As of December 31, 2024 there were also contractual obligations to purchase property, plant, and equipment amounting to EUR 5,044 thousand (previous year: EUR 15,082 thousand).

Legal proceedings

Various Group companies are defendants in individual cases in which the plaintiffs allege that they suffered damage from the defendant's products. However, in light of current insurance coverage, management does not expect these proceedings to significantly impair the Semperit Group's financial position and financial performance. There were also legal proceedings and legal uncertainties in matters pertaining to employment and social law. Please see section 7.2 for all material legal proceedings that provisions have been recognized for.

12.3 Events after the reporting date

In the course of optimizing the group structure, the liquidation of Semperit (Shanghai) Management Co. Ltd., Shanghai, China, began in accordance with the shareholder resolution of January 1, 2025.

13. Approval of the consolidated financial statements

These consolidated financial statements were prepared by the SAG Executive Board on March 19, 2025 and approved for submission to the Supervisory Board. The Supervisory Board has the task of examining the consolidated financial statements and explaining whether it approves the consolidated financial statements.

Vienna, March 19, 2025

The Executive Board

Karl Haider	**Helmut Sorger**	**Gerfried Eder**	**Manfred Stanek**
CEO	CFO	CIO	Executive Board Member

Auditor’s report[1]

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

Semperit Aktiengesellschaft Holding, Vienna,

and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of December 31, 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the accompanying consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2024 and its financial performance for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted by EU, and the additional requirements under Section 245a Austrian Company Code UGB.

Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the "Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor’s report is sufficient and appropriate to provide a basis for our opinion by this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Below we describe the Key Audit Matters:

Key Audit Matter

Impairment of assets

As of December 31, 2024, the consolidated financial statements of Semperit Aktiengesellschaft Holding show EUR 466,617 thousand in property, plant and equipment and EUR 120,701 thousand in intangible assets – of which EUR 51,035 thousand were goodwill.

In the course of the valuation of the assets, it must be assessed on an ongoing basis whether there are indications of impairment. Considering external and internal indicators according to IAS 36.12.

For the Hoses and Rico business units (= cash-generating units), a mandatory impairment test must be carried out annually due to the existing goodwill or intangible assets with an indefinite useful life.

In addition, an impairment trigger was identified for the Belting business unit due to the changed market environment.

1 This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor's opinion is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the management report for the Group. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

For the above-mentioned business units, the recoverable amounts as values in use as of September 30, 2024 were determined for the purpose of impairment testing. After a comparison with the carrying amounts, there was no need for impairment or reversal of impairment.

In the context of determining the value in use, significant assumptions and estimates are necessary, which are subject to significant uncertainties. Accordingly, there is a risk for the consolidated financial statements that an impairment or reversal is not taken into account or is not taken into account to an appropriate extent.

The corresponding disclosures of the Semperit Group are contained in the notes "3.1 Intangible assets" and "3.2 Property, plant and equipment".

Audit Response

We critically questioned management's assumptions and estimates, including the following audit procedures:

- Assessment of the concept and design of the process and controls for reviewing the recoverability of assets
- Review of the planning documentation and completion of a plausibility analysis of the key value drivers (sales, expenses, capital expenditure, changes in trade working capital and cash flow
- Verification of whether the revenue and earnings forecasts are derived from the plans submitted to the Supervisory Board, and whether these items are in compliance with the requirements of IAS 36
- Audit of the methodology applied, and the computational accuracy of the documentation and calculations provided, as well as assessment of the plausibility of the discount rate with the assistance of our valuation specialists for the purposes of calculating the businesses value in use
- Verification of the correct allocation of the carrying amounts of the assets as a comparative value to the recoverable amount of the cash-generating units
- Verification of the adequacy of the disclosures in the notes

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the Group’s management report and the auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, on the basis of the work we have done, we conclude that there has been a material misrepresentation of this other information, we are obliged to report this fact. We have nothing to report in this context.

Responsibilities of Management and of the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with IFRS as adopted by the EU, and the additional requirements under Section 245a Austrian Company Code UGB for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Management Report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

Regarding the consolidated non-financial statement contained in the group management report, it is our responsibility to examine whether it has been prepared, to read it and to evaluate whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the valid legal requirements, comprising the details in accordance with Section 243a Austrian Company Code UGB, and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Additional information in accordance with article 10 EU regulation

We were elected as auditor by the ordinary general meeting at April 23, 2024. We were appointed by the Supervisory Board on July 26, 2024. We are auditors without cease since fiscal year 2012.

We confirm that the audit opinion in the Section "Report on the consolidated financial statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Austrian Certified Public Accountant

The engagement partner on the audit resulting in this independent auditor’s report is Mr. Hans-Erich Sorli.

Vienna, March 19, 2025

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Hans-Erich Sorli mp
Wirtschaftsprüfer/Certified Public Accountant

ppa Viola Vostatek-Thomas, MSc mp
Wirtschaftsprüferin/Certified Public Accountant

Auditor's report

Report on the independent audit of the consolidated non-financial statement 2024

We have performed an audit to obtain limited assurance on the consolidated non-financial statement of Semperit Aktiengesellschaft Holding for the financial year ending on December 31, 2024, which is included in the Group Management Report in the section "Sustainability Statement".

Summarized assessment with limited assurance

Based on our procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial statement included in the Group Management Report in the section "Sustainability Statement" is not in accordance with the legal requirements of § 267a UGB in all material respects, including

- compliance with the legal reporting requirements pursuant to Art. 8 of the Taxonomy Regulation (EU) 2020/852 (hereinafter EU Taxonomy Regulation), as well as
- compliance with the standards for the non-financial statement ("European Sustainability Reporting Standards", hereinafter ESRS),
- the consistency of the procedure carried out to identify information to be reported under the ESRS (hereinafter "materiality analysis procedure") with the description of the company in the disclosure on IRO-1 in accordance with ESRS 2.

Basis for the summarized assessment

We have performed procedures to obtain limited assurance in accordance with the Austrian generally accepted standards for other audits and additional statements, as well as the International Standard on Assurance Engagements (ISAE 3000 Revised) applicable to such engagements. The procedures for a limited assurance engagement differ in nature and timing from those of a reasonable assurance engagement and are less extensive in scope. Consequently, the level of assurance obtained in an audit to obtain limited assurance is substantially less than in an audit to obtain reasonable assurance.

Our responsibilities under those provisions and standards are further described in the section "Auditor's Responsibilities for the Consolidated Non-financial Statement" of our assurance statement.

We are independent of the Group in accordance with Austrian Generally Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our auditing firm applies a comprehensive quality management system, including documented guidelines and procedures for compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the audit evidence we have obtained up to the date of the assurance report is sufficient and appropriate to serve as a basis for our summarized assessment on that date.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the Group's management report and the auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, on the basis of the work we have done, we conclude that there has been material misrepresentation of this other information, we are obliged to report this fact. We have nothing to report in this context.

Responsibilities of management and Audit Committee

Management is responsible for developing and implementing a materiality analysis procedure and presenting this procedure in the IRO-1 disclosure in accordance with ESRS 2. This responsibility includes:

- Obtaining an understanding of the context in which the Group's activities and business relationships take place and obtaining an understanding of the stakeholders affected thereby,

- Identifying the actual and potential impacts (both negative and positive) associated with sustainability aspects, as well as the risks and opportunities that affect or could reasonably be expected to affect the Group's assets, financial position and financial performance, access to financial resources or the cost of capital in the short, medium or long term,
- Assessing the materiality of the identified impacts, risks and opportunities in connection with sustainability aspects by selecting and applying appropriate estimates and thresholds, and
- Making assumptions and estimates that are reasonable in the circumstances.

Management is also responsible for preparing a consolidated non-financial statement that includes all the information identified by the procedure in accordance with the applicable requirements and standards, including:

- Compliance with the requirements of section 267a UGB and
- Inclusion of information in the consolidated non-financial statement in accordance with the EU Taxonomy Regulation, as well as
- Compliance with the ESRS.

This responsibility also includes

- designing, implementing and maintaining internal controls that management considers relevant to enable the preparation of a consolidated non-financial statement that is free from material misstatement, whether due to fraud or error, and
- selecting and applying appropriate methods to the consolidated non-financial statement and making assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances.

The Audit Committee is responsible for overseeing the materiality analysis process and the preparation of the consolidated non-financial statement.

Inherent limitations in the preparation of the consolidated non-financial statement

When reporting on forward-looking information, the company is obliged to prepare such forward-looking information based on disclosed assumptions about events that may occur in the future and possible future measures of the company. Actual results will likely differ because anticipated events often do not occur as assumed.

When determining the disclosures in accordance with the EU Taxonomy Regulation, management is obliged to interpret vague legal terms. Vague legal terms can be interpreted in different ways, including with regard to the legal conformity of their interpretation, and are therefore subject to uncertainties.

Responsibilities of the auditor of the consolidated non-financial statement

Our objectives are to plan and perform an audit to obtain limited assurance as to whether the consolidated non-financial statement in accordance with the requirements of Section 267a UGB, as well as the reporting in accordance with the EU Taxonomy Regulation and the reporting in accordance with the requirements of the ESRS, including the materiality analysis procedure, is free from material misstatements, whether due to fraud or error, and to issue a report containing our summarized assessment. Misstatements may arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this non-financial statement.

We exercise professional judgment and maintain professional skepticism throughout the audit.

Our responsibilities for the audit of the consolidated non-financial statement regarding the materiality analysis procedure include

- performing risk-based audit procedures, including obtaining an understanding of internal controls relevant to the engagement in order to identify risks that cause the process not to comply with the applicable requirements of the ESRS, but not for the purpose of issuing a summarized assessment of the effectiveness of this process, and
- developing and performing audit procedures to assess whether the process is in accordance with the description of the company in the IRO-1 disclosure in accordance with ESRS 2.

Our additional responsibilities with regard to the limited assurance engagement on the consolidated non-financial statement include

- performing risk audit procedures, including obtaining an understanding of internal control relevant to the engagement in order to identify presentations that are more likely to contain material misstatements, whether due to fraud or error, but not for the purpose of expressing a summarized assessment on the effectiveness of the company's internal controls; and
- designing and performing audit procedures relating to disclosures in the consolidated non-financial statement where material misstatements are more likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the procedures performed

A limited assurance engagement requires the performance of audit procedures to obtain evidence about the consolidated non-financial statement.

The nature, timing and extent of the audit procedures selected depend on professional judgment, including the identification of disclosures in the consolidated non-financial statement that are at risk of material misstatement, whether due to fraud or error.
In conducting our limited assurance engagement on the materiality analysis procedure, we

- obtain an understanding of the procedure by
  - conducting surveys to understand the sources of the information used by management (e.g. stakeholder engagement, business plans and strategy documents); and
  - perform a review of the company's internal procedural documentation.
- assess whether the evidence obtained from our audit procedures regarding the procedures implemented by the company is consistent with the description in the IRO-1 disclosure in accordance with ESRS 2.

In conducting our limited assurance engagement on the consolidated non-financial statement, our approach is as follows:

- We obtain an understanding of the company's procedures that are relevant for the preparation of the consolidated non-financial statement.
- We assess whether all information determined through the materiality analysis process has been included in the consolidated non-financial statement.
- We assess whether the structure and presentation of the consolidated non-financial statement are in accordance with the ESRS.
- We conduct interviews with relevant personnel and analytical procedures on selected presentations in the consolidated non-financial statement.
- We perform sample-based, results-oriented audit procedures on selected presentations in the consolidated non-financial statement.
- We compare selected disclosures in the consolidated non-financial statement with the corresponding disclosures in the consolidated financial statements and the other sections of the Group Management Report.
- We obtain evidence about the methods presented for developing estimates and forward-looking information.
- We obtain an understanding of the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and for preparing the corresponding disclosures in the consolidated non-financial statement.

Scope of services:

- In principle, the previous year's figures were not audited, unless this was necessary for plausibility checks.
- Figures taken from external studies were not audited. We only checked that the relevant information and data had been correctly included in the consolidated non-financial statement.
- We did not subject the financial performance indicators and statements audited as part of the annual or consolidated financial statements, nor information from the corporate governance report and risk reporting to any further audit.

Liability limitation and publication

The limited assurance engagement regarding the consolidated non-financial statement is a voluntary audit.

We issue this assurance report based on the audit agreement concluded with the client, which is also based on the enclosed General Conditions of Contract for the Public Accounting Professions (AAB 2018) with effect on third parties.

With regard to our responsibility and liability arising from the contractual relationship, section 7 of the AAB 2018 applies. We shall only be liable in the event of intent or gross negligence. In the event of gross negligence, our liability to pay compensation shall not exceed ten times the minimum insurance sum of the professional liability insurance pursuant to § 11 of the 2017 Austrian Professional Trust Act, which is a total of EUR 726,730. The course of the limitation period is determined by Section 7.4 of the 2018 General Terms and Conditions.

The assurance report on the audit may only be made available to third parties together with the consolidated non-financial statement contained in the “Sustainability Statement” section of the Group Management Report and only in complete and unabridged form. Since our report is prepared solely on behalf of and in the interests of the company, it does not constitute a basis for any reliance on its content by third parties. Claims by third parties therefore cannot be derived from it.

Vienna, March 19, 2025

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Hans-Erich Sorli
Auditor

ppa Viola Vostatek-Thomas
Auditor

Statement of all legal representatives

Pursuant to Section 124 (1) (3) of the Austrian Stock Exchange Act

We confirm, to the best of our knowledge, that the consolidated financial statements prepared in accordance with the relevant accounting standards as at December 31, 2024 provide a true and fair view of the Group's financial position and financial performance, that the Group management report provides a true and fair view of the business performance, the financial result, and the position of the Group, and that the Group management report describes the main risks and uncertainties that the company is exposed to.

We confirm, to the best of our knowledge, that the annual accounts prepared in accordance with the relevant accounting standards as at December 31, 2024 of Semperit AG Holding provide a true and fair view of the company's financial position and financial performance, that the management report provides a true and fair view of the business performance, the financial result, and the position of the company, and that the management report describes the main risks and uncertainties that the company is exposed to.

Vienna, March 19, 2025

Karl Haider	**Helmut Sorger**	**Gerfried Eder**	**Manfred Stanek**
CEO	CFO	CIO	Executive Board Member

Glossary

C

Compliance
Conformity with regulations; adherence to rules, guidelines and voluntary codes within a company.

Corporate Governance
Rules for the responsible management and control of a company; laid out in the Austrian Corporate Governance Code.

D

Directors’ Dealings / Managers' transactions
Share transactions conducted by the management of exchange-listed companies in the companies‘ own shares.

Directors and Officers (D&O) Insurance
Liability insurance taken out by a company for its boards and executives.

Dividend ex day
The day on which the amount of the dividend is deducted from the share price.

Dividend payout ratio
Distribution ratio; share of the profit that is distributed to shareholders in the form of dividends.

E

EBIT
Earnings before interest and tax; operating result.

EBIT margin
EBIT in relation to revenue.

EBITDA
Earnings before interest, tax, depreciation and amortization.

EBITDA margin
EBITDA in relation to revenue.

Equity ratio
The ratio of shareholders’ equity to total assets.

Elastomer
Form stable but elastically deformable plastics.

Equity consolidation / Equity method
The share in earnings after tax prorated according to the proportion of ownership interest is disclosed in the income statement under the item “Investments in joint ventures and associated companies“.

F

Free Cashflow before the sale of companies
Free cash flow is the net cash flow adjusted for interest payments that is available for strategic growth investments, dividends and the repayment of debt. Free cash flow before the sale of companies plus proceeds from the sale of companies less cash and cash equivalents sold results in the free cash flow after company disposals.

Full consolidation
All assets and liabilities, expenses and income of the subsidiaries are included in full in the consolidated financial statements. If the shareholding is less than 100% the share in equity not attributable to the group is reported either in equity under non-controlling interests or in debt under redeemable noncontrolling interests.

I

IFRS (International Financial Reporting Standards)
Accounting standards developed by the International Accounting Standards Board (IASB). In addition to the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS) of the IASB, it also incorporates the Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Interpretations of the Standing Interpretations Committee (SIC).

M

Market capitalization
Number of shares multiplied by the share price; market value of a company in absolute terms.

N

Natural latex
Milky juice of the rubber tree that is obtained by grazing the bark.

Net financial debt
Net financial debt is an indicator that shows the net debt level of a company. Net financial debt provides information about the financial stability of a company.

O

Organisation for Economic Cooperation and Development (OECD)
An organization of 30 industrial states aiming to promote economic growth and global trade.

P

Payout ratio
See dividend payout ratio.

Provisions
Accounting provisions for future obligations, the extent and maturity of which cannot be determined explicitly.

R

Return on equity
The return on equity in terms of earnings after tax.

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Financial Calender 2025

20.03.2025	Publication of 2024 annual financial statements
13.04.2025	Record Date Annual General Meeting
23.04.2025	Annual General Meeting, Vienna
25.04.2025	Ex-dividend day
28.04.2025	Record Date Dividend (= day, on which settled positions are struck at CSD Austria at close of business to determine the entitlement)
30.04.2025	Dividend payment day
14.05.2025	Report on 1-3 2025
13.08.2025	Half-year financial report 2025
12.11.2025	Report on 1-9 2025

Addresses of the Semperit Group

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Contacts of the Semperit Group

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Disclaimer

The terms “Semperit” or “Semperit Group” in this report refer to the group; “Semperit AG Holding” or “Semperit Aktiengesellschaft Holding” is used to refer to the parent company (individual company).

We have prepared this report and verified the information it contains with the greatest possible care. Nevertheless, rounding, type-setting and printing errors cannot be ruled out. Rounding of differences in the summation rounded amounts and percentages may arise from the automatic processing of data.

The forecasts, plans and forward-looking statements contained in this report are based on the knowledge and information available and the assessments made at the time that this report was pre-pared (editorial deadline: 19 March 2025). As is true of all forward-looking statements, these statements are subject to risk and uncertainties. As a result, actual events may deviate significantly from these expectations. No liability whatsoever is assumed for the accuracy of projections or for the achievement of planned targets or for any other forward-looking statements. Words such as “expect,” “want”, “believe,” “anticipate,” “includes,” “plan,” “assumes,” “estimate,” “projects,” “intends,” “should,” “will,” “shall,” or variations of such words are generally part of forward-looking statements. Furthermore, there is no guarantee that the contents are complete. Statements referring to people are valid for both men and women.

This report has been written in German and English. In case of doubt, the German version shall take precedence.

SEMPERIT