

## Risk management

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

In the 2025 financial year, the risk management system developed in the previous year was comprehensively established throughout the Group and firmly anchored in day-to-day operations. Close integration with the corporate strategy and incorporation into the strategic planning and forecasting process are now common practice. The optimized cooperation between the specialist departments involved has proven its worth: it increases the quality of control and enables an even faster response to internal and external changes.

The assessment of risks based on the free cash flow indicator introduced in 2024 has also become an integral part of the standard process. In combination with the EBITDA-based analysis, it enables a more in-depth interpretation of the financial impact of risks and strengthens the basis for management decisions. The insights gained are increasingly being incorporated into strategic and operational management and support sound, forward-looking corporate management.

Overall, there is clear evidence that the measures implemented in 2024 are having a lasting effect: risk transparency has been further increased, the quality of analysis has been improved, and the risk culture within the Semperit Group has been further consolidated. At the same time, the existing process is being continuously refined in order to further optimize the integration of risk aspects into business management.

### Basic principles of risk management (enterprise risk management)

The Semperit Group's risk policy supports the goal of securing competitive advantages and increasing the enterprise value in the long term. The risk management system serves to strengthen robust corporate processes and enable the early detection of negative developments in strategic, operational, market and financial areas.

Essential components of the risk policy are environment, social and governance (ESG) issues, the stability of supply chains and ensuring on-time deliveries. These aspects are systematically anchored in the risk management process. The process follows a structured, uniform approach across the Group and promotes strong risk awareness on all levels. The resulting insights are incorporated into both strategic corporate development and operational decisions.

Risks are managed according to four basic principles:

- Avoidance – in cases of excessive probability of occurrence or unacceptable consequences
- Reduction – through preventive measures to reduce risks to an acceptable level
- Transfer – by transferring risks in whole or in part to third parties (e.g., insurance companies, contractual partners, financial instruments)
- Acceptance – in the case of acceptable residual risks within defined tolerance limits

Group-wide risk management is an integral component of corporate governance. It supports planning, target achievement and continuous process optimization and serves as a sparring partner for the Executive Board.

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 actively support its further development. In organizational terms, enterprise risk management (ERM) is anchored in the "Group Risk Management & Assurance" department. This department monitors, coordinates and supports the process across the Group to ensure that all relevant risks are recorded transparently and managed effectively.

### Enterprise risk management process

The Semperit Group maintains a closely interlinked internal control and risk management system for the early detection and minimization of risks that could jeopardize its existence. Standardized processes ensure that risks are identified and assessed prior to important business decisions. An efficient internal reporting system supports ongoing monitoring and enables appropriate countermeasures to be taken in a timely manner. This proactive approach strengthens corporate stability and the achievement of strategic goals.

Risk management is based on an enterprise risk management (ERM) approach in accordance with the internationally recognized COSO framework ("Enterprise Risk Management – Integrated Framework"). The aim is to identify, assess and manage risks that could affect

strategic, operational, financial, social, governance and compliance objectives at an early stage. The approach also covers aspects of health, safety, environment and quality (HSEQ) as well as ESG issues.

This holistic approach creates risk transparency and enables targeted risk mitigation to ensure the sustainable development of the Semperit Group. Risk identification and assessment are carried out in a structured bottom-up/top-down process. This allows risks to be identified at both the operational and strategic levels.

The observation period for risk assessment is usually one year and, in accordance with medium-term planning, extends to up to five years. For ESG-related risks, particularly climate risks, a longer horizon is applied, often spanning decades. In this way, Semperit takes into account the long-term effects of climate change and regulatory requirements.

The ERM system is based on the net principle: risks are generally identified and assessed considering existing and implemented risk mitigation or transfer measures. Each risk assessment therefore reflects the remaining net risk—i.e., the risk that remains after all currently effective measures have been implemented.

Furthermore, additional mitigation or control measures are continuously defined and implemented for these remaining risks to further mitigate or control the risk. Risks whose potential impact has already been considered in the budget, medium-term planning, or existing precautionary measures are not reported separately.

The effectiveness of the measures taken and newly implemented is continuously monitored and integrated into internal reporting – down to the level of the individual Group companies. This ensures a high level of transparency and sustainably strengthens the effectiveness of risk management.

The Group Risk Management & Assurance department coordinates and monitors the entire risk management process. Relevant risks are prioritized and assessed based on their probability of occurrence and potential impact. The bottom-up process is supported by management workshops in the Group companies and coordinated with divisional management in a top-down approach, which ensures consistent assessment and reporting.

At least once a year, comprehensive risk reporting is carried out on individual risks, including aggregation at Group level. In addition, quarterly progress reports on current developments, changes and additions to the risk portfolio are submitted to the Audit Committee and Supervisory Board. An ad hoc reporting process ensures that decision-makers are informed promptly in the event of critical developments.

Both EBITDA and free cash flow scenarios are used for quantitative assessment. This dual perspective enables a more precise assessment of financial resilience and risk-bearing capacity. While EBITDA provides information about operational profitability, free cash flow shows the company's liquidity and investment capacity.

### Organization and responsibilities

The Semperit Group has a clearly defined structure for monitoring and controlling the ERM process. Risks, changes and developments are discussed quarterly in Executive Board, Audit Committee and Supervisory Board meetings, which ensure 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 this process and is supported by the Group companies and central functions. Progress in the implementation of measures is reported regularly and monitored centrally, ensuring transparent and comprehensible control of risk measures. Insurable risks are covered by appropriate policies, where economically viable, in order to minimize the financial burden of claims.

The legal framework and principles of risk management are set forth in the Group-wide Risk Management Guideline. This guideline defines requirements, responsibilities and documentation obligations and forms the basis for the ongoing 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 2025 financial year in the first quarter 2026 in accordance with C Rule 83 of the Austrian Corporate Governance Code. This confirmation underscores the effectiveness and efficiency of the system and its compliance with regulatory requirements.

## Risk report

As an internationally operating group, the Semperit Group faces a dynamic global environment. Economic, political, legal and social developments vary considerably between the countries where the Group operates. The effects on the Semperit Industrial Applications and Semperit Engineered Applications divisions and on the individual operating divisions are accordingly diverse.

In the 2025 financial year, the Semperit Group was once again confronted with a challenging global environment characterized by economic uncertainty and structural market changes. After a period of declining inflation rates at the beginning of the year, price increases in individual markets and persistently high energy costs remained a burden. At the same time, the availability of qualified skilled workers remained limited in several regions, which had a selective impact on production and delivery processes.

The international raw material markets saw increased volatility in both prices and availability of key materials. In addition, geopolitical tensions, particularly in connection with the Russia-Ukraine conflict, developments in the Middle East and increasingly protectionist tendencies in global trade, had an impact on supply chains, transport costs and planning security. Adjustments to US tariffs led to increased uncertainty regarding the structure of customs duties, particularly in the first half of the year. The specific risks arising from this situation include reduced competitiveness as a result of tariff-related price increases, which could put products on the US market at a disadvantage compared to local alternatives and thus lead to a loss of market share and a weakening of the long-term positioning. In addition, there is increased cost volatility, as frequent changes in customs regulations lead to fluctuations in import costs that are difficult to calculate, which complicates budget planning and can lead to sudden margin pressure. Furthermore, the variable US tariff policy has created a highly unstable environment for strategic planning, delaying or increasing the risk of investment projects, market entries and product launches due to a lack of regulatory predictability.

In addition, there was uncertainty in the 2025 financial year due to the planned revision of EU steel import quotas. The scope and specific details of the measures – in particular the amount of duty-free quotas and potential higher additional tariffs once quotas are exhausted – were still open. This resulted in risks with regard to future price developments and material availability. When the resolution was adopted at the end of 2025, this uncertainty was eliminated. For the 2026 financial year, risks arise from the now binding regulation, particularly with regard to price levels, procurement costs and delivery availability.

Another regulatory risk arose in the 2025 financial year from the introduction of the Carbon Border Adjustment Mechanism (CBAM), which is an EU instrument that imposes a CO<sub>2</sub> price on imports in order to prevent the relocation of CO<sub>2</sub>-intensive production abroad. While CBAM was still in the transition phase without financial compensation payments, there were particular operational and compliance risks, which related especially to timely and proper emissions reporting, data availability along the supply chain, and the validity and reliability of supplier declarations. In addition, there were planning risks with regard to the obligation to purchase CBAM certificates, which will come into effect in 2026, particularly against the backdrop of the volatility of the EU ETS price (market price for an emission certificate in the EU Emissions Trading System) and the resulting potential cost implications. With the start of the financially effective phase in the 2026 financial year, the risk profile will shift toward direct earnings and liquidity effects resulting primarily from rising procurement costs, potential margin pressure and structural shifts in competition.

Regulatory changes in the areas of sustainability, climate reporting and supply chain due diligence also required increased attention and adaptability. The continuing tense global security situation, energy price and interest rate developments, as well as the aftermath of the increased financing costs in previous years represented additional factors of uncertainty.

Despite these volatile conditions, the Semperit Group once again demonstrated its resilience. Its broad geographical positioning, diversification across several business areas and consistent implementation of efficiency and cost optimization measures enabled it to achieve largely stable development. The increased integration of risk and opportunity management into strategic control supported management in responding to market changes at an early stage and exploiting potential in a targeted manner.

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 policies remain in place to hedge against specific liability and damage risks, insofar as these are economically justifiable.

In addition to conventional financial, operational and strategic risks, trends such as energy availability, technological transformation, digitalization, labor market developments and ESG requirements are increasingly being taken into account in the ongoing risk assessment. These topics are becoming increasingly important as they present both risks and opportunities for the future development of the Group.

The following section describes the significant individual risks that could potentially have a material impact on the financial position, financial performance and profit situation of the Semperit Group. In addition, there may be other, currently unknown risks that arise from strategic, operational, financial, social, governance, compliance and HSEQ (health, safety, environment and quality) issues. The occurrence of such potential risks could have a significant impact on the Group's financial position, financial performance and profit situation, as well as its reputation.

### Insurable risks

The Semperit Group maintains global insurance programs to cover significant business risks, particularly in the areas of fire, natural hazards and natural disasters. Nevertheless, there can be no guarantee that potential losses will be fully covered or that insurers will be fully liable in the event of a claim.

Additional policies have been taken out for further protection, for example for earthquake and flood risks, in order to extend the existing protection. Critical business processes with a high risk potential are regularly reviewed as part of risk assessments and business continuity management. This review results in preventive strategies and measures to ensure operational capability in the event of an emergency. The implementation of these measures is continuously monitored.

Based on a climate risk analysis conducted in 2023, the effects of climate change were systematically included in the risk catalog. Both immediate physical risks—such as storms or heavy rainfall—and chronic developments such as rising sea levels were assessed. In addition, indirect physical risks were identified, such as potential shortage of water supply as a result of prolonged dry periods.

The assessment of physical climate risks is based on long-term scenario analyses of structural changes in climatic conditions. On this basis, no Semperit Group sites are currently exposed to systemic physical climate risks that would fundamentally jeopardize their strategic viability or economic value. However, this does not include short-term impacts resulting from increasing extreme weather events (e.g., heavy rainfall, heat waves or storms). Regardless of this, the analysis identifies increased structural water availability risks in the medium to long term at the sites in Roha (IN), Odry (CZ) and Bełchatów (PL). These risks result from potentially increasing regional water scarcity and, if the negative trend continues, could have an impact on the operational resilience of the affected sites. Accordingly, projects for efficient water use and sustainable water management have been initiated.

Ongoing dialogue with insurers ensures that risks arising from insurable natural events are covered as effectively as possible. Nevertheless, legal disputes may result in losses exceeding the insured amounts. Similarly, there is no guarantee that adequate insurance coverage will be available on economically acceptable terms in the future.

Location-specific natural events – flooding of the production facility in Thailand (Semperflex Asia Corporation Ltd., Hat Yai): In the 2025 reporting year, the Semperflex Asia production facility in Hat Yai, Thailand, was affected by exceptionally heavy rainfall and subsequent flooding. The floodwaters caused parts of the production facility to be completely submerged. This resulted in a business interruption lasting several weeks, which affected both manufacturing operations and related logistics processes. Electrical systems, control electronics and sensor-controlled production components were particularly affected. Immediately after the water receded, extensive cleanup and safety measures were initiated, followed by gradual technical restoration.

In view of the progressing effects of climate change, extreme precipitation events are to be expected more frequently in the future. Against this backdrop, the risk was reassessed in the Group's risk catalog and given higher priority. In addition, measures to adapt emergency and crisis plans and more intensive coordination with local authorities and insurers were initiated. Despite the temporary restrictions, there were no effects that threatened the existence of the Semperit Group. However, the event led to a further tightening of risk and prevention measures with regard to natural hazard-related location risks.

### Significant risks, opportunities and measures

The following overview summarizes the main risks and opportunities identified within the Semperit Group. It shows their categorization and the measures defined in each case to mitigate risks and exploit opportunities.

Risks and opportunities related to environment, social and governance (ESG), which were identified as material in the materiality analysis in accordance with the European Sustainability Reporting Standards (ESRS), are presented in the Sustainability Statement 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
<b>Market development and competitiveness</b>	Intense competition in several core segments, particularly from low-cost suppliers in Asia, is increasing price pressure and putting pressure on margins. At the same time, customer expectations are changing as a result of general economic uncertainty, rising energy prices and growing sustainability requirements. Timely adjustment of the product portfolio and pricing strategies is crucial to securing market share and profitability.	Stronger focus on high-margin segments and regions; expansion of the innovation pipeline in materials and technology development; close cooperation with customers for early identification of market trends; continuous cost optimization and efficiency improvements along the value chain.	↑	Risk & opportunity
<b>Acquisitions, partnerships and divestments</b>	Strategic acquisitions and divestments remain key instruments for managing the portfolio. The greatest risks lie in identifying suitable target companies, integrating acquired units and realizing expected synergies. Opportunities arise from expanded market access, the acquisition of new technologies and the strengthening of core competencies.	Consistent focus of M&A activities on core segments with sustainable growth potential; structured due diligence process including risk analysis; systematic post-merger controlling; ongoing evaluation of investments and divestment options to focus on the core business.	→	Risk & opportunity
<b>Transformation</b>	Structural change driven by decarbonization, digitalization and regulatory ESG requirements (e.g., CSRD, CSDDD) is shaping the industry. This transformation is increasing investment requirements and the pressure to adapt processes, supply chains and technologies. At the same time, opportunities are opening up through innovative, sustainable product solutions and new business models.  Increasing demands on IT security, data availability and digital process integration are increasing complexity and costs. At the same time, digital technologies enable efficiency gains and data-driven decisions.	Ongoing evaluation of the Group strategy regarding megatrends; integration of ESG and climate targets into corporate planning; establishment of sustainable material and production processes; preparation for the development of a decarbonization plan and ESG reporting requirements in accordance with the CSDDD.  Implementation of the IT Strategy 2030; expansion of cybersecurity; harmonization of the ERP system landscape with the OneERP flagship project, which was successfully rolled out for the first time in November 2025; strengthening of digital skills.	↑	Risk & opportunity
<b>Structural adjustment and site development</b>	The ongoing optimization of production networks and cost structures remains essential to ensure long-term competitiveness. Risks include implementation delays, cost overruns and acceptance issues among employees. Opportunities arise from productivity gains and the opening up of new markets.	Detailed project planning with clear milestones and monitoring; targeted investments in efficient production facilities; transparent communication with stakeholders; involvement of the workforce and social support management to ensure implementation.	↗	Risk & opportunity

R&O category	Description and potential impact	Management measures	R&O trend	R&O Indicator
<b>Governance and compliance</b>	Increasing regulatory requirements, particularly in the areas of ESG and compliance, are making corporate governance more complex. Deviations from internal standards or legal requirements can result in financial losses and reputational damage.	Ongoing updating of the governance and compliance framework; Group-wide training; consistent implementation of the Code of Conduct; operation of an effective whistleblower system ("Speak up!"); regular internal audits and controls.	→	Risk
<b>Geopolitics and trade restrictions</b>	Geopolitical tensions—particularly in connection with the Russia-Ukraine conflict, developments in the Middle East and increasing trade restrictions between the US, China and the EU—are leading to uncertainties in energy supply, supply chains and transport costs. Protectionist tendencies are influencing supply chains, tariffs and market access. Additional US tariffs are affecting specific product groups. Local regulations or sanctions can directly impact business activities.	Continuous monitoring of geopolitical developments and scenario analyses; diversification of procurement and sales markets; development of regional alternatives in the supply chain; securing critical materials and transport routes.	↑	Risk

## Operational risks and opportunities

R&O category	Description and potential Impact	Management measures	R&O trend	R&O Indicator
<b>Innovations</b>	Risks and opportunities arise from technological developments, sustainability requirements and the need to shorten innovation cycles. Failure to adapt technologically could lead to competitive disadvantages, while digitalization and automation increase efficiency and productivity. The development of recycled and bio-based materials is becoming increasingly important strategically.	Systematic innovation management with a focus on sustainable and efficient material solutions; expansion of digitalization and automation initiatives (e.g., hose production in Odry); Group-wide circularity initiative to promote recycling and reuse cycles; strengthening of R&D cooperation with customers and research partners.	↑	Risk & opportunity
<b>Products and services</b>	Risks arise from delayed market launches, insufficient ESG compliance of materials and insufficient differentiation in the portfolio. Opportunities arise from early identification of market needs and innovative, sustainable product solutions.	Close cooperation with customers to identify market trends at an early stage; integration of ESG criteria into product development and procurement; optimization of supply chains and manufacturing processes; use of modern technologies and automation to increase efficiency.	→	Risk & opportunity
<b>Customer structure</b>	High dependence on key customers can lead to revenue and earnings risks, especially when market conditions change. Opportunities lie in a broader customer base and increased sales efficiency.	Diversification of the customer portfolio; expansion of data-based sales management; strengthening of customer loyalty through service and quality initiatives; structured sales programs to acquire new customer segments.	↑	Risk
<b>Procurement/ supply chain</b>	Risks arise from ongoing price volatility for raw materials and energy, limited availability of critical materials, geopolitical tensions and disrupted transport routes. Opportunities exist in the development of resilient supply chains and sustainable procurement.	Establishment of a diversified, regionalized supplier network; active raw material and energy management; early warning systems for bottlenecks; scenario analyses and emergency plans; expansion of sustainable procurement strategies.	↗	Risk
<b>Production and capacity utilization</b>	Energy-intensive processes, disruptions in energy supply, or downtime in production facilities can compromise efficiency and security of supply. Opportunities arise through automation, energy efficiency measures and investments in modern facilities.	Regular maintenance, investments in new equipment and energy efficiency projects; expansion of automated production (e.g., in the LSR and hose sectors); further development of emergency and flood protection measures; continuous optimization of production capacity utilization.	→	Risk & opportunity
<b>Quality management</b>	Quality defects caused by faulty raw materials, processes or development errors can lead to reputational damage and loss of earnings. Opportunities exist in high product quality as a distinguishing feature.	Further development of the Group-wide quality management system; close coordination between R&D, Production and Quality Assurance; regular supplier audits and process analyses.	→	Risk & opportunity
<b>Personnel and employee retention</b>	The ongoing shortage of skilled workers, particularly in technology, IT and production, increases the risk of capacity bottlenecks. Opportunities arise through targeted personnel development, employer branding and international recruitment.	Expansion of talent management, succession planning and training programs; cooperation with training institutions; recruitment of international skilled workers; promotion of flexible work models and corporate social benefits.	↑	Risk & opportunity
<b>Safety, health and environment (HSEQ)</b>	Safety incidents, environmental incidents, or violations of occupational safety regulations can have a significant impact on employee safety, operations and reputation. At the same time, a high level of safety increases the attractiveness of an employer.	Operation of an integrated HSEQ management system; regular training, audits and investments in occupational safety; preventive programs for health protection and ergonomics; strict compliance with environmental and hazardous substance standards.	→	Risk

R&O category	Description and potential Impact	Management measures	R&O trend	R&O Indicator
<b>Compliance</b>	Violations of laws, regulations or internal guidelines (e.g., antitrust law, corruption, data protection, human rights) can result in financial penalties and reputational damage.	Operation of a Group-wide compliance management system; regular training; continuous monitoring and advice from compliance officers; active “Speak up!” channel with external reporting office.	→	Risk
<b>Legal disputes</b>	Legal proceedings can lead to financial burdens and reputational risks.	Ongoing monitoring of legal proceedings; close cooperation with external legal advisors; preventive training and contract reviews.	→	Risk
<b>IT and cyber security</b>	Increasing digitalization enhances the vulnerability to cyber threats. Risks include data loss, business interruptions and reputational damage. Opportunities lie in enhanced cyber resilience and efficiency through secure systems.	Operation of a Group-wide cybersecurity framework with regular penetration tests, vulnerability analyses and awareness training; use of modern security technologies; emergency and recovery processes (business continuity management).	↑	Risk & opportunity
<b>System availability and harmonization</b>	The parallel use of different IT/OT systems can lead to efficiency losses and data inconsistencies. Opportunities exist in the standardization and automation of processes.	Implementation of the OneERP project based on SAP S/4HANA; standardization and harmonization of the IT/OT landscape; structured change and stakeholder management; targeted training.	→	Risk & opportunity
<b>Business continuity</b>	Natural disasters, geopolitical crises or pandemics can affect delivery capabilities and operations.	Operation of a Group-wide crisis management and business continuity system; regular crisis drills; site diversification and emergency plans.	↑	Risk

## Financial risks and opportunities

As an internationally active company, the Semperit Group is exposed to financial risks, particularly capital, liquidity and financing risks, foreign currency and interest rate risks, as well as default risks of customers and banks.

A detailed description of the financial risks and their management is provided in the notes to the consolidated financial statements in accordance with IFRS 7 (Chapter 11).

R&O category	Description and potential Impact	Management measures	R&O trend	R&O Indicator
<b>Interest rate environment</b>	After a phase of rising interest rates in 2023/24, interest rates stabilized at an elevated but stable level in 2025. Risks arise from potential monetary policy adjustments and their impact on financing costs and capital valuation. Opportunities arise when refinancing costs fall in a stable market environment.	Use of interest rate hedging instruments (swaps, caps); balanced maturity structure of financing; regular assessment of interest rate positions as part of treasury controlling.	→	Risk & opportunity
<b>Counterparties</b>	Uncertainty in the economic environment and geopolitical tensions increase the risk of payment delays or defaults by customers, as well as the credit risk of banks.	Ongoing credit management with credit checks, credit limits and insurance coverage; diversification of banking partners with high credit ratings; centralized monitoring of receivables and default rates.	↗	Risk
<b>Taxes, fiscal and public charges</b>	Increasing regulatory complexity and international harmonization efforts (e.g., OECD BEPS 2.0, Pillar Two) are raising the bar for tax compliance. Risks arise from interpretative uncertainties, local legislative changes and potential additional claims.	Operation of a Group-wide tax compliance management system; ongoing training of relevant functions; external support for complex transactions; regular tax risk assessments.	↑	Risk
<b>Foreign currencies</b>	Exchange rate volatility, particularly for the USD, CNY and PLN, can have a significant impact on income and balance sheet items. Opportunities arise from favorable exchange rate developments for export revenues.	Use of forward exchange transactions and natural hedging; ongoing currency analysis and diversification of cash flow; integration of currency risks into liquidity planning.	→	Risk & opportunity
<b>Availability of capital</b>	The financing environment remains challenging: higher risk premiums, stricter ESG requirements and more selective lending are affecting the availability of capital. Good ESG performance is increasingly becoming a success factor for financing conditions.	Ongoing capital risk management with a focus on securing liquidity and strengthening creditworthiness; integration of sustainability indicators into the financing structure and exchange with ESG rating agencies; expansion of sustainable financing instruments (e.g., green loans, ESG-linked credit facilities). As of December 31, 2025, the Semperit Group has a solid liquidity position and conservative net debt.	↗	Risk & opportunity

## 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 and ESG 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 fields. This integrated approach ensures that the control system is continuously adapted to current requirements, regulatory changes and technological developments, achieving a high degree of transparency, traceability and control security.

In the 2025 financial year, a comprehensive ICS review was carried out for the Semperit Group's key sites. The methodological basis for this review was a newly developed presentation of the ICS and Risk Control Matrix (RaCM), which for the first time enables a standardized comparison of control environments across all Group units to be presented graphically. The aim was to create transparency regarding the maturity and effectiveness of the controls and to establish a uniform assessment logic for all sites. The results were prepared in a new, standardized reporting format and will serve as the basis for the ongoing assessment, further development and harmonization of the internal control system in the future.

Responsibility for implementing, maintaining and monitoring the ICS lies with the management of the respective business units. To ensure uniform, Group-wide control, the Executive Board of Semperit AG Holding defines binding framework conditions and guidelines that apply throughout the Group. Regular audits and assessments at the sites and at the headquarters ensure that these requirements are implemented on a sustainable basis.

The principles of the Internal Control System (ICS):

- Accuracy of accounting and reporting: ensuring the accuracy, completeness and reliability of all financial and reporting figures.
- Adherence to internal and external regulations: compliance with internal rules (e.g. limits of authority) and external legal requirements, ordinances and regulatory requirements.
- Increasing payment security: implementation of a predefined control framework for payment transactions to minimize booking errors, fraud risks and unauthorized transactions.
- Segregation of duties: clear separation of critical tasks and responsibilities to avoid conflicts of interest and risks of manipulation.
- Process-integrated controls: implementation and documentation of controls within operational processes to ensure their effectiveness.
- Traceability and transparency: complete and verifiable documentation of all essential control activities and decisions.
- Protection of assets: securing tangible and intangible assets through appropriate organizational and technical measures.
- Detection of operational risks and damage visibility: identification of potential weak points and prompt detection of damage that has occurred in order to minimize damage.
- Increasing operational efficiency: optimization of processes and resources to reduce inefficiencies and improve process quality.

### 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 or controlling, in order to avoid conflicts of interest and minimize the risk of manipulation.
- IT security and access controls: the financial and ERP systems used are protected against unauthorized access by technical and organizational security measures (e.g., access rights, firewalls, encryption).
- Use of standard software: proven standard software (SAP S/4HANA) is primarily used for accounting to ensure stability, traceability and process reliability.
- Policy and guideline system: a Group-wide policy system (including accounting, payment and reporting policies) defines binding guidelines for proper accounting and creates a clear framework for action.
- Auditing of accounting data: transmitted and received accounting data is checked for completeness and accuracy; random checks serve 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 minimize errors and the risk of manipulation.
- Monitoring by Internal Audit: accounting-related processes are regularly reviewed by Internal Audit on a random basis to identify weaknesses at an early stage and ensure continuous improvement. Accordingly, Internal Audit practices a Group-wide best practice sharing approach.