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RENK



RENK Group AG  
Sustainability statement  
2024

# 1. Sustainability statement

## 1.1 General information

### 1.1.1 ESRS 2 General disclosures

#### BP-1 General basis for preparation of the sustainability statement

##### Report scope and framework

This sustainability statement is prepared on a consolidated basis for the RENK Group in full compliance with the European Sustainability Reporting Standards (ESRS). At the same time, it meets the requirements of non-financial reporting obligations under Articles 315b to 315c of the German Commercial Code (non-financial Group declaration). The disclosed report contents take into account the results of the double materiality assessment (DMA) and therefore the general conditions, impacts, risks and opportunities (IROs) currently relevant to RENK. If reporting requirements relate to facts or current or future projects that did not apply to RENK in the reporting period, this is disclosed transparently via a "comply or explain" approach. This also applies if the facts underlying the indication errors are interdependent or causally linked in some other way, which means that redundant statements are sometimes unavoidable.

The sustainability statements are based on the fiscal year of RENK Group AG, Augsburg, which covers the period from January 1 to December 31, 2024. The statement is prepared on a consolidated basis and is based on the fully consolidated group, which is set out in the list of shareholdings in accordance with chapter 33 *List of shareholdings* in the notes to the consolidated financial statements, and also forms the basis of the management report. The disclosures are marked with \* and form an integral part of this sustainability statement. As an exception to this, due to operational control, this sustainability statement also includes RENK Transmisyon Sanayi A.S., which is not included in the fully consolidated group for financial reporting purposes for materiality reasons.

In addition to the company's own business operations, the sustainability statement includes upstream and downstream stages of the value chain if at all possible, since the associated impacts, risks and opportunities were taken into account in the DMA. The upstream stages of the value chain particularly include suppliers of intermediate products such as castings, welded parts, bearings, forged parts, turned, milled or toothed parts, electrical equipment and hydraulic components. On the customer side, RENK manufactures, sells and maintains mission-critical applications such as gear units, vehicle drive systems, hybrid drive systems, suspension systems, slide bearings, couplings and test systems.

The downstream stages of the value chain particularly include customers. RENK has a wide range of customers in the defense and industrial sectors, with a particular focus on customers in the military vehicle, marine, civil maritime, cement and plastics production, and oil and gas sectors. In addition, customers in the energy generation industry, some of which work in hydrogen and carbon capture, utilization and storage, are supplied.

##### Data availability and comparability

In fiscal year 2024, RENK was in contact with industry associations to obtain relevant information on data from the upstream and downstream value chain. However, there are currently no practical systems or other exchange formats available that ensure a reliable flow of information. In the future, we plan to work with industry associations to promote exchange between companies in order to facilitate provision of the necessary information. RENK will examine other information-gathering measures in the next few years. Due to the lack of information and data in the upstream and downstream value chain, this cannot be fully considered in the relevant topic standards. Limitations of this kind are disclosed in the topic standards in this report.

The disclosures and data in this report are only partially comparable with the contents of the 2023 sustainability report, which was prepared with reference to the principles set out in the Sustainability Reporting Standards of the Global Reporting Initiative (GRI). RENK makes use of the option not to report prior-year figures when applying the ESRS for the first time. The key figures and metrics presented in this sustainability statement were subject to audit procedures as carried out on the basis of the issued audit engagement and the auditor's professional judgment. Further information can be found in section C of the annual report (*3 Assurance report of the Group Sustainability Statement*) and is also an integral part of this sustainability statement. Furthermore, no external validation was carried out.

	Yes	No
<b>Option to omit certain information about intellectual property</b>		
Did RENK make use of the option to omit information relating to certain research and development results, know-how and intellectual property in fiscal year 2024?		x
<b>Exemption to disclosures about pending developments or matters under negotiation</b>		
Did RENK make use of the exemption under Article 19a (3) and Article 29a (3) of Directive 2013/34/EU on exemptions from disclosing of imminent developments or matters under negotiation in fiscal year 2024?		x

## BP-2 Disclosures in relation to specific circumstances

### Legal provisions and references

The period-specific statements in this sustainability statement have been made in accordance with the definitions for short, medium and long-term timescales contained in ESRS 1 section 6.4. Apart from the provisions of the German Commercial Code, RENK does not disclose any other information from other legal provisions or generally accepted standards. Disclosures according to Article 8 of Regulation 2020/852 (Taxonomy Regulation) can be found in section ESRS E1 – Climate change. When the sustainability statement is prepared, the ESRS disclosure requirements, which are incorporated by reference to other sections of the annual report, include the following:

ESRS disclosure requirement	Reference
GOV-1.23 Skills and expertise of the Supervisory Board members	Section A Chapter 11 Combined Corporate Governance Statement according to Section 289 f and Section 315 d German Commercial Code
GOV-3.29 Sustainability-related incentive system and sustainability-related remuneration policy	Section C Chapter 5 Remuneration report for fiscal year 2024
GOV-5.36 a), b) Scope and main features of the internal control and risk management system, incl. identified risks	Section A Chapter 8.1 Report on the internal control and risk management system and significant risks and opportunities
SBM-1.40 a) ii. Market position, strategy, business model(s) and value chain	Section A Chapter 1 Business description
SBM-1.42 a), b), c) Opportunities and risks associated with supply chain management	Section A Chapter 8.2 Risk and opportunity report
IRO-1.53 c) Description of the procedures for identifying, assessing, prioritising and monitoring risks	Section A Chapter 8.1 Report on the internal control and risk management system and significant risks and opportunities
	Section A Chapter 8.2 Risk and opportunity report
E1-5.40 Energy intensity based on net sales	Section B Consolidated Income Statement
E1-6.53 Greenhouse gas intensity based on net sales	Section B Consolidated Income Statement

### Estimates and assumptions

	Yes	No
<b>Estimation of upstream and/or downstream value chain data</b>		
Did RENK estimate parameters using indirect sources that include data on the upstream and/or downstream value chain?	x	

**The following data include estimates in section ESRS E1 – Climate change:**

In order to determine the key figures for energy consumption from fossil, nuclear and renewable sources, estimates had to be made for November (five sites) and December (15 sites) based on the same months of the previous year (November and December 2023). In addition, energy consumption from fossil and renewable sources for four sites in Q4 2024 was based on consumption in the same quarter of the previous year. At the site in Bath (UK), the reported diesel consumption, which constitutes part of the energy consumption from fossil sources, for November and December is based on the average for January to October. Likewise, an estimate was made for the Augsburg site and its consumption in Q4 2024. This concerns electricity generation from non-renewable sources, and is based on consumption in the first three quarters of fiscal year 2024. For the fiscal year, total consumption of purchased heating (local heating) as well as total sub-metered electricity consumption at our site in Switzerland was derived from total consumption of the previous year. In addition, the direct purchased electricity consumption of this site in November and December was determined based on the previous month, October.

To determine the key figures for energy consumption from fossil sources, estimates had to be made based on, for example, planned test and inspection runs, service schedules or predicted consumption behavior for four sites. This concerns December 2024.

As RENK is not yet able to use direct inputs from the upstream and downstream value chain and, consequently, primary data from suppliers or other business partners for its scope 3 data, the indicator *significant Scope 3 GHG emissions* is subject to a degree of measurement uncertainty.

Overall, an estimated share of 13 % can be derived for the energy and scope 1 and 2 data.

**Other disclosures on estimates:**

Further detailed disclosures on estimates can be found in topic standard *ESRS E1 – Climate change*. Comparability with the results of the carbon footprints of previous years is no longer guaranteed due to the changed system boundaries, the newly included emission categories and the adjusted emission factors. For these reasons, 2024 is used as the new baseline for the future consideration and comparability of RENK's carbon footprints.

	Yes	No
<b>Disclosures due to other legislation or generally recognised statements on sustainability reporting</b>		
Does RENK disclose any other information from other legislation or generally recognised standards or frameworks for sustainability reporting?	x	

## Reconciliation to the reporting requirements under commercial law

### Legal basis and compliance of the reporting requirements according to the CSRD with the German Commercial Code (“Handelsgesetzbuch”)

The Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD), which entered into force on January 5, 2023, had to be incorporated into national law by July 6, 2024. The German legislature did not comply with this requirement until December 31, 2024. Therefore, the reporting requirements under commercial law, last amended on December 27, 2024 by the Financial Market Digitalization Act, continue to apply to the RENK Group's reporting date of December 31, 2024.

The sustainability statement included in the management report was prepared in accordance with the ESRS, which form the reporting framework for fulfilling the CSRD requirements. This also fulfills the reporting obligations pursuant to Articles 315b to 315c of the German Commercial Code regarding preparation of the non-financial Group declaration, which are mandatory for RENK for the first time for the fiscal year ending on December 31, 2024, supplemented by the disclosures and explanations in the following section. The disclosures required under Article 8 of Regulation 2020/852 (EU Taxonomy Regulation) are listed in section *ESRS E1 – Climate change* of this sustainability statement as part of the environmental information. Consequently, the RENK sustainability statement also constitutes our non-financial Group declaration, including the parent company RENK Group AG.

### Additional disclosures and explanations for the fulfillment of reporting obligations under commercial law

The reporting obligations regarding the aspects of environmental matters (see section *ESRS E1 – Climate change*), employee matters (see section *ESRS S1 – Own workforce*), social matters (see sections *ESRS S2 – Workers in the value chain*, *ESRS S3 – Affected communities* and *ESRS S4 – Consumers and end-users*), respect for human rights (see sections *ESRS S2 – Workers in the value chain*, *ESRS S3 – Affected communities* and *ESRS S4 – Consumers and end-users*) and combating corruption and bribery (*ESRS G1 – Business conduct*) are disclosed within the framework of the topic-specific disclosure requirements in accordance with the ESRS reporting structure. This includes the presentation of aspect-specific concepts and due diligence processes. The existing concepts have already produced some noticeable results. No measurement of effectiveness has been performed yet, as the formulated targets use fiscal year 2024 as the base year.

The materiality assessment in section ESRS 2 General disclosures and the presentation of the basic principles of the sustainability-related risk management system do not indicate any material risks that are very likely to have serious negative impacts on non-financial aspects as per Article 289c of the German Commercial Code. We refer in particular to the topic-specific disclosures on impacts, risks and opportunities in the above-mentioned chapter.

The financial management system does not currently include any non-financial performance indicators that are attributable to the most significant indicators. We refer to our comments in section 2.5 *Non-financial performance indicators* of the management report, which are also an integral part of this sustainability statement.

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

The German Stock Corporation Act applicable to RENK provides for an organizational separation between the Executive Board with a management function and the Supervisory Board as the supervisory body (dualistic system). Appropriate organizational structures have been established to achieve the sustainability targets and implement the associated actions.

### Executive Board as the management body

The Executive Board, consisting of the CEO, CFO and COO, is the statutory management body of RENK. It manages the company under its own responsibility and represents the company externally. The Executive Board has the following qualification profile:

	CEO	CFO	COO
<b>Experience of management and supervisory bodies</b>			
Sector-specific experience	✓	✓	✓
Product-specific experience	✓	✓	✓
Site-specific knowledge	✓	✓	✓

With the established organizational structures, the Executive Board has anchored responsibilities, tasks and structures at RENK. The management and supervision of sustainability topics is carried out centrally by RENK Group AG for the entire Group under the leadership of the Executive Board, which also bears overall responsibility for sustainability topics. Departmental responsibilities are allocated on the basis of an organizational chart.

Responsibility for formulating the sustainability strategy lies with the CEO and CFO. External sustainability reporting, the associated processes, the report-related internal control system (ICS) as well as the management and monitoring of IROs are the responsibility of the CFO. RENK has not implemented any specific controls or procedures relating to the management of qualitative issues pursuant to ESRS, nor the monitoring, control and monitoring of related IROs.

The Executive Board is actively involved in the double materiality assessment, examines its results, decides on sustainability-related corporate policies, strategies and actions, and monitors material IROs and the effectiveness of actions taken to reduce negative impacts and risks and realize opportunities. The Executive Board's strategy development takes into account the essential characteristics of RENK's business activities and material IROs. It includes a focus on efficient and effective resource allocation and consideration of the attainability and measurability of derived objectives, which are influenced by the maturity of the internal ESG organization, ESG reporting, information availability and existing technologies.

### Supervisory Board and Audit Committee

The Supervisory Board is the control body, monitors the management of the company by the Executive Board and proper accounting, assesses transactions requiring approval and the correctness of the accounting system, and reviews the annual and consolidated financial statements and the non-financial reporting. The Supervisory Board has no authority to give instructions to the Executive Board. The Supervisory Board, in particular the Audit Committee, monitors and advises the Executive Board on sustainability-related topics. Interaction particularly takes place at the Supervisory Board meetings or on an ad-hoc basis. The Executive Board submits the sustainability statement to the Supervisory Board for auditing as part of the audit of the annual financial statements.

<b>Structure of the management and supervisory bodies</b>				
	Unit	Management Board	Supervisory Board	Standard
Executive members	Number	3	0	GOV-1 21 (a)
Non-executive members	Number	0	12	GOV-1 21 (a)
Proportion of female members	%	66.66	33.33	GOV-1 21 (d)
Employee representative	Number	0	6	GOV-1 21 (b)
Independent members	%	0	33.33	GOV-1 21 (e)

### Corporate sustainability team

In order to pay due attention to sustainability, an ESG-related competence team was formed in 2022, consisting of the Chief Human Resources Officer, General Counsel, the Head of Quality, Health, Safety & Environment (Q-HSE) Management and the Head of Procurement Excellence. In a further step, a corporate sustainability team was set up in fiscal year 2024, dealing exclusively with sustainability topics. It forms part of the Regulated Reporting unit, and is therefore given the same status as financial reporting.

The team is responsible for corporate center management of the identified IROs as well as standard-setting and Group-wide coordination of sustainability topics, and supports both the advancement of the RENK sustainability strategy and the collection of data and information for sustainability reporting. It also manages the ESG competence team, which remains in place. Since fiscal year 2024, operational sustainability management has been based on clearly defined roles and responsibilities, broken down into internal organizational units of RENK.

### Expertise profile and advancement

The Executive Board and the corporate sustainability team are supported in their activities by qualified specialists and managers. To ensure adequate qualifications, selected individuals from the Executive Board, Supervisory Board and corporate sustainability team undergo continuous training, e.g. through specialist training courses or forums for exchanging experiences.

Through many years of experience in managing and monitoring capital market-oriented companies, the Executive Board and Supervisory Board have extensive skills and qualifications, particularly relating to the application of new regulatory requirements, operational and sustainability-related objectives, processes and governance structures. This qualification profile enables the company's bodies to efficiently and effectively address identified IROs and implement the targets of the sustainability strategy, which requires a high level of customer and employee orientation, process understanding, and awareness of regulatory frameworks, especially in the context of military applications. The qualification matrix for the Supervisory Board members can be found in chapter 11.6.2. *Composition including diversity, competence profiles and qualification matrix* The disclosures are marked with \* and are an integral part of this sustainability statement.

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

On the basis of regular meetings with the head of the central corporate sustainability team, the CFO is informed about the current status of sustainability-related topics, makes strategic decisions together with the full Executive Board, sets the governance framework, and is responsible for the uniform implementation of the sustainability strategy set by the full Executive Board, including monitoring. The specialist units have operational responsibility for implementing the actions taken to achieve the targets of the sustainability strategy. The nature and scope of existing targets and actions are described in the topic-specific sections of the sustainability statement.

The Executive Board members responsible for their respective departments were regularly informed about sustainability-related topics such as concepts, key figures and targets by the departments they manage, which also prepare the information for the full Executive Board. RENK has not yet taken any actions based on this. In fiscal year 2024, project

progress on the introduction of CSRD-compliant reporting, in this context the status and results of the DMA in particular, including all of the IROs, as well as the development of a sustainability strategy were especially important.

The Supervisory Board and Audit Committee are usually informed on a monthly basis at the relevant meetings in accordance with the meeting calendar. In addition to the review of the 2023 sustainability report as well as the underlying strategies, targets, actions and key figures, the main focus was project progress regarding the introduction of the CSRD, sustainability-related targets and the DMA. In this context, the derived IROs were thematically assigned to the reportable topic areas of the ESRS standards and allocated to four clusters according to low/high financial materiality and low/high materiality of impacts. Based on this summary of results, the outcomes and their significance to RENK were ascertained and discussed with the Supervisory Board. There was no discussion of concepts, key figures and actions in fiscal year 2024.

There were no complex issues in the fiscal year that could arise from a possible conflict between operating activities, in particular conducted or planned transactions, and the identified sustainability-related impacts, risks and opportunities.

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

The members of the Executive Board receive variable compensation, taking into account ESG-related factors. Climate-related factors are not taken into account in their compensation. Compensation consists of a short-term component (STI) and a long-term component (LTI). No ESG-related targets were formulated in the STI in the fiscal year. The LTI consists of four-year performance periods, after which the respective LTI for the performance period is paid out. For each performance period, the Supervisory Board sets several targets, including at least one non-financial target.

For the current performance period 2024 to 2027, the Supervisory Board has set a sustainability-related target in the LTI. This is weighted at 10 %. The share of variable compensation linked to sustainability-related targets amounts to between 1.2 % and 6.8 % of the total variable compensation of the three current members of the Executive Board during fiscal year 2024. This calculation is based on the respective variable compensation of the Executive Board members consisting of LTI and STI on a 100 % basis. The ratio of STI and LTI is not completely identical for each member of the Executive Board, meaning that the share of variable compensation linked to sustainability-related targets is different for each member of the Executive Board. The sustainability-related target of the LTI for the performance period 2024 to 2027 consists of two components: “CSRD readiness” as a criterion for 2024, and the target “increasing the proportion of women in management positions” for the entire performance period.

The CSRD readiness criterion is considered to be achieved if the CSRD requirements have been successfully implemented. The possible target attainment rates are therefore 100 % or 0 %. The target of “women in management positions” is considered to have been fully achieved if a quota of 15.9 % is reached at management levels M1-M4 as at December 31, 2027. This is derived from a linear growth path until the target quota is reached, based on share of women of 11.79 % in 2024.

The remuneration system for the Executive Board was resolved by the Supervisory Board and required the approval of the Annual General Meeting in June 2024 (Articles 87a and 120a para. 1 sentence 1 of the German Stock Corporation Act). The Supervisory Board is responsible for setting the specific performance indicators and targets for variable compensation as well as for determining the respective target attainment in accordance with the rules of the remuneration system (Articles 87 and 87a para. 2 sentence 1 of the German Stock Corporation Act), which is supported in this task by its Personnel Committee. A supplementary description of the remuneration system can be found in our annual report in section C, chapter 5 Remuneration report for fiscal year 2024 under Long Term Incentive (LTI) on the RENK website at <https://ir.renk.com/corporate-governance>. The disclosures are marked with \* and are an integral part of this sustainability statement.

#### Sustainability-related performance in incentive schemes

	Unit	2024 01.01.-31.12.	Standard
Proportion of variable remuneration of members of the management and supervisory bodies dependent on sustainability-related targets and/or impacts	%	2.54	GOV-3 29 (d)

**GOV-4 Statement on due diligence**

The disclosures regarding ESRS 2 GOV-4 can be found in 1.5 Further information on the sustainability statement.

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

Information on the structure and methodology of risk management with regard to sustainability-related risks and their presentation can be found in chapter 8.1 Key features of the internal control system of the management report. The disclosures are marked with \* and are an integral part of this sustainability statement.

As with the financial ICS, the aim of the non-financial ICS is to ensure the completeness and accuracy of externally reported data. So far, controls have only covered quantitative disclosures. The latter were divided into three risk categories (low-medium-high) as part of a scoping exercise by the Environmental (Q-HSE), Social (HR) and Governance (Legal & Compliance) departments, particularly with regard to susceptibility to errors and data quality. Key figures in the categories "medium" and "high" were included in the documented ICS and controls were added at the corresponding interfaces or process steps. Key controls include the principle of dual control, plausibility checks and system controls, which are documented in a risk control matrix for the specialist units. In addition, the introduction of a software tool ensured an audit-compliant and reliable method for the Group-wide data collection and calculation process for environmental indicators. Disclosures made in ESRS 2 General disclosures are not yet covered by the ICS.

Sustainability-related risks, controls and processes are subject to regular internal review, e.g. through annual updates of the scope of controls and reviews. These audits can be carried out by the Risk Management, Internal Control System, Internal Audit and Q-HSE departments. If vulnerabilities are identified, action plans are developed in conjunction with the affected units in order to manage any risks in accordance with the corporate strategy. In addition, the Executive Board and Audit Committee are informed every six months about the results of the risk assessment process and annually about the adequacy and effectiveness of the internal control system.

The physical and transitory climate risks identified by RENK as well as internal non-financial controls are integrated into the regular internal risk reporting to both the Executive Board and the Supervisory Board. In addition, climate and environmental risks were integrated into the risk strategy, which was approved by the Executive Board and presented to the Supervisory Board.

**SBM-1 Strategy, business model and value chain**

**Strategy and business model**

RENK had 3,956 employees in fiscal year 2024. The number of employees cited in the sustainability statement differs from that in the financial section of the management report, as different definitions apply here. In accordance with the CSRD rules, the indicator does not include temporary workers and external employees.

**Strategy, business model and value chain**

	Unit	2024 01.01.-31.12.	Standard
<b>Employees<sup>1</sup></b>	<b>Number</b>	<b>3,956</b>	SBM-1 40 (a) iii
<b>By geographical area</b>			SBM-1 40 (a) iii
Europe	Number	3,303	SBM-1 40 (a) iii
America	Number	553	SBM-1 40 (a) iii
Asia	Number	100	SBM-1 40 (a) iii

<sup>1</sup> All figures in headcounts

RENK sees itself as one of the major providers of mission-critical drive technology for a wide range of applications with a global focus. RENK is divided into three segments. These are based on a product or market/customer structure and

have a segment manager with full business responsibility who reports to the CEO of RENK Group AG. For information on the Group strategy, business model, business activities and customer groups, please refer to chapter *1.1 Organizational and reporting structure* and *1.2 Business model* of the management report. The disclosures are marked with \* and are an integral part of this sustainability statement.

There are currently no sustainability targets relating to individual products, services, customer groups or their geographical distribution. In particular, products for military applications and related services may be subject to export restrictions, including in particular drive solutions for armored vehicles and military vessels.

As a leading provider of drive technology for military and civil applications, RENK makes a key contribution to preserving freedom, democracy and security. This vision and commitment form the foundation for our sustainability strategy, which integrates environmental, social and governance aspects into the core business. By anchoring sustainability aspects in this way, RENK is able to be resilient and commercially successful in the long-term and expand its role as a responsible company and leading provider in the industry.

With its sustainability strategy, RENK focuses on the essentials and takes into account the customer, capital market and legislative perspectives. Four focus areas are derived from this: social responsibility through product quality and safety, emission reduction of in-house operations, promotion of health, safety and inclusion in the workplace, and resilient corporate governance.

### **Social responsibility through product quality and safety**

Product quality and safety are of paramount importance to our customers' demanding application scenarios in military and civilian contexts. RENK strives to strengthen the trust of customers, stakeholders and society in RENK and to ensure long-term resilience and competitiveness through an uncompromising focus on quality and safety. To this end, RENK relies on a comprehensive quality management system that includes all development and production processes. Through regular testing and certification, which is required for military and safety-critical applications, the company ensures that the highest standards are maintained.

This objective is underpinned by RENK's research and development activities, which are focused on innovation and continuous improvement of performance and reliability. Product quality and -safety are the cornerstones of product development. Our products are subjected to rigorous tests that simulate realistic usage scenarios and thus ensure long-term functionality in the field and on water. By working with customers, we create tailor-made solutions that meet the specific requirements and extreme demands in military and civilian applications. This continues with customer-oriented, proactive aftercare. The ability to address individual customer needs increases the quality and reliability of our solutions over their life cycle, which is also maximized in a resource-saving manner.

### **Emission reduction of in-house operations**

RENK is committed to the ambition of consistently minimizing the ecological footprint of its own operations by reducing greenhouse gas (GHG) emissions from its own production. In doing so, RENK intends to promote a climate-friendly future and drive the transformation towards climate neutrality. RENK focuses on the energy efficiency of production processes, the use of renewable energy sources, energy-saving measures in building management, and employee awareness. Actions with the biggest contribution to emission reduction in relation to the resulting costs are prioritized so that short- and medium-term savings potential can be achieved in an optimum, economically rational way.

### **Promoting health, safety and inclusion in the workplace**

RENK is committed to creating a work environment that supports the physical and mental health of employees, ensures their safety, and promotes diversity and inclusion. The aim is to increase employee satisfaction, productivity and loyalty, and to strengthen the company's position as a responsible and attractive employer. RENK has anchored these objectives in its Code of Conduct and employee-related guidelines, as set out in sections *ESRS S1 – Own workforce* and *ESRS G1 –*

*Business conduct* and explained in more detail with regard to the individual characteristics of objectives. At present, there are no comparable or derived objectives for employees in the downstream value chain.

The well-being of our employees is constantly and comprehensively considered through an occupational health and safety management system that includes clear guidelines and procedures for identifying, assessing and minimizing health risks in the workplace. RENK offers training to raise employees' awareness of safety-related issues and to provide them with the knowledge and skills they need to carry out their work safely. These actions are embedded in a culture of occupational safety in which employees are encouraged to raise safety concerns, report risks and support each other to ensure a safe work environment.

### **Resilient corporate governance**

RENK is often system-relevant to its customers and partners due to mission-critical application scenarios. This gives rise to the need for resilient corporate governance that promotes responsible action at all levels of the company, enforces the highest standards, and enables long-term relationships with customers, partners and stakeholders. RENK's corporate governance contributes to fulfilling these principles and objectives. Based on binding ethical principles of conduct and compliance requirements as laid down in the RENK Code of Conduct, it forms the basis for sound corporate governance within the RENK Group through open communication and constructive cooperation. The corporate governance structure fosters an open and risk-mitigating culture of compliance and integrity while advancing strategic business areas.

The compliance culture includes systematic internal training and awareness-raising aimed at ensuring compliance with legal and ethical standards and thus contributing to sustainable business performance. To prevent legal and reputational risks, RENK has a compliance management system (CMS). The aim of the CMS is the prevention and, if applicable, the early detection of violations of the law such as corruption, money laundering, breaches of competition law, and breaches of foreign trade law. Another CMS focus is on data privacy and information security. The CMS provides protection for RENK and its employees.

### **Robust supply chain management**

At RENK, we see it as our mission to contribute to a safe and sustainable future through our products, and therefore in conjunction with our customer groups in the defense, mobility and industrial sectors. We are one of the world's leading manufacturers of mission-critical drive solutions for a wide range of defense and civil end markets. We manufacture, sell and maintain equipment such as gear units, hybrid drive systems, chassis systems, slide bearings, couplings and test systems. Our aim is to meet the global need for peace and security and world that conserves resources, and to contribute to a safe, sustainable future.

RENK purchases a range of intermediate products, mainly including castings, welded parts, bearings, forged parts, turned, milled and geared parts, electrical equipment and hydraulic components. Our supplier base includes more than 5,000 suppliers worldwide, particularly in Europe, where approximately three quarters of our suppliers are based, as well as in North America and the United Kingdom. We have very limited supplier concentration, with no single supplier accounting for more than 2.5 % of our total supply costs and our 20 largest suppliers accounting for less than 20 % of our total supplies based on the cost of supplies for the fiscal year ended December 31, 2024.

Our supply chain management, which is also responsible for global procurement, is centrally controlled. By automating purchasing processes and systems, consolidating our supplier base across our segments and diversifying suppliers to prevent dependence on individual suppliers, RENK strives for a lean, consistently efficient procurement process. Corresponding implementation projects have been initiated. In addition, RENK ensures optimum provisioning for the company on the supply-chain side through careful selection processes, supplier reviews, active monitoring, reliability checks and long-term contracts for material and price protection. We also refer to the information on the risk management system for procurement risks in chapter 8.2 *Risk and opportunity report* of the management report. The disclosures are marked with \* and are an integral part of this sustainability statement.

### SBM-2 Interests and views of stakeholders

RENK took into account the perspectives of the most important stakeholders when conducting the double materiality assessment. The perspectives were developed by subject matter experts from RENK's specialist units when identifying and evaluating IROs. For this process, the population of potential users of sustainability information and those affected by positive and negative impacts was identified. This was followed by a weighting to determine the most important stakeholders. The weighting factors used were the degree of possible influence (power) and the extent of stakeholders' interest regarding RENK (interest), including the demand for information on sustainability issues. The most important stakeholders were identified as those who can exert significant influence and who also have a particular interest in RENK. These include RENK's customers, employees and shareholders.

Stakeholder group	Description	Interaction
Customers	The specificity of the application scenarios for our drive solutions requires constant interaction with customers. This is particularly important when it comes to government contracts, which are subject to restrictive regulations.	Order-related interaction begins with contract initiation and includes the definition of qualitative requirements for drive solutions. In this context, the type and frequency of customer involvement and modalities for product testing and acceptance are also determined. The frequency and intensity of customer involvement is customer-, order- and product-specific.
Employees	Employees are the bearers of corporate values and culture and represent a key success factor for economic development. At the same time, employees require special protection, including occupational safety and the avoidance of discrimination or loss of personal rights. The ongoing involvement of employees in improvement processes, health protection, the promotion of equality and inclusion are based on open communication, transparent processes and fair behaviour at all hierarchical levels.	The views of employees are incorporated into RENK's strategies, decisions and actions through various firmly established dialogue formats. Please refer to the section ESRS S1-2. In addition, the Works Council was involved in ESG-related topics as an employee representative on several occasions in fiscal year 2024.
Shareholders	Due to the risk of loss for investors and their interest in positive and sustainable corporate development, RENK is of the opinion that their information requirements are very comprehensive, both in terms of the depth of information and the timeframe beyond the usual planning horizons.	The Investor Relations department ensures ongoing capital market communication (including sustainability information) and evaluates investor feedback. This is passed on to the Executive Board, which takes appropriate measures in accordance with identified areas of action based on the sustainability strategy and processes.  In addition to the annual general meeting, the Management Board regularly interacts with capital representatives and employee representatives on the Supervisory Board as well as institutional investors in the context of ongoing capital market communication, including for example roadshows and institutional investor conferences.

### Further stakeholder involvement

The initial risk analysis carried out during the reporting period for the company's own business area and suppliers in accordance with the German Act on Corporate Due Diligence Obligations in Supply Chains did not reveal any significant human rights-related risks to affected communities and/or indigenous peoples. If communities feel that their views, interests and rights are affected by RENK's business activities, one way of reporting any concerns is to use the "RENK Integrity Line" whistleblower system, which is accessible via the RENK website.

After the DMA was conducted for the first time, the results were presented to representatives of stakeholder groups. The two-member institution includes one representative each from banking and science. This ensures representation for stakeholder groups such as users of sustainability reporting and those affected by sustainability-related impacts. The task was to assess the completeness and balance of the identified IROs. As a result, the outcomes of the DMA were confirmed in all essential respects.

The Supervisory Board and Executive Board are informed about the perspectives and interests of affected stakeholder groups with regard to the material effects of RENK via the reporting channels described in chapter ESRS 2 GOV-2.

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

**Topic-specific disclosures:**

The IROs identified in the double materiality assessment are described in the tables below and examined in the topic-specific standards with regard to their interaction with the corporate strategy and business activities.

**ESRS E1 - Climate change**

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
<b>Climate change adaptation</b>								
Environmental degradation and health effects on humans due to climate hazards	P	Negative I.	•	•	•	•	•	•
Resilient infrastructure through modernisation	P	Positive I.		•		•	•	•
Financial expenditure due to climate adaptation measures	-	Risk		•		•	•	•
Financial expenditure due to business interruptions caused by environmental disasters	-	Risk		•		•	•	•
<b>Climate change mitigation</b>								
Contribution to global warming through GHG emissions in the supply chain	A	Negative I.	•			•	•	•
Contribution to global warming through GHG emissions in the procurement, production and use of energy	A	Negative I.	•	•		•	•	•
Contribution to global warming through GHG emissions from the operation of vehicles	A	Negative I.	•	•	•	•	•	•
Contribution to global warming through GHG emissions from the use of RENK products	A	Negative I.			•		•	•
Contribution to global warming through GHG emissions from waste and recycling	A	Negative I.	•	•	•	•	•	•
Reduction of GHG emissions in line with the 1.5-degree target	A	Positive I.	•	•	•	•	•	•
Reduction of GHG emissions through energy savings	P	Positive I.	•			•	•	•
Reduction of GHG emissions through efficiency and awareness-raising measures for employees	A	Positive I.	•	•		•	•	•
Reduction of GHG emissions by switching to renewable energy sources	A	Positive I.	•	•		•	•	•
Reduction of GHG emissions through the production of energy-efficient and low-emission components	A	Positive I.			•	•	•	•
Financial expenditure due to transition risks	-	Risk	•	•			•	•
Financial expenditure due to investment in emissions reduction	-	Risk		•			•	•
Sales potential through low-emission production and products	-	Opportunity		•	•		•	•
<b>Energy</b>								
Contribution to global warming/climate crisis through fossil energy sources	A	Negative I.	•	•	•	•	•	•
Energy savings in the utilization phase through energy-efficient products	A	Positive I.			•	•	•	•
Financial expenditure due to rising energy and fuel prices	-	Risk	•	•		•	•	•
Cost reduction through increased energy efficiency and renewable energies	-	Opportunity	•	•		•	•	•

ESRS S1 – Own workforce

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
<b>Working conditions</b>								
Employment security through permanent employment contracts	A	Positive I.	•			•	•	•
Employment security through stable business model	A	Positive I.	•			•	•	•
Employee overload due to overtime and staff shortages	P	Negative I.	•			•	•	•
Increasing employee satisfaction through compensation schemes (pay or time off)	A	Positive I.	•			•	•	•
Increasing employee satisfaction through appropriate remuneration	A	Positive I.	•			•	•	•
Increasing employee satisfaction and motivation through transparent communication, problem solving and active involvement	A	Positive I.	•			•	•	•
Increasing employee satisfaction through co-determination within the framework of employee representatives	A	Positive I.	•			•	•	•
Employment security through collective labour agreements	A	Positive I.	•			•	•	•
Restrictions on cost flexibility due to tariff agreements	-	Risk	•			•	•	•
Restrictions on employee well-being, especially production employees, due to a lack of work-life balance	A	Negative I.	•			•	•	•
Promotion of employee well-being, especially administrative staff, through a good work-life balance	A	Positive I.	•			•	•	•
Work-related accidents due to high-risk production environments	P	Negative I.	•			•	•	•
Work-related fatalities due to high-risk production environments	P	Negative I.	•			•	•	•
Promotion of occupational safety through effective health and safety measures	A	Positive I.	•			•	•	•
<b>Equal treatment and equal opportunities</b>								
Financial security and job satisfaction through a small gender pay gap	A	Positive I.	•			•	•	•
Lack of personal and professional development due to lack of further training <sup>1</sup>	A	Negative I.	•			•	•	•
Increasing employee satisfaction through personal and professional development	A	Positive I.	•			•	•	•
Loss of efficiency and productivity due to inadequate training	-	Risk	•			•	•	•
Increasing employer attractiveness and employee satisfaction and performance through comprehensive training and further training	-	Opportunity	•			•	•	•
Endangering the well-being of employees through violence and harassment	P	Negative I.	•			•	•	•
Increasing employee well-being through zero tolerance of violence and harassment	A	Positive I.	•			•	•	•
Endangering the well-being of employees through discrimination	P	Negative I.	•			•	•	•
Increasing productivity and innovative strength through active diversity	-	Opportunity	•			•	•	•
<b>Other work-related rights</b>								
Negative impact on information due to data breach	P	Negative I.	•			•	•	•
Legal consequences of breaches of employee data protection	-	Risk	•			•	•	•
Loss of trust in the company due to loss of personal data	-	Risk	•			•	•	•

<sup>1</sup> Related to topic-specific training courses at varying levels of development.

**ESRS S2 – Workers in the value chain**

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
<b>Working conditions</b>								
Strengthening social stability through employment security based on permanent employment contracts	P	Positive I.	•	•	•	•	•	•
Strengthening social stability while taking national conditions into account through appropriate remuneration	P	Positive I.	•	•	•	•	•	•
Work-related accidents due to hazardous working conditions and lack of occupational safety measures	P	Negative I.	•	•	•	•	•	•
Health effects due to lack of safety equipment	P	Negative I.	•	•	•	•	•	•
Promotion of occupational safety through effective health and safety measures	P	Positive I.	•	•	•	•	•	•
<b>Other work-related rights</b>								
Human rights violations and exploitation through toleration of child labour	P	Negative I.	•	•	•	•	•	•
Avoidance of child labour through compliance with ethical working practices and implementation of targeted preventive measures	A	Positive I.	•	•	•	•	•	•
Avoidance of forced labour through compliance with ethical working practices and implementation of targeted preventive measures	A	Positive I.	•	•	•	•	•	•

**ESRS S3 – Affected communities**

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
<b>Economic, social and cultural rights of communities</b>								
Endangering the civilian population in conflict areas through military use of RENK propulsion solutions	P	Negative I.		•	•	•	•	•
Contribution to the protection of the civilian population in conflict zones through the military use of RENK propulsion solutions	A	Positive I.		•	•	•	•	•

**ESRS S4 – Consumers and end-users**

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
<b>Adaptation to consumers and end-users</b>								
Risk to human life due to product malfunction in use	A	Negative I.		•		•	•	•
Reputational risks due to massive negative quality incidents	-	Risk		•		•	•	•
Legal consequences due to massive negative quality incidents	-	Risk		•		•	•	•

**ESRS G1 – Business conduct**

Material impacts, risks and opportunities	Actual (A) / Potential (P)	Type	Value chain			Time horizon		
			upstream	own business operations	downstream	short-term	mid-term	long-term
<b>Corporate culture</b>								
Increase in employee satisfaction and company identification through a positive working atmosphere and ethical corporate culture	A	Positive I.		•		•	•	•
Legal consequences of breaches of ethical standards and legal requirements	-	Risk		•		•	•	•
Reputational risks due to breaches of ethical standards and legal requirements	-	Risk		•		•	•	•
Increasing employee loyalty and reputation through compliance with ethical standards and legal requirements	-	Opportunity		•		•	•	•
<b>Protection of whistleblowers</b>								
Discrimination, harassment and retaliation against whistleblowers due to lack of whistleblower protection	P	Negative I.	•	•	•	•	•	•
Increasing employee motivation and company identification through open corporate culture and established whistleblower protection	A	Positive I.	•	•	•	•	•	•
Legal consequences due to lack of whistleblower protection	-	Risk	•	•	•	•	•	•
Increased willingness to report concerns through established whistleblower protection	-	Opportunity	•	•	•	•	•	•
<b>Political involvement and lobbying activities</b>								
Reputational risks due to non-transparent, unethical influence on politics and customers	-	Risk		•	•	•	•	•
Gain in reputation through political commitment to promoting sustainable business practices and technologies	-	Opportunity		•	•	•	•	•
<b>Corruption and bribery</b>								
Reduced product quality and standards due to deviation from processes and guidelines as a result of corruption	P	Negative I.	•	•		•	•	•
Legal consequences of inadequate anti-corruption measures and money laundering incidents	-	Risk	•	•	•	•	•	•
Reputational risks due to inadequate anti-corruption measures and money laundering incidents	-	Risk	•	•	•	•	•	•
Increased risk of reputational damage if parts of the value chain are located in countries with an increased risk of corruption	-	Risk	•	•	•	•	•	•

### Conducting the resilience analysis

In fiscal year 2024, RENK fiscal conducted a resilience analysis for the entire Group to analyze the resilience of the strategy and business model in terms of material impacts and risks as well as to exploit significant opportunities. The analysis builds on the results of the double materiality assessment and the climate risk analysis from the current fiscal year and uses the same time horizons. The value chain is also taken into account where appropriate.

The starting point for the analysis is the list of material impacts, risks and opportunities in the DMA, clustered at sub- and sub-sub-topic level. To assess resilience, the following aspects were analyzed for all material IROs:

- coverage in existing concepts, actions and targets,
- consideration in the sustainability and corporate strategy,
- reference to the business model and inherent characteristics of the industry, and
- planned implementation of adaptation measures.

Overall, no material impacts, risks or opportunities have been identified for RENK that would require a fundamental modification of the business model or could significantly impair or improve the earnings, financial and net asset position in the short term. The analysis shows that RENK is able to address and manage the material IROs. The extent of this ability varies depending on the subject area. This is explained in more detail in the respective topic-specific standards.

### Current financial impacts

For fiscal year 2024, no current financial impacts of significant risks and opportunities on the net asset, financial and earnings position need to be reported.

#### Material impacts, risks and opportunities and their interaction with strategy and business model

	Unit	2024 01.01.-31.12.	Standard
Current financial effects of material risks and opportunities on financial position, financial performance and cash flows and material risks and opportunities for which there is significant risk of material adjustment within next annual reporting period to carrying amounts of assets and liabilities reported in related financial statements	€	-	SBM-3 48 (d)

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

In fiscal year 2024, RENK performed a double materiality assessment in line with ESRS requirements. It included the identification and objective assessment of the impacts, risks and opportunities arising from RENK’s business activities. This took into account the risks and opportunities that could affect RENK’s profitability, and the impacts of its business activities on stakeholders, the environment and society. The impacts on stakeholders, including the environment and society, and the resulting effects were evaluated based on the experience of the relevant specialist units, see *ESRS 2 SBM-3*.

At the start of its work on the DMA, RENK defined its value chain, including upstream and downstream activities, as well as its own business model. A longlist of topics was devised on the basis of the mandatory ESRS topics according to ESRS 1 Annex 1, Annex A, AR 16 as well as other company-specific topics. Particular attention was paid to those subject areas covered by the sustainability strategy. The perspectives of customers, capital markets and legislators are particularly important here, especially with regard to country-specific factors. Each topic on the longlist was assigned actual and potential impacts, risks and opportunities that arise directly or indirectly, within and outside the company and over the short, medium and long term.

The assessment of the actual and potential IROs with regard to environmental, social and governance issues was carried out by RENK's respective subject-matter experts. The assessment and the selected materiality thresholds are based on the methodology of the EFRAG "Double materiality conceptual guidelines for standard setting".

When identifying and evaluating the IROs, the entire value chain was taken into account wherever possible. This included risks and opportunities arising from business relationships as well as the dependence on natural and social resources. There are no individual activities or business relationships that pose a fundamentally increased risk of negative impacts. The risks and opportunities were each assessed according to the probability of occurrence and the extent of the financial effect (gross). Financial risks and opportunities are consistent with RENK's financial risk management. Information on the structure and methodology of risk management with regard to sustainability-related risks and their presentation can be found in chapter 8.1 *Key features of the internal control system* of the management report. The disclosures are marked with \* and are an integral part of this sustainability statement.

The impacts on people and the environment resulting from RENK's business activities were analyzed on a multidimensional basis, distinguishing between actual and potential, positive and negative, as well as short, medium and long-term impacts. In the case of actual negative impacts, materiality is determined by the extent, scope and immutability of the impact. In the case of potential negative impacts, the extent, scope, irremediability and likelihood of occurrence are decisive. In the case of potential negative impacts on human rights, however, the likelihood of occurrence takes second place to the severity of the impact. The materiality of potential positive impacts is determined by the extent, scope and likelihood of occurrence. The latter factor does not apply to actual positive impacts.

The considered factors are each converted into scale values by RENK, added up, averaged, probability-weighted and thus condensed to a total value between 0 and 5. Impacts with an overall value between 3 and 5 are categorized as material and therefore reportable.

For RENK, a sustainability issue is financially material if it could have a significant negative or positive impact on the company and its assets, financial position and results of operations. The thresholds for the probability of occurrence and the financial effects were based on the risk management assessment scales. The significance of financial risks and opportunities is measured on the basis of the potential impact in terms of amount and the probability of occurrence. Risks and opportunities with an overall value of between 3 and 5 are categorized as significant and therefore reportable. The results of the DMA are validated by the topic experts from the specialist departments and by the Executive Board and presented to the representatives of the stakeholder groups for discussion. Compliance with the reporting on financial risks and opportunities in accordance with chapter 8.2 *Risk and opportunity report* of the management report is ensured through the involvement of RENK's Risk Management. The disclosures are marked with \* and form an integral part of this sustainability statement.

The IROs presented in this sustainability report are based on the DMA as conducted in fiscal year 2024. In accordance with the RENK guidelines on sustainability reporting, RENK is obliged to update the DMA annually. The IROs relevant to fiscal year 2024 and their implications for the environment, people and RENK are presented in the following sections on topic-related reporting obligations. The corresponding report contents can be found in *ESRS E1 – Climate change*, *ESRS S1 – Own workforce*, *ESRS S2 – Workers in the value chain*, *ESRS S3 – Affected communities* and *ESRS G1 – Business conduct*.

## **IRO process description for each topic standard**

### **ESRS E1 – Climate change**

To determine its impacts on climate change (*ESRS E1 – Climate change*), RENK systematically reviewed its activities and plans to identify both actual and potential future sources of GHG emissions. To ensure that the materiality assessment takes into account all activities and projects that actually or potentially cause GHG emissions, RENK performed a value chain analysis in advance. This describes the upstream and downstream value chain as well as the activities of the company itself. In this way, we ensure that all relevant emission sources and climate-related impacts are recorded and assessed. The actual and potential impacts on climate change identified by this analysis were assessed by RENK subject-matter experts.

The climate-related physical risks were determined using the available data from Zurich Insurance's *Resilience Solutions* software. Selected short-, medium- and long-term climate risks listed in *ESRS E1 – Climate change* AR 11 were identified here. For each of our sites under RENK's operational control, an analysis was performed to determine whether and to what extent they could be exposed to corresponding climate hazards. This was based on two climate-change scenarios of the Intergovernmental Panel on Climate Change (IPCC): SSP5-8.5 (high emissions) and SSP1-2.6 (low emissions). Short-term (<1 year), medium-term (two to five years), and long-term (>5 years) time horizons were considered. These timescales are not related to the expected useful life of the assets, the strategic planning horizons or the capital allocation plans of RENK.

By means of an expert survey within the procurement function, we determined whether and to what extent climate-related physical risks could impact our suppliers and affect RENK. On account of our business model and the geographical location of our main production sites and suppliers, the climate-related physical risks arising from the climate hazards under both scenarios were classified as not material within the meaning of RENK risk management.

Transition risks and opportunities for RENK's business activities and assets as well as for the upstream and downstream value chain were identified in the current fiscal year as part of RENK's risk management through workshops with experts. The identification of transition events and the assessment of exposure were carried out with due consideration of the IPCC's climate-change scenario SSP1-2.6. The analysis considered the impact of transition risks (according to TCFD classification) on RENK's business activities and assets over the short, medium and long term. The timescales are based on the requirements of ESRS 1 section 6.4.

On this basis, the risks and opportunities arising for RENK from the transition to a low-carbon economy were analyzed and assessed taking into account the extent and duration of the transition events. We are not aware of any assets or business activities that would be incompatible with the transition to a climate-neutral economy or would require significant efforts to be compatible with the transition to a climate-neutral economy.

When analyzing the identification and valuation of physical risks, transition risks and opportunities, RENK did not use any climate-related scenario analysis with a number of other climate scenarios, except for the consideration of the climate-change scenarios mentioned above. No additional climate scenarios were taken into account in the financial reporting.

## **ESRS E2 – Pollution**

To determine the material impacts, risks and opportunities in the area of pollution (ESRS E2 - Pollution), RENK's business activities and sites were analyzed. The same applies to the upstream and downstream value chain. RENK operates at its sites in accordance with applicable EU and national environmental regulations to avoid any type of pollution. This means that there is no likelihood of significant soil, water and air pollution from the sites. Identification and assessment of the IROs were carried out on the basis of the available analyses and internal data on pollutant releases with reference to internal expert assessments.

Due to complex value chains and the limited influence of RENK, a targeted, active dialogue with affected stakeholders requires more in-depth analyses. Against this background, there was no direct consultation with affected communities in the context of the materiality assessment of the impact of pollution during fiscal year 2024.

## **ESRS E3 – Water and marine resources**

RENK's business activities and sites were also assessed to identify impacts, risks and opportunities related to water and marine resources (ESRS E3 – Water and marine resources). This analysis also included the upstream and downstream value chain. Water risks for RENK's sites were investigated using the World Resources Institute's (WRI) "Aqueduct" Water Risk Atlas. Based on this evaluation, no material impacts, risks and opportunities have been identified regarding RENK's sites and the value chain. The overall analysis and evaluation were carried out based on the expertise of RENK's subject-matter experts without direct consultation with affected communities. Based on the overall analysis, the topic of water and marine resources was classified as not material by the subject-matter experts at RENK.

#### **ESRS E4 – Biodiversity and ecosystems**

To identify impacts, risks and opportunities related to biodiversity and ecosystems (ESRS E4 – Biodiversity and ecosystems), focus was placed on RENK's sites as well as the upstream and downstream value chain. The analysis of the actual and potential impacts on biodiversity and ecosystems at our own sites was conducted taking into account the respective geographical location and the activities performed there (production, administration, sales and engineering). For each site, RENK's subject-matter experts checked whether it is located in or near areas defined as Natura 2000 areas, UNESCO World Heritage Sites and/or Key Biodiversity Areas (KBA). Currently, no RENK site has an influence on any of the areas mentioned.

No dependencies on biodiversity and ecosystems and their benefits were identified at our own sites or within the upstream and downstream value chain. The same applies to transitory risks and systemic risks related to biodiversity. No affected communities could be reasonably identified. Consequently, there was no systematic consultation with affected communities. As no material IROs relating to biodiversity and ecosystems were established at the company's own sites or within the upstream and downstream value chain, RENK has not identified any required biodiversity-related remediation.

#### **ESRS E5 – Resource use and circular economy**

To address the issues of resource use and circular economy (ESRS E5 – Resource use and circular economy), no further site analyses were carried out in addition to the procedures already described. Impacts, risks and opportunities were identified by RENK's subject-matter experts. The overall analysis did not involve direct consultation of affected communities.

#### **ESRS G1 – Business conduct**

Material impacts, risks and opportunities in the area of corporate governance (*ESRS G1 – Business conduct*) were identified based on RENK's business activities, also taking into account the associated exposure with regard to comprehensive regulation, political influence, corruption and bribery. The IROs were identified and assessed by RENK's internal subject-matter experts with specific information and expertise. The basis for this was the Group-wide compliance and risk management system, which is geared towards identifying and managing impacts, risks and opportunities in the context of corporate governance. We refer to section *ESRS G1 – Business conduct*.

## 1.2 Environmental information

### Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

#### Objectives and background of the EU taxonomy

The EU taxonomy is a key tool for promoting sustainable investment in Europe, developed in response to the 2015 Paris Climate Agreement. The aim of the agreement is to limit global warming to well below two degrees Celsius, ideally to no more than 1.5 degrees. To support this, the EU aims to achieve net zero greenhouse gas emissions by 2050 and reduce emissions by at least 55 percent by 2030. Germany has set even more ambitious targets, with a reduction of 65 percent by 2030 and greenhouse gas neutrality by 2045. In addition to the two environmental objectives (1) climate change mitigation (CCM) and (2) climate change adaptation (CCA), the EU taxonomy includes four further environmental objectives to be pursued: (3) sustainable use and protection of water and marine resources (WTR), (4) transition to a circular economy (CE), (5) pollution prevention and control (PPC), and (6) protection and restoration of biodiversity and ecosystems (BIO).

The EU Taxonomy Regulation supports these objectives by promoting transparent and sustainable financial flows that are consistent with environmentally friendly developments. It classifies economic activities according to their ecological sustainability, thus offering investors security and preventing greenwashing. This is based on Regulation (EU) 2020/852, which has been in force since July 2020 and both sets out sustainable investment criteria and expands disclosure requirements.

The European Commission is empowered to define technical assessment criteria through delegated acts. On December 9, 2021, legal acts were established for climate change mitigation and climate change adaptation (environmental objectives 1 and 2). In June 2023, the Commission introduced further criteria, this time for economic activities contributing to non-climate-related environmental objectives. These objectives include sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. In addition to the delegated regulations on the technical assessment criteria for the six environmental objectives, the EU Taxonomy Regulation provides for a further delegated regulation on the taxonomy-related reporting obligations pursuant to Article 8 of the EU Taxonomy Regulation, which contains more detailed provisions on content, methodology and presentation.

The EU taxonomy distinguishes between taxonomy-eligible and taxonomy-aligned economic activity. Economic activities that are described in the delegated acts are "taxonomy-eligible". The EU taxonomy includes criteria for economic sectors and economic activities that have the potential to make a substantial contribution to climate and environmental protection or to climate change adaptation.

Economic activities are "taxonomy-aligned" within the meaning of the Taxonomy Regulation if they cumulatively meet the following criteria:

- They contribute substantially to one or more of the environmental objectives,
- they do not significantly harm any of the other five EU environmental objectives, each demonstrated by compliance with the criteria defined by the EU, and
- they comply with minimum safeguards criteria.

#### Determination of taxonomy eligibility and taxonomy conformity

Taxonomy-eligible economic activities were determined by reviewing all of RENK's business activities. In the context of the taxonomy-eligible economic activities, the areas of new energy, slide bearings and test systems were identified as relevant, and the company's activity was classified under the economic activity "3.1 Production of technologies for renewable energy" (environmental objective 1). This classification is based on the fact that the gear units, slide bearings and test systems produced are used in various areas of renewable energies, such as wind power, renewable energy

distribution, hydropower generation and geothermal energy generation. In order to determine the taxonomy conformity of economic activity CCM 3.1, the corresponding technical screening criteria must be reviewed in the current fiscal year. This is the substantial contribution to fulfilment of the environmental objective and the "do no significant harm" principle of the other environmental objectives, each based on specific requirements for each relevant economic activity. Verification of the substantial contribution for the respective economic activities was carried out by means of interviews with the experts of the respective specialist unit, evaluation of the existing certifications, and implementation of the specified evidence requirements by the project team. With regard to proof of adherence to the "do no significant harm" principle, the requirements of the delegated act were also checked and documented for each relevant economic activity by the project team in cooperation with the specialist units. Compliance with the social minimum requirements was also checked and documented at a higher level with reference to the individual economic activities. However, this review led to the conclusion that the minimum protection criteria could not yet be fully demonstrated in fiscal year 2024, which is why no further in-depth reviews were carried out.

Based on the assessment of taxonomy eligibility and conformity, the internal data collection of the financial key figures turnover, capital expenditure (CapEx) and operating expenditure (OpEX) required by the taxonomy was used to convert the economic activities identified as taxonomy-eligible and taxonomy-aligned into key figures. The KPIs<sup>1</sup> of the EU Taxonomy Regulation were determined on the basis of the IFRS consolidated financial statements for fiscal year 2024.

In fiscal year 2024, 1 % of the Group's turnover were taxonomy-eligible, and included products from the area of New Energy (segment M&I), Slide Bearings (segment Slide Bearings) and test systems (segment VMS). Turnover was allocated according to the share of products in total turnover. This turnover in the above-mentioned areas forms the taxonomy-eligible numerator of the financial key figure "turnover". The population of turnover (denominator of the financial key figure) represents the "revenue" line of the consolidated statement of profit or loss (see section B *Consolidated Income Statement*) for fiscal year 2024. As explained above, RENK does not report any taxonomy-aligned turnover in fiscal year 2024 due to the incomplete verification of the minimum protection criteria.

In fiscal year 2024, 23 % of CapEx was taxonomy-eligible. Based on the project description, an analysis of taxonomy eligibility and conformity is performed, along with a comparison with annexes I and II of delegated regulation 2021/2139 and the environmental objectives of delegated regulation 2023/2468. The sum of the additions reflecting a taxonomy-eligible investment forms the numerator of the taxonomy-eligible CapEx indicator amounting to € 9.5 million from capital expenditure related to the additions of taxonomy-eligible services and products. These include capital expenditure on electrical and electronic equipment such as IT hardware (economic activity CE 1.2) and the installation of charging stations for electric vehicles (economic activity CCM 7.4). A significant share also came from the acquisition or leasing and ownership of buildings (economic activity CCM 6.5) for additional office space or extension of existing leases, as well as the leasing of passenger cars (economic activity CCM 6.5). There was no capital expenditure on activities adapted to climate change.

The population (denominator of the financial key figure) of capital expenditure includes the Group's capital expenditure on "property, plant and equipment" (including right-of-use assets according to IFRS 16 and any capital expenditure on "noncurrent assets held for disposal"), "investment property" and "other intangible assets" (excluding "goodwill") of fiscal year 2024 (see section B 15. *Intangible assets* and 16. *Property, plant and equipment*).

Operating expenditure (OpEX) according to the EU taxonomy generally includes direct, non-capitalized costs for research and development, building renovation measures, short-term leasing, maintenance and repairs as well as any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment. An analysis of the last three fiscal years has shown that this operating expenditure (OpEX) is financially immaterial to the Group's business model. Therefore, this KPI has been excluded from the calculations and disclosure in accordance with section 1.1.3.2 of annex I to delegated regulation (EU) 2021/2178 of the Commission. Accordingly, and in accordance with 1.1.3.1 of annex I to delegated regulation (EU) 2021/2178, we disclose the calculated total value of the OpEx denominator as € 51.6 million.

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<sup>1</sup> KPIs in accordance with the EU Taxonomy Regulation must be considered separately from the KPIs required in DRS 20.

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')						Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, 2023 <sup>1</sup>	Category (enabling activity)	Category (transitional activity)	
Economic activities	Code(s)	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity and ecosystems				Minimum safeguards
			in € millions	in %	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E
<b>A. Taxonomy-Eligible Activities</b>																			
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		-	-	0%	0%	0%	0%	0%	0%										
thereof enabling activities		-	-	0%	0%	0%	0%	0%	0%									E	
thereof transitional activities		-	-	0%															T
<b>A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of renewable energy technologies	CCM3.1	10.9	1	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		10.9	1	1%	0%	0%	0%	0%	0%										
<b>Turnover of Taxonomy-eligible activities (A.1. + A.2.)</b>		<b>10.9</b>	<b>1</b>	<b>1%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>										
<b>B. Taxonomy-non-eligible activities</b>																			
Turnover of Taxonomy-non-eligible activities (B)		1,129.6	99																
<b>Total</b>		<b>1,140.5</b>	<b>100</b>																

<sup>1</sup> In accordance with FAQ 146 to the Delegated Regulation on reporting obligations of November 29, 2024, the figures for the 2023 financial year will not be published.

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')						Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, 2023 <sup>1</sup>	Category (enabling activity)	Category (transitional activity)	
Economic activities	Code(s)	Absolute CapEx	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity and	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity and				Minimum safeguards
		in € millions	in %	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N	Y/N	Y/N	Y/N	Y/N				Y/N
<b>A. Taxonomy-Eligible Activities</b>																			
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		-	-	0%	0%	0%	0%	0%	0%										
thereof enabling activities		-	-	0%	0%	0%	0%	0%	0%									E	
thereof transitional activities		-	-	0%														T	
<b>A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.4	1	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM7.4	0.1	0	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Acquisition and ownership of buildings	CCM7.7	8.1	20	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Manufacture of electrical and electronic equipment	CE1.2	1.0	2	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		9.5	23	21%	0%	0%	0%	2%	0%										
<b>CapEx of Taxonomy-eligible activities (A.1. + A.2.)</b>		<b>9.5</b>	<b>23</b>	<b>21%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>2%</b>	<b>0%</b>									-	
<b>B. Taxonomy-non-eligible activities</b>																			
CapEx of Taxonomy-non-eligible activities (B)		31.5	77																
<b>Total</b>		<b>41.0</b>	<b>100</b>																

<sup>1</sup> In accordance with FAQ 146 to the Delegated Regulation on reporting obligations of November 29, 2024, the figures for the 2023 financial year will not be published.

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')						Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, 2023 <sup>1</sup>	Category (enabling activity)	Category (transitional activity)	
Economic activities	Code(s)	Absolute OpEx	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity and	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity and				Minimum safeguards
		in € millions	in %	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N; N-EL	Y/N	Y/N	Y/N	Y/N	Y/N				Y/N
<b>A. Taxonomy-Eligible Activities</b>																			
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		-	-	0%	0%	0%	0%	0%	0%										
thereof enabling activities		-	-	0%	0%	0%	0%	0%	0%									E	
thereof transitional activities		-	-	0%														T	
<b>A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		-	-	0%	0%	0%	0%	0%	0%										
<b>OpEx of Taxonomy-eligible activities (A.1. + A.2.)</b>		-	-	0%	0%	0%	0%	0%	0%									-	
<b>B. Taxonomy-non-eligible activities</b>																			
OpEx of Taxonomy-non-eligible activities (B)		51.6	100																
<b>Total</b>		<b>51.6</b>	<b>100</b>																

<sup>1</sup> In accordance with FAQ 146 to the Delegated Regulation on reporting obligations of November 29, 2024, the figures for the 2023 financial year will not be published.

**Proportion of turnover/ Total turnover 2024**

	Taxonomy-aligned for each objective	Taxonomy-eligible for each objective
CCM (climate change mitigation)	0%	1%
CCA (climate change adaptation)	0%	0%
WTR (water and marine resources)	0%	0%
CE (circular economy)	0%	0%
PPC (pollution prevention and control)	0%	0%
BIO (biodiversity and ecosystems)	0%	0%

**Proportion of CapEx/ Total CapEx 2024**

	Taxonomy-aligned for each objective	Taxonomy-eligible for each objective
CCM (climate change mitigation)	0%	21%
CCA (climate change adaptation)	0%	0%
WTR (water and marine resources)	0%	0%
CE (circular economy)	0%	2%
PPC (pollution prevention and control)	0%	0%
BIO (biodiversity and ecosystems)	0%	0%

**Proportion of OpEx/ Total OpEx 2024**

	Taxonomy-aligned for each objective	Taxonomy-eligible for each objective
CCM (climate change mitigation)	0%	0%
CCA (climate change adaptation)	0%	0%
WTR (water and marine resources)	0%	0%
CE (circular economy)	0%	0%
PPC (pollution prevention and control)	0%	0%
BIO (biodiversity and ecosystems)	0%	0%

**Activities related to nuclear energy and fossil gas**

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

### 1.2.1 ESRS E1 – Climate change

Climate change is one of the greatest challenges of our time. Meeting this challenge is of great importance to RENK. We are therefore committed to the international climate protection goals, and strive to make our contribution to ensuring they are met. Accordingly, we are currently developing specific targets and actions that we would like to implement in order to achieve our own ambitions and in view of the international agreements.

#### E1-1 Transition plan for climate change mitigation

In line with the strategic pillar of consistently reducing the ecological footprint of its own operating activities, RENK intends to advance the transformation towards climate neutrality in the future. To achieve this, RENK is focusing on the energy efficiency of production processes, the use of renewable energy sources, energy-saving measures in building management, and employee awareness. According to RENK's current assessment, there are no obstacles to the future derivation of this transition plan.

	Yes	No
<b>Disclosure of whether and when a transition plan will be adopted</b>		
Did RENK make use of the option in fiscal year 2024 not to disclose a transition plan and not to publish a timetable for the adoption of such a plan?	x	
Does RENK plan to adopt a transition plan?	x	

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

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in the section *ESRS 2 SBM-3*. In the following section, the identified IROs are examined with regard to their interaction with the corporate strategy and business activities.

##### Climate-related transition risk analysis

In section *ESRS 2 General disclosures*, we described in detail the procedure for conducting the climate-related physical and transition risk analysis. The information below is based on the theoretical 1.5-degree scenario, which simulates limiting global warming to 1.5-degrees. Consequently, the following disclosures should be evaluated from this perspective.

Climate-related transition risks exist in particular due to possible bans or rising CO<sub>2</sub>-pricing of fossil fuels such as diesel, which is often used as an energy source for drive solutions at the level of RENK's end products. The same applies to logistics within the company's own value chain as well as the upstream and downstream value chain. Furthermore, energy-intensive production steps and the heating of production facilities are currently based to a significant extent on the use of natural gas. RENK is also a buyer of carbon-intensive intermediate products, the availability of which is either in question due to the above mechanisms such as bans or emission pricing, or could only be realized at unacceptable costs.

According to RENK's current assessment, the conversion of energy-intensive production steps to renewable energy sources and the reorientation of procurement towards products with a low carbon footprint are associated with transition costs that may be significant depending on the underlying scenarios. This affects both the company's own business activities and intermediate products from suppliers, whose cost base is increased by their own remedial measures and their passing on to customers such as RENK.

## Resilience analysis

Building on the above-mentioned climate risk analysis and the underlying theoretical scenario, RENK conducted a climate change-related resilience analysis for all business activities and sites in fiscal year 2024. Consequently, the following disclosures should be evaluated from this perspective.

The analysis involved a comprehensive examination of the entire upstream and downstream value chain, with no individual parts of it being deliberately excluded. The risks and opportunities identified in the previous analyses were examined to determine the extent to which RENK is prepared for the impacts of climate change and can adapt to these changes. The same climate scenarios and time horizons were applied as those used in the physical and transitory climate risk analysis. In addition, the potential financial effects were assessed using the materiality assessment methodology, although expected financial effects have not yet been quantified. The resilience analysis is based on assumptions about future developments in climate change as well as market and price developments that are associated with uncertainties.

The resilience analysis, especially with absolute tracking of net-zero efforts, also with regard to RENK's product range, some of which serves military purposes, results in the identification of challenges that are inherent in the industry and business model. The reason for this is the energy intensity of the intermediate products, the company's own production, and downstream product use. It is mainly the latter that results in GHG emissions, which are attributed to RENK as a contribution to climate change in accordance with the relevant calculation rules. The reduction in GHG emissions that can be avoided by RENK entails the risk of a substantial need for investment in the company's own infrastructure and technology, in transformation processes in the company's own production operations and transportation as well as the risks of cost increases in the procurement of low-carbon energy sources and material resources due to limited availability or substitutability.

To reduce risk, RENK is examining the possibilities of purchasing alternative energy sources and material resources, converting machines and agreeing price hedges in energy supply contracts. Furthermore, RENK is exposed to the risks of operational interruptions due to potential climate hazards at its own sites and in the supply chain, and the associated capital expenditure. The upcoming capital expenditure is taken into account in the overall business strategy as well as in the capital expenditure and liquidity planning, and is intended to make RENK's sites and business activities more resilient to the effects of climate change, as well as making the production and use of its products more energy-efficient and carbon-efficient.

## Results of analyses

Based on the analyses carried out, RENK is confident of adapting its business model to climate change in the medium and long term, including in terms of access to finance and modernization of assets, as well as relocation of the product range and retraining of employees. However, this requires more in-depth analyses to derive suitable adaptation measures in order to achieve the necessary transformation. This applies to our own sites as well as our product range and cooperation with suppliers.

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

RENK governance guideline RGR-19-1 Health, Safety and Environment (HSE) defines all the basic values in connection with climate change protection and climate change adaptation on which our business activities should be based. It is binding for all of our employees.

Guideline on Health, Safety and Environment (HSE)

Policy	RGR-19-1 Health, Safety and Environment (HSE)
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Environmental protection and health and safety at the workplace</li> <li>• Implementation of and compliance with standards</li> <li>• Consideration of relevant legal requirements</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Control of processes, planning, implementation, monitoring and improvement of the corresponding activities</li> <li>• Conservation of resources</li> <li>• Protection of the environment</li> <li>• Prevention of environmental pollution</li> <li>• Minimizing risks to the environment</li> <li>• Promotion of biodiversity, reduction of waste, water and energy consumption, substitution of chemicals and substances</li> <li>• Consultation and participation of employees in decisions regarding health and safety in the workplace</li> <li>• Providing safe and healthy working conditions</li> <li>• Prevention of work-related injuries and illnesses</li> </ul>
<b>Monitoring process</b>	<ul style="list-style-type: none"> <li>• Internal audits and adaptation of requirements by the Q-HSE department</li> </ul>
<b>Scope of application</b>	<ul style="list-style-type: none"> <li>• Employees of RENK</li> </ul>
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Board members of RENK</li> <li>• Central Q-HSE department</li> </ul>
<b>Reference to third-party standards or initiatives</b>	<ul style="list-style-type: none"> <li>• Paris Agreement on climate change</li> </ul>
<b>Consideration of the interests of stakeholders</b>	Central Q-HSE management ensures that the interests of stakeholders are taken into account. The material criteria of this policy are also part of the supplier selection process.
<b>Availability of the policy</b>	<ul style="list-style-type: none"> <li>• Available in German and English language:</li> <li>• Intranet "OneRENK"</li> </ul>

The following table shows whether corresponding disclosure requirements are covered by the concepts mentioned above.

	Yes	No
<b>Consideration of the area of "climate change mitigation" in the policies</b>		
Do RENK's policies include climate change mitigation?	x	
<b>Consideration of the area of "climate change adaptation" in the policies</b>		
Do RENK's policies include climate change adaptation?	x	
<b>Consideration of the area of "energy efficiency" in the policies</b>		
Do RENK's policies include the topic of energy efficiency?	x	
<b>Consideration of the area of "renewable energy deployment" in the policies</b>		
Do RENK's policies include the topic of of renewable energy deployment?	x	
<b>Other areas considered in the policies</b>		
Other areas are taken into account in the RENK's policies.	x	

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

	Yes	No
<b>Specific actions</b>		
Did RENK establish specific actions in fiscal year 2024?		x

In fiscal year 2024, we focused on performing CSRD-compliant calculation of our Scope 1, 2 and 3 emissions. Building on this, we are planning our ambitions regarding the selection of decarbonization paths and the reduction of our

emissions. We will take a more specific approach in order to translate our ambitions into actions. Assessing the impacts of target-setting and transformation on RENK’s climate-related risks and opportunities will be a focus in the future.

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

	Yes	No
<b>Specific targets</b>		
Did RENK formulate specific targets in fiscal year 2024?		x
Does RENK track the effectiveness of its policies and actions with regard to the material sustainability-related impacts, risks and opportunities?		x

To support the international climate targets as well as the sustainability-related impacts, risks and opportunities that are material to RENK, we decided to update our previous climate targets in fiscal year 2024. Our ambition is to achieve net-zero emissions in Scope 1 and 2 by 2050. In this way, we aim to make our contribution to limiting global warming to 1.5°C above pre-industrial levels and thus play a part in achieving the goals of the EU Green Deal and international climate policy. In the course of fiscal year 2025, we will formulate ESRS-compliant targets and intermediate targets.

### E1-5 Energy consumption and mix

#### Total energy consumption in connection with the company's own operations

Our energy needs are mainly covered by electricity and a fossil energy source, gas. As part of our science-based ambition, we are working to reduce the mix of non-renewable energy and bring renewable energy into the mix to use electricity from renewable sources for our own operations.

#### Explanation of data quality

RENK’s energy balance sheet was prepared in fiscal year 2024 using the Sphera Cloud software, version 8.12.2 (hereinafter: Sphera tool). The respective energy consumption values entered in the Sphera tool can have the following different data qualities: exact values, planned values (estimates, e. g. based on previous year's values) or estimated values (estimates, e. g. averages, projections or scenario assumptions).

Estimates of energy consumption were only used when primary sources such as bills or meter readings were not yet available. A detailed description of the estimates used, and the key figures concerned can be found in section *ESRS 2 General disclosures*. In the next reporting cycle, the estimates used will be checked for plausibility.

#### Energy intensity based on net sales revenue

All of RENK’s business areas are in the climate-intensive sector. To calculate energy intensity, total energy consumption is divided by RENK’s net sales revenue.

Net sales revenue from activities in climate-intensive sectors, in RENK's case due to its allocation to mechanical engineering, correspond to the amount shown in chapter *Consolidated Income Statement* of the consolidated financial statements under the heading “sales revenue” for fiscal year 2024. The information is marked with \* and is an integral part of this sustainability statement.

<b>Total energy consumption and energy intensity</b>			
	Unit	2024 01.01.-31.12.	Standard
<b>Total energy consumption related to own operation</b>	<b>MWh</b>	<b>125,713</b>	E1-5 37
<b>Total energy consumption from fossil sources</b>	<b>MWh</b>	<b>93,290</b>	E1-5 37 (a)
Coal and coal products	MWh	0	E1-5 38 (a)
Crude oil and petroleum products	MWh	12,659	E1-5 38 (b)
Natural gas	MWh	52,675	E1-5 38 (c)
Other fossil sources (MWh)	MWh	0	E1-5 38 (d)
Purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	27,955	E1-5 38 (e)
<b>Total energy consumption from nuclear sources</b>	<b>MWh</b>	<b>5,461</b>	E1-5 37 (b)
<b>Total energy consumption from renewable sources</b>	<b>MWh</b>	<b>32,547</b>	E1-5 37 (c)
Renewable sources including biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renewable sources	MWh	0	E1-5 37 (c) i
Purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	32,495	E1-5 37 (c) ii
Self-generated non-fuel renewable energy	MWh	52	E1-5 37 (c) iii
<b>Own non-renewable energy production and renewable energy production</b>	<b>MWh</b>	<b>1,373</b>	E1-5 39
Own non-renewable energy production	MWh	1,238	E1-5 39
Own renewable energy production	MWh	136	E1-5 39
<b>Energy intensity (total energy consumption per net revenue) associated with activities in high climate impact sectors</b>	<b>MWh/ € thousands</b>	<b>0.11</b>	E1-5 40

### E1-6 Gross scopes 1, 2, 3 and total GHG emissions

The disclosed data on gross GHG emissions in the Scope 1, 2 and 3 as well as total GHG emissions cover all sites and legal entities under the operational control of RENK. To calculate GHG emissions, RENK follows the Greenhouse Gas Protocol (GHG Protocol).

#### Scope 1 and Scope 2 – Own operations

In 2024, RENK's GHG emissions amounted to 22,950 tonnes of CO<sub>2</sub> equivalents (tCO<sub>2</sub>e) based on the market approach (taking green electricity into account). 14,162 tCO<sub>2</sub>e were allocated to Scope 1 and 8,788 tCO<sub>2</sub>e to market-based Scope 2.

RENK's carbon footprint was prepared in fiscal year 2024 for Scope 1 and Scope 2 emissions using the Sphera tool. The emission factors used therein stem from the DEFRA v13 (09/2024) database, which is also suggested on the GHG Protocol website as a third-party database and is provided by the UK Government's Department for Environment, Food & Rural Affairs. The emission factors used do not differentiate between the percentage share of biomass or biogenic CO<sub>2</sub>, and also take into account all greenhouse gases according to the GHG Protocol. Scope 1 and Scope 2 emissions are based on the energy consumption entered in the Sphera tool. Estimates described in section E1-5 are therefore fully transferable to Scope 1 and Scope 2 emissions.

#### Scope 3 – Value chain

In fiscal year 2024, RENK set itself the objective of analyzing its Scope 3 emissions and evaluating them in terms of materiality. The result of this analysis is that for RENK, only the categories 3.1 *Purchased goods and services* and 3.11 *Use of sold products* are material, since more than 95% of emissions are attributable to these two categories. The

remaining categories were assessed as immaterial based on this analysis and are therefore not reported. Categories 3.14 *Franchises* and 3.15 *Investments* are not relevant to RENK. For 2024, GHG emissions (Scope 3) amounted to 14,8 million tCO<sub>2</sub>e.

Our material Scope 3 emissions were determined for the first time for fiscal year 2024. The emission factors used stem from the current DEFRA v13 (09/2024) database and the website “Our World in Data”, which provides a global electricity mix emission factor (<https://ourworldindata.org/grapher/carbon-intensity-electricity>). Category 3.1 includes the goods and services purchased in fiscal year 2024 as well as their transportation. These emissions were calculated using an expenditure-based approach. As transport costs are predominantly reflected in the price of goods, category 3.1 inevitably also contains emissions from category 3.4 (*Upstream transportation and distribution*).

The raw data source for our purchased goods and services is our supplier data management system “IVALUA”. For category 3.11, a corresponding calculation formula was developed for each product area. Our individual products were grouped into product areas by experts in sales and technology on the basis of the product range already existing on our website. The volume-based approach was chosen for these emissions. The calculation formula includes the rated power and energy consumption of RENK products during their usage phase, the energy sources used as well as the service life, operating hours, and number of products sold in fiscal year 2024.

The share of energy consumption was determined based on the actual efficiency of the product areas. Likewise, the rated power was taken from the corresponding technical specification. Depending on the use of the products, either electricity or fuels were used as energy sources. The service life and operating hours of the products are based on expert estimates, as primary data sources could not be used. The number of products sold per product area in fiscal year 2024 was provided by our Sales department. The emission factor for products powered by electricity corresponds to a global average electricity mix emission factor. For products installed in applications that use fuels such as diesel or marine diesel oil, the relevant DEFRA emission factors were used. Furthermore, no other inputs from the upstream and downstream value chain and no primary data from suppliers or other business partners were used to measure and calculate Scope 3 GHG emissions.

### Greenhouse gas intensity based on net sales revenue

To calculate greenhouse gas intensity, total greenhouse gas emissions are divided by RENK’s net sales revenue. Net sales for the calculation of greenhouse gas intensity correspond to the amount shown in chapter *Consolidated Income Statement* under the heading “sales revenue” for fiscal year 2024. The information is marked with \* and is an integral part of this sustainability statement. RENK purchases electricity from renewable sources through its electricity contract at its sites in Augsburg, Hanover, Rheine, Starnberg and Bath. This corresponds to 54.9 % of RENK’s Scope 2 GHG emissions.

#### Gross Scopes 1, 2, 3 and Total GHG emissions

	Retrospective			Milestones and target years			
	Base year	Comparative	2024	% 2024 / 2023	2025	2030	Annual % target / Base year
<b>Scope 1 GHG emissions</b>							
Gross Scope 1 GHG emissions (tCO <sub>2</sub> e)	-	-	14,162	-	-	-	-
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (in %)	-	-	0	-	-	-	-
<b>Scope 2 GHG emissions</b>							
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	-	-	19,517	-	-	-	-
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	-	-	8,788	-	-	-	-
<b>Significant Scope 3 GHG emissions</b>							
Total Gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> e)	-	-	14,789,075	-	-	-	-
1 Purchased goods and services	-	-	162,576	-	-	-	-
2 Capital goods	-	-	n.r. <sup>1</sup>	-	-	-	-

<b>Gross Scopes 1, 2, 3 and Total GHG emissions</b>							
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	-	-	n.r. <sup>1</sup>	-	-	-	-
4 Upstream transportation and distribution	-	-	n.r. <sup>1</sup>	-	-	-	-
5 Waste generated in operations	-	-	n.r. <sup>1</sup>	-	-	-	-
6 Business traveling	-	-	n.r. <sup>1</sup>	-	-	-	-
7 Employee commuting	-	-	n.r. <sup>1</sup>	-	-	-	-
8 Upstream leased assets	-	-	n.r. <sup>1</sup>	-	-	-	-
9 Downstream transportation	-	-	n.r. <sup>1</sup>	-	-	-	-
10 Processing of sold products	-	-	n.r. <sup>1</sup>	-	-	-	-
11 Use of sold products	-	-	14,626,499	-	-	-	-
12 End-of-life treatment of sold products	-	-	n.r. <sup>1</sup>	-	-	-	-
13 Downstream leased assets	-	-	n.r. <sup>1</sup>	-	-	-	-
14 Franchises	-	-	n/a <sup>2</sup>	-	-	-	-
15 Investments	-	-	n/a <sup>2</sup>	-	-	-	-
<b>Total GHG emissions</b>							
Total GHG emissions (location-based) (tCO <sub>2</sub> e)	-	-	14,822,754	-	-	-	-
Total GHG emissions (market-based) (tCO <sub>2</sub> e)	-	-	14,812,025	-	-	-	-
<b>GHG emissions intensity based on net revenue</b>							
GHG emissions intensity (location-based) (tCO <sub>2</sub> e/€ thousands)	-	-	13.00	-	-	-	-
GHG emissions intensity (market-based) (tCO <sub>2</sub> e/€ thousands)	-	-	12.99	-	-	-	-

<sup>1</sup> Not relevant

<sup>2</sup> Not applicable

## E1-7 Greenhouse gas removals and greenhouse gas mitigation projects financed through carbon credits

### Total amount of carbon credits

In fiscal year 2024, RENK used offset credits totaling 6,000 tCO<sub>2</sub>e for its natural gas consumption at the Augsburg, Rheine and Hanover sites. Offsetting of the use of natural gas at the Augsburg, Rheine and Hanover sites through the acquisition of carbon offsets is contractually regulated until 2026 and always covers the total amount of natural gas consumed at these sites, which is expected to amount to 12,000 tCO<sub>2</sub>e.

The carbon offsets are mapped by the product ÖkoPLUS/EcoPLUS from Bischoff & Ditze Energy GmbH Co. KG. ÖkoPLUS/EcoPLUS climate protection projects are analyzed with regard to the actions implemented or to be implemented in areas such as education, medical care, infrastructure, equality, and child and cultural support, and are certified accordingly by TÜV Rheinland. The requirements are met for 2024/2025. Validity can be viewed via certificate ID 37968 at <https://www.certipedia.com/>.

<b>GHG removals and GHG mitigation projects financed through carbon credits</b>			
	Unit	2024 01.01.-31.12.	Standard
<b>Total amount of GHG removals and storage</b>	tCO <sub>2</sub> e	0	E1-7 58 (a)
<b>Total amount of carbon credits outside the value chain that are verified against recognised quality standards and cancelled in reporting period</b>	tCO <sub>2</sub> e	6,000	E1-7 59 (a)
Of which reduction projects	%	100	E1-7 AR62 (a)
Of which removal projects	%	0	E1-7 AR62 (a)
Of which for each recognised quality standard	%	100	E1-7 AR62 (c)
Of which issued from projects in the EU	%	0	E1-7 AR62 (d)
Share that qualifies as a corresponding adjustment under Article 6 of the Paris Agreement.	%	0	E1-7 AR62 (e)

<b>GHG removals and GHG mitigation projects financed through carbon credits</b>			
	Unit	2024 01.01.-31.12.	Standard
<b>Total amount of carbon credits outside the value chain planned to be cancelled in future</b>	<b>tCO<sub>2</sub>e</b>	<b>12,000</b>	E1-7 59 (b)
Of which reduction projects	%	100	E1-7 AR62 (a)
Of which removal projects	%	0	E1-7 AR62 (a)
Of which for each recognised quality standard	%	100	E1-7 AR62 (c)
Of which issued from projects in the EU	%	0	E1-7 AR62 (d)
Share that qualifies as a corresponding adjustment (under Article 6 of the Paris Agreement)	%	0	E1-7 AR62 (e)

### E1-8 Internal carbon pricing

	Yes	No
<b>Application of an internal CO<sub>2</sub> pricing system</b>		
Did RENK use an internal CO <sub>2</sub> pricing system in fiscal year 2024?		x

### 1.3 Social information

#### 1.3.1 ESRS S1 – Own workforce

Our own employees are essential to our business performance, so we strive to create a safe and inclusive work environment by adhering to occupational safety standards and promoting diversity in our own workforce. In this way, we aim both to ensure the satisfaction of our employees and to support the diversity of ideas and perspectives with which we can develop new solutions for our customers.

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

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in section *ESRS 2 SBM-3*. In the following section, the identified IROs are examined with regard to their interaction with the corporate strategy and business activities.

As a strategic pillar, employees occupy a special position for RENK. This gives rise to the goal of a working environment that is safe, financially attractive, family-friendly and aligned with ethical corporate values. The non-negotiable essential requirement for this is the physical and mental health of employees, protection of which is the key focus of a series of guidelines such as the RENK Global HR Policy or RGR-10-1 Health, Safety and Environment (HSE), from which appropriate actions are derived. RENK's business activities are attributable to mechanical engineering and are therefore exposed to risks typical of the industry, such as working with technical equipment, the improper use of which can pose significant health risks. Therefore, employees are made aware of safety-related issues, for example through training, and the knowledge and skills required to carry out their work safely are imparted.

Based on this, RENK strives to develop employees through education, training, career development and active employee interaction. Employees are the key input factor for RENK's productive activities and innovative capacity. This ensures the long-term competitiveness of the Group. In return, RENK undertakes to pay its employees fairly on an individual or collective-agreement basis, and to promote the compatibility of family and career. Diversity, inclusion, freedom from discrimination and the protection of personal rights play a central role in the competition for employee potential, and are firmly anchored in RENK's corporate values. Without protection of employees, development of their potential, and fair pay and interaction, there is a medium to long-term risk of a decreasing employer attractiveness, associated with the loss of or inadequate access to employees, and ultimately a decline in the profitability and financial strength of RENK.

The DMA did not identify any business activities that pose a significant risk of forced or child labor in relation to the nature of the activities or the countries in which these activities are carried out.

The resilience analysis regarding the company's own workforce confirms RENK's ability to control and manage the material impacts, risks and opportunities in the medium and long term within the framework of its human resources policy, which supports RENK's strategy and business model. Group-wide implementation of the new Global HR Policy in combination with the corresponding processes and existing concepts and the planned actions to increase the proportion of women in management positions by 2030 is considered to be central to the contribution to working conditions, equal treatment and equal opportunities and other work-related rights, as well as the contribution to employee satisfaction and addressing the risk of a shortage of skilled workers.

For RENK, employees are all persons who have a direct contractual relationship with the company. They include full-time and part-time employees, employees with fixed-term or permanent contracts, working students, interns, holiday workers, hourly wage earners, graduate students and vocational trainees. At RENK, all persons who are requested by RENK through an agency or third-party company, such as temporary or agency workers and other external parties, are not considered employees.

The following information and disclosures apply to the entire RENK GmbH throughout Germany. Information on differing legal, contractual or other rules that are due to a different legal framework at a foreign location is not presented. RENK

guidelines are binding throughout the Group by virtue of the direct or indirect controlling position of RENK GmbH as the (majority) owner of these companies.

When analyzing impacts, risks and opportunities, RENK made a distinction between employees in production (blue collar) and employees in office and administration (white collar), but not with regard to sites. In RENK 's view, such differentiation based on the current company structure and size leads to better insights and results in terms of employee protection and development. However, potential risks and opportunities based on impacts and dependencies in relation to the workforce cannot be assigned to specific employee groups.

**S1-1 Policies related to own workforce**

RENK has the following relevant guidelines and policies in place to identify, assess, control and manage material impacts on affected stakeholders:

- 1) RENK Global Human Resources Policy
- 2) Implementation of human rights due diligence
- 3) Policy Statement on Human Rights
- 4) Diversity, equity and inclusion
- 5) Anti-Harassment Policy
- 6) Code of Conduct
- 7) Health, safety and environment (HSE)

- 1) RENK Global Human Resources Policy

Policy	RGM-11-0 RENK Global HR Policy
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Protection of human rights</li> <li>• Building a strong corporate culture and leadership skills</li> <li>• Growth through human resources development</li> <li>• Fostering the health, safety and well-being of our employees</li> <li>• Diversity, equity and inclusion</li> <li>• Fostering open communication and social dialogue</li> <li>• Ensuring fair working conditions</li> </ul>
<b>General objectives</b>	• Establishing a working environment based on respect, fairness and equal opportunities
<b>Monitoring process</b>	• Monitoring within standard processes by management, HR, and internal audit
<b>Scope of application</b>	• Own operations
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive Board of RENK</li> <li>• Central HR department incl. responsible departments</li> </ul>
<b>Reference to third-party standards or initiatives</b>	<ul style="list-style-type: none"> <li>• UN Global Compact</li> <li>• UN Declaration of Human Rights</li> <li>• Core Conventions of ILO</li> <li>• OECD Guidelines</li> </ul>
<b>Consideration of the interests of stakeholders</b>	The interests of stakeholders have been ensured by the central HR department. For topics that fall under the responsibility of other departments, but are included in the Global HR Policy for completeness, the respective departments ensure that the interests of stakeholders have been appropriately considered.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> </ul>
<b>Reference</b>	<ul style="list-style-type: none"> <li>• Declaration of principles on human rights</li> <li>• RGR-4-10 Implementation of human rights due diligence</li> <li>• RGR-0-3 Code of Conduct</li> <li>• RGR-10-1 Health, Safety and Environmental Protection (HSE)</li> <li>• RGR-11-1 Diversity, equity and inclusion</li> <li>• RGR-11-5 Anti-Harassment Policy</li> </ul>

## 2) Implementation of human rights due diligence

Policy	RGR-4-10 Implementation of human rights due diligence
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Description of internal risk management for the implementation of human rights due diligence obligations in its own business area</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Compliance with human rights</li> </ul>
<b>Monitoring process</b>	<ul style="list-style-type: none"> <li>• Human Rights Committee (HRC) monitors compliance</li> <li>• Chief Legal Officer monitors the work of the HRC and reports to the Management Board and Supervisory Board</li> <li>• Internal and external audits</li> </ul>
<b>Scope of application</b>	<ul style="list-style-type: none"> <li>• Own operations and supply chain</li> </ul>
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive Board of RENK</li> <li>• Central compliance department</li> </ul>
<b>Reference to third-party standards or initiatives</b>	<ul style="list-style-type: none"> <li>• UN Global Compact</li> <li>• UN Declaration of Human Rights</li> <li>• Core Conventions of ILO</li> <li>• OECD Guidelines</li> <li>• German Supply Chain Due Diligence Act (LkSG)</li> <li>• UK Modern Slavery Act 2015</li> <li>• Norwegian Transparency Act</li> </ul>
<b>Consideration of the interests of stakeholders</b>	The interests of employees, suppliers and other potentially affected groups are taken into account via the 'RENK Integrity Line' whistleblower system.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> </ul>

## 3) Policy Statement on Human Rights

Policy	Policy Statement on Human Rights
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Respect for human rights in own operations and supply chain</li> <li>• Recognition of the UN Declaration of Human Rights</li> <li>• Membership of the UN Global Compact</li> <li>• Commitment based on the ILO core conventions and OECD guidelines</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Taking social responsibility</li> <li>• Sustainable success through respect for human rights</li> <li>• Anchored in the sustainability strategy</li> </ul>
<b>Monitoring process</b>	<ul style="list-style-type: none"> <li>• Implementation by the HRC</li> <li>• Monitoring by the Chief Legal Officer</li> <li>• Regular reporting to the Executive Board and Supervisory Board</li> </ul>
<b>Scope of application</b>	<ul style="list-style-type: none"> <li>• Own operations and supply chain</li> </ul>
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive Board of RENK</li> </ul>
<b>Reference to third-party standards or initiatives</b>	<ul style="list-style-type: none"> <li>• UN Global Compact</li> <li>• UN Declaration of Human Rights</li> <li>• Core Conventions of ILO</li> <li>• OECD Guidelines</li> </ul>
<b>Consideration of the interests of stakeholders</b>	The interests of relevant stakeholders are taken into account through a respectful working environment, preventive measures, training, risk analyses and audits. The 'RENK Integrity Line' makes it possible to submit complaints. In addition, transparent reporting is ensured.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> <li>• RENK website</li> </ul>

#### 4) Diversity, equity and inclusion

Policy	RGR-11-1 Diversity, equity and inclusion
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Principles of diversity, equity and inclusion</li> <li>• Legal protection of differences in gender, abilities, orientation, nationality, identity, race, religion, age, education, and industry background in many countries</li> <li>• Lack of protection in some countries</li> <li>• Global, consistent approach by RENK at all locations</li> <li>• Respectful workplace for all employees</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Creating an inclusive working environment within RENK</li> <li>• Commitment, cooperation and appreciation as a basis</li> </ul>
<b>Monitoring process</b>	• Shared responsibility of the Executive Board, managers, and HR departments to ensure that HR processes comply with this policy
<b>Scope of application</b>	• Own operations
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive Board of RENK</li> <li>• Central HR department</li> </ul>
<b>Reference to third-party standards or initiatives</b>	n/a
<b>Consideration of the interests of stakeholders</b>	The consideration of the interests of stakeholders has been ensured by the central HR department.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> <li>• RENK website</li> </ul>

#### 5) Anti-Harassment Policy

Policy	RGR-11-5 Anti-Harassment Policy
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Prevention of harassment at the workplace</li> <li>• Zero tolerance policy towards harassment</li> <li>• Definition of the terms "harassment" and "sexual harassment"</li> <li>• Dealing with harassment</li> <li>• Reporting channels for affected persons</li> <li>• Investigating and punishing incidents</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Working environment free of harassment of any kind</li> <li>• Clarification of the terms of harassment and sexual harassment</li> <li>• Clarification of the obligations of superiors</li> <li>• Information on reporting channels and the process of investigation and penalisation</li> </ul>
<b>Monitoring process</b>	<ul style="list-style-type: none"> <li>• Responsibility of managers to provide a climate that prevents any kind of harassment</li> <li>• Responsibility of managers to report incidents to the Corporate Ethics &amp; Compliance department</li> </ul>
<b>Scope of application</b>	All companies of RENK that are directly or indirectly held by RENK GmbH or over which RENK GmbH exercises a controlling influence.
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive Board of RENK</li> <li>• Companies are responsible for implementing the policy</li> </ul>
<b>Reference to third-party standards or initiatives</b>	<ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Diversity, Equity and Inclusion Policy</li> <li>• Applicable legal requirements</li> </ul>
<b>Consideration of the interests of stakeholders</b>	Guaranteed by various reporting channels: "RENK Integrity Line", compliance email inbox, direct approach to the manager or employee of the Corporate Ethics & Compliance department or the HR department and employee representatives.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> </ul>

#### 6) Code of Conduct

RENK's Code of Conduct is the central element of internal compliance and an essential part of our corporate culture. It contains rules for lawful and ethical conduct and regulates business practices. The commitments contained therein

apply within the entire Group as well as to external partners and the public, and therefore also include potentially affected communities. For further information, please see section *ESRS G1 – Business conduct*.

7) Health, safety and environment (HSE)

RENK attaches great importance to occupational safety and has a global occupational health and safety management system that is continuously improved. Site-specific HSE programs and regular audits ensure the safety of employees and external persons. We are committed to preventing and minimizing work-related accidents and illnesses. When it comes to creating safe and employee-friendly workplaces and processes, our employees and employees of external companies have equal importance. For further information, please see section *ESRS E1 – Climate change*.

	Yes	No
<b>Information in the Supplier Code of Conduct (SCoC) for determining the safety of employees</b>		
Does the SCoC cover the issue of unsafe working conditions?	x	
Does the SCoC cover the issue of human trafficking?	x	
Does the SCoC cover the issue of forced labour or child labour?	x	
Is the information in the SCoC based on the core labour standards of the ILO?	x	

**Respect for human rights, including workers' rights**

In addition to complying with all legal requirements regarding respect for human rights, RENK aligns its actions with international standards and conventions. These include the principles of the UN Global Compact, the core conventions of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises. In addition, RENK is guided by the Diversity Charter and the German implementation of the United Nations Global Sustainability Goals (SDGs). By adopting the “Declaration of Principles on Human Rights”, the Executive Board of RENK Group AG has created a framework to ensure the protection of human rights, including with regard to its own workforce. The Declaration of Principles describes RENK’s commitment to human rights. The declaration is publicly available on the RENK corporate website.

The S1-2 procedures outlined in the ESRS for companies engaging their own workforce and employee representatives regarding material impacts can also be used by employees to address and discuss human rights issues with RENK.

**Remedy in the event of impacts on human rights**

Training courses are provided to raise employees’ awareness of human rights. Employees in the risk areas of sales and purchasing receive targeted training on human rights in the supply chain. In year 2024, RENK carried out a risk analysis in its own business area in accordance with the German Act on Corporate Due Diligence in Supply Chains. In this process, potential human rights and environmental risks of the Group companies were identified and prioritized. Based on the results, individual actions were derived to ensure continuous development of due diligence obligations.

The following table shows whether corresponding disclosure requirements are covered by the concepts mentioned above.

	Yes	No
<b>Consideration of the issues of human trafficking, forced labour and child labour</b>		
Do RENK's policies regarding its own workforce cover the issues of human trafficking, forced labour and child labour?	x	
<b>Consideration of the issue of occupational health and safety</b>		
Do RENK's policies cover the prevention of occupational accidents?	x	
<b>Specific policies for eliminating discrimination, promoting equal opportunities or other ways of fostering diversity and inclusion</b>		
Does the company have concepts aimed at eliminating discrimination, promoting equal opportunities and other ways of fostering diversity and inclusion?	x	
<b>Recording the reasons for discrimination</b>		
Are the reasons for discrimination explicitly covered by the policies?	x	

These procedures include regular training for employees, clear reporting channels for incidents of discrimination, and the establishment of monitoring bodies to monitor compliance with the concepts and take actions where necessary. Every incident of discrimination uncovered is discussed in the Incidents Response Committee (IRC), ensuring that specific actions are developed and taken in each case. For further information, please see section *ESRS G1 – Business conduct*.

### Conformity of the concepts with relevant internationally recognized instruments

RENK's concepts are based on the UN Global Compact, the UN Declaration of Human Rights, the OECD Guidelines and the internationally recognized United Nations Guiding Principles on Business and Human Rights. These form the basis for all requirements.

### Implementation of concepts as well as inclusion and support measures

To ensure that discrimination is prevented, reduced and appropriately combated when suspected, as well as to promote diversity and inclusion in general, specific procedures are used to implement the above guidelines. Our procedures for preventing discrimination and promoting inclusion focus in particular on groups of people who are at higher risk of discrimination due to their personal characteristics. The relevant reasons for discrimination are listed in the relevant concepts.

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

	Direct involvement	Involvement by employee representatives
<b>Procedures for engagement</b>		
How are the company's own workers engaged?	x	x

### Phases, type and frequency of involvement

The participation and involvement of the company's own workforce are crucial for RENK. Therefore, there are many opportunities to gather employees' perspectives and opinions. The possible forms of employee involvement and their frequency vary from site to site. This is shown in the table below.

Type of interaction	Directly (D) or by employee representation (ER)	Validity	Participation (P), consultation (C), information (I)	Frequency
Collective legal associations (works council, youth representation, representation of severely disabled employees, committees)	ER	RENK Group	P / C / I	At least once a month
Intranet "OneRENK"	D	RENK Group	P / I	Ongoing
Engagement Survey	D	RENK Group	P	Annually (exception: 2024)
Employee appraisals	D	RENK Group	P / C / I	Annually
All Hands Meetings / Townhall	D	RENK Group	P / I	Weekly, monthly, quarterly
Works meeting	D / ER	Sites with works council	P / I	Three times a year
Innovation management	D	RENK Group	P / C	As required
RENK Integrity Line <sup>1</sup> (digital whistleblower system)	D	RENK Group	P / C	As required

General changes resulting, for example, from the introduction of new technologies or work processes are taken into account within the framework of our established occupational health and safety management system. This system ensures that all new processes and workflows are examined with regard to their impacts on health, safety and working conditions and structured accordingly. Our employees are involved in the standardized occupational health and safety processes and are regularly informed about relevant changes.

The Executive Board and the management of the central Human Resources department are responsible for the inclusion of employees. By adopting the aforementioned "Declaration of Principles on Human Rights" in August 2024, the Executive Board created a framework to ensure the protection of human rights, including with regard to its own workforce. There is no global agreement with employee representatives in this regard.

**Involvement of workers and employee representatives in relation to impacts**

RENK communicates with the workforce about operational changes, including actions to reduce CO<sub>2</sub> emissions and sustainable transformation, within the framework of existing dialog formats. Global communication takes place primarily via our intranet "OneRENK" and the "Sustainability" channel therein. The Works Council is also informed throughout the year about the sustainability strategy and any special topics.

In developing the climate-related transition risks, initial cross-disciplinary workshops were held to ensure that all possible impacts, risks and opportunities were taken into account.

**Assessment of the effectiveness of inclusion**

In our experience, the dialogue formats mentioned above are effective tools for incorporating the views of the company's own workforce in decisions and activities. Ideas, dialog, perspectives and opinions are gathered appropriately and different levels are informed. Appropriate actions are then developed in the divisions and departments based on this employee feedback.

Communication with particularly affected employees and groups of employees takes place via individual and personal channels. Managers are generally encouraged to pursue personal dialog with sensitive groups of people. This is done as and when required.

To gain a better insight into the perspectives of those who are particularly vulnerable to impacts, our German sites have youth and trainee representatives as well as the representative body for disabled people. The above-mentioned disclosures on collective associations apply to these. Regular dialog ensures a flow of information. In accordance with the legal rules, information is communicated with management and the Human Resources department.

**S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns**

**General approach**

In our opinion and experience, the channels mentioned in S1-2 are effective methods to detect possible negative impacts on our employees and initiate remediation. Regular dialogues between employees and their managers are particularly important. As required, experts from the HR department and, if applicable, members of the Works Council can be involved. In the event of negative impacts, our employees at the German sites can also contact the Works Council, the youth and trainee representatives or the representative body for disabled people to initiate remediation.

Employees can use our publicly accessible complaints procedure (“RENK Integrity Line”) to report violations of national and international laws, as well as (internal) regulations and guidelines, and to enable the prompt clarification and cessation of misconduct. A detailed description of the “RENK Integrity Line” can be found in section *ESRS G1 – Business conduct*.

**Dialog formats and their effectiveness**

There are various dialog formats through which employees can express their concerns or needs to the company and have them examined:

- Dialog with the employee's own manager
- Exchange with the Works Council, youth and trainee representatives or the representative body for disabled people
- Dialog with the central Compliance department
- Dialog with the central Human Resources department
- Dialog with an external ombudsman
- Participation in employee surveys
- Input via the “RENK Integrity Line” whistleblower system

Information about the above-mentioned channels is available to all employees on the “OneRENK” intranet and, to a limited extent, on the RENK company website. The contact details of the respective contact persons are accessible to all employees via “OneRENK”. Employees are encouraged to report their complaints and other grievances.

In our opinion, the dialog formats in which employees can express their concerns and needs are effective because they are well established and well known, and dialogues with managers and employee surveys are conducted at fixed intervals. On account the fixed intervals, actions taken to improve employee concerns are regularly monitored, taking employee interests into account. Using the RENK Case Management System, reports and results of complaints and concerns are documented securely and confidentially.

	Yes	No
<b>Knowledge and trust of own workers in the structures or procedures</b>		
Do RENK's concepts with regard to its own workforce include the protection of individuals against retaliation?	x	

The regular use of the various dialog formats and the opportunity to raise concerns anonymously and in a protected environment at any time mean that RENK has no reason to doubt that its employees do not trust the structures or procedures.

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

	Yes	No
<b>Specific measures</b>		
Did RENK establish specific measures in fiscal year 2024 beyond the implemented precautions, such as the aforementioned exchange formats and types of involvement?		x

In fiscal year 2024, RENK concentrated on supplementing its policies and policies with regard to its own workforce and backing them up with appropriate targets. Based on the targets listed below, see section S1-5 , actions will be developed for fiscal year 2025.

**S1-5 Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities**

	Yes	No
<b>Specific targets</b>		
Did RENK define specific targets in fiscal year 2024?	x	

We report on general targets in section S1-1. As part of our ongoing commitment to increasing employee satisfaction and creating a positive working environment, we have set clear ambitions for employee engagement. By 2028, we aim to achieve an engagement score of 3.78 based on Gallup's Q12 survey and a participation rate of 80% in our employee engagement survey. An engagement score of > 4 indicates a very high level of employee engagement. For comparison, according to the Gallup press release of March 14, 2024, only around 14% of employees in Germany had this level of commitment to their company in 2023. We will gauge the engagement score for the first time in 2025.

In line with our commitment to foster a diverse and inclusive working environment, we aim to increase the share of women in management positions within our organization. Our measurable target is therefore to increase the proportion of women in management positions to 20% by 2030.

<b>Target</b>	<b>Increasing the proportion of women in management positions to 20 % by 2030</b>
Relationship of the target to the policy objectives	The target corresponds to the target set in the global HR policy.
Defined target level	For management levels M1 - M4, the Executive Board and Supervisory Board set the target of 20 % women by 2030 in December 2024.
Scope	The target applies to all managers in all legal entities of the RENK Group.
Baseline value and base year	In 2024, the proportion of women at management levels M1 - M4 was 11.54%.
Involving of stakeholders	Stakeholder interests were taken into account by the Human Resources department when defining the targets and by the employee representatives on the Supervisory Board when determining the targets.
Alteration of targets and parameters	No changes as fiscal year 2024 is the first reporting year.
Monitoring	Monitoring is carried out through the remuneration report and regular reports are made to the Executive Board and Supervisory Board.
Target key figure	Quota of women in management positions.

This target was set on the basis real and consistently available data. It was not necessary to make any significant assumptions. The employee life cycle was used as a basis for developing the target. This also makes it possible to take local conditions into account. The target was adopted by the Executive Board and Supervisory Board as well as the employee representatives represented there, and agreed with the HR department. Collaboration with the company's workforce in monitoring progress towards achieving this target is ensured through the processes for inclusion of the workforce and employee representatives set out in section S1-2 . This also applies to collaboration with the workforce to identify insights or opportunities for improvement.

**S1-6 Characteristics of the undertaking's employees<sup>1</sup>**

**General information on the data collection process for specific key figures**

The data collection process for key figures that are subject to disclosure requirements S1-6, S1-8 and S1-9 is carried out in the RENK Group through notifications from the Group companies (bottom-up), and is the responsibility of the HR Information System (HR-IS) department. The relevant data basis is the information entered primarily in SAP R3 (especially headcount) and the software application Cornerstone (other HR key figures and data). To ensure data quality, reports are compared with the database. The data entered in Cornerstone by the Group companies includes arrivals, departures, injuries, personal data, including gender and date of birth, as well as the allocation of employees to collective agreements or the status as employee representatives. For control purposes, HR-related key figures are reported monthly to the HR Information System department via a standardized Excel report file. This continuously compares the monthly-reported data with the information in Cornerstone and the internal SAP data. Detected discrepancies are tracked and corrected. The checked and, if applicable, corrected database is then imported into the Tagetik controlling software on a monthly basis and finally checked for plausibility. The monthly HR controlling final report from Tagetik is stored centrally and made available internally to the Executive Board and relevant stakeholders. The monthly reports are consolidated for the annual calculation.

The data is collected by the contact persons at the respective sites and transmitted to the globally responsible HR-IS manager.

<b>By gender</b>	<b>Number of employees</b>	<b>Standard</b>
Male	3,389	S1-6 50 (a)
Female	567	S1-6 50 (a)
Other	0	S1-6 50 (a)
Not reported	0	S1-6 50 (a)
<b>Total Employees</b>	<b>3,956</b>	<b>S1-6 50 (a)</b>

  

<b>Country</b>	<b>Number of employees</b>	<b>Standard</b>
Germany	2,899	S1-6 50 (a)
U.S.	481	S1-6 50 (a)

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	<b>Female</b>	<b>Male</b>	<b>Other</b>	<b>Not disclosed</b>	<b>Total</b>	<b>Standard</b>
Number of employees	567	3,389	0	0	3,956	S1-6 50 (a)
Number of permanent employees	523	3,151	0	0	3,674	S1-6 50 (b) i
Number of temporary employees	44	238	0	0	282	S1-6 50 (b) ii
Number of non-guaranteed hours employees	0	0	0	0	0	S1-6 50 (b) iii

<sup>1</sup> All figures in the tables given under S1-6 in headcounts

<b>Employee turnover</b>			
	Unit	2024 01.01.-31.12.	Standard
Employees who have left the undertaking	Number	541	S1-6 50 (c)
Employee turnover	%	14.18	S1-6 50 (c)

### S1-8 Collective bargaining coverage and social dialog

In Germany, the binding collective bargaining agreements of IG Metall in the respective regional version (Bavaria, North Rhine-Westphalia and Lower Saxony) apply to the employees subject to collective bargaining agreements at the three main plants in Augsburg, Rheine and Hanover. These include all contractual arrangements in the general collective agreement and the wage agreement and therefore constitute the basic content of the employment contract. Collective bargaining agreements whose application is voluntary or subject to a works agreement are only used in isolated cases (e.g. partial early retirement).

Other than those mentioned above, collective bargaining agreements do not apply. At RENK, there is no European Works Council (EWC), Societas Cooperativa Europaea Works Council (SCE) or Societas Europaea Works Council (SE).

<b>Collective bargaining coverage and social dialogue</b>			
	Unit	2024 01.01.-31.12.	Standard
<b>Total employees covered by collective bargaining agreements</b>	%	<b>82.48</b>	S1-8 60 (a)
<b>By country</b>			S1-8 60 (b)
Germany	%	82.48	S1-8 60 (b)
<b>Employees covered by workers' representatives</b>	%	<b>98.14</b>	S1-8 63 (a)
<b>By country</b>			S1-8 63 (a)
Germany	%	98.14	S1-8 63 (a)

## S1-9 Diversity metrics

Diversity metrics			
	Unit	2024 01.01.-31.12.	Standard
<b>Gender distribution at top management level<sup>1</sup></b>	<b>Number</b>	<b>25</b>	S1-9 66 (a)
Of which male	Number	20	S1-9 66 (a)
	%	80.00	S1-9 66 (a)
Of which female	Number	5	S1-9 66 (a)
	%	20.00	S1-9 66 (a)
Of which diverse	Number	0	S1-9 66 (a)
	%	0	S1-9 66 (a)
Not reported	Number	0	S1-9 66 (a)
	%	0	S1-9 66 (a)
<b>Female workforce with grading M1 - M4</b>	<b>Number</b>	<b>27</b>	ESRS 2 MDR-T 80 (e)
	%	11.54	ESRS 2 MDR-T 80 (e)
<b>Age distribution of employees</b>			S1-9 66 (b)
Age distribution of employees under 30 years old	Number	788	S1-9 66 (b)
	%	19.92	S1-9 66 (b)
Age distribution of employees between 30 and 50 years old	Number	1,858	S1-9 66 (b)
	%	46.97	S1-9 66 (b)
Age distribution of employees over 50 years old	Number	1,310	S1-9 66 (b)
	%	33.11	S1-9 66 (b)

<sup>1</sup> Employees with management functions related directly to the managing directors of RENK GmbH.

## S1-10 Adequate wages

In fiscal year 2024, an analysis of RENK's compensation structures was carried out to ensure that all employees receive adequate wages. This analysis was based on relevant benchmarks, including industry standards, statutory regulations and regional comparative values. The results of the analysis confirm that the compensation of all employees meets the requirements for adequate wages. In this way, we ensure that our employees are paid fairly and that their compensation contributes to social and economic security.

## S1-14 Health and safety metrics

Health and safety metrics <sup>2</sup>			
	Unit	2024 01.01.-31.12.	Standard
People in own workforce covered by the undertaking's health and safety management system	%	100	S1-14 88 / AR80 (a)
Fatalities as result of work-related injuries for all employees	Number	0	S1-14 88 (b)
Significant work-related accidents within all employees	Number	81	S1-14 88 (c)
	Rate <sup>3</sup>	14	S1-14 88 (c)
Fatalities as result of work-related injuries within all other employees working at the company's sites	Number	0	S1-14 88 (b)

<sup>2</sup> The key figures were collected using the group-wide Sphera tool. The key figures do not contain any assumptions or estimates.

<sup>3</sup> Rate per 1 million working hours

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

In 2024, salary data for all employees was collected on a global level for the first time. The data was extracted from the respective local HR systems and databases in an Excel document and transferred to Cornerstone. Based on this data, the wage gap and the gender pay gap were comprehensively analyzed.

In Germany, no significant gender pay gap was found for employees working 35 hours per week. The ERA collective bargaining agreement minimizes pay gaps through uniform basic wages and creates a fair and transparent pay structure. Individual performance-related salary components lead to variances but not to structural differences. Regular analyses are intended to ensure that there are no systemic distortions and that actions to eliminate wage differences are effective.

<b>Remuneration metrics (pay gap and total remuneration)</b>			
	Unit	2024 01.01.-31.12.	Standard
Gender pay gap expressed as percentage of the average pay level of male employees	%	(3.96)	S1-16 97 (a) / AR100
Annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual)		19.75	S1-16 97 (b)

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

No cases of human rights violations (e.g. forced labor, human or child trafficking or child labor) were identified in 2024. Two incidents of discrimination based on gender, race, ethnic origin, nationality or religion were reported to the Human Resources department and the Legal & Compliance department.

<b>Incidents, complaints and severe human rights impacts</b>			
	Unit	2024 01.01.-31.12.	Standard
Incidents of discrimination (incl. harassment)	Number	2	S1-17 103 (a)
Complaints filed through channels for people in the own workforce to raise concerns	Number	27	S1-17 103 (b)
Total amount of fines, penalties and compensation for damages as a result of incidents and complaints disclosed in 103 (a, b)	€	0	S1-17 103 (c)
Severe human rights issues and incidents related to own workforce incl. cases of non-compliance with the UN Guiding Principles and OECD Guidelines for Multinational Enterprises	Number	0	S1-17 104 (a)
Total amount of fines, penalties and compensation for damages related to incidents described in 104 (a)	€	0	S1-17 104 (b)

### 1.3.2 ESRS S2 – Workers in the value chain

RENK is committed to respecting human rights at its own sites and in its collaboration with suppliers and business partners. We have established this commitment in central guidelines that shape our business relationships with our suppliers.

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

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in section ESRS 2 SBM-3. In the following section, the identified IROs are examined with regard to their interaction with the corporate strategy and business activities.

A key pillar of RENK's sustainability strategy is social responsibility through high product quality and safety. This requirement cannot be realized without considering the supply chain. This is a quality-enhancing or quality-inhibiting factor and therefore makes a decisive contribution to the achievement of this long-term objective. While no significant financial disadvantages are apparent for RENK in the short to medium term, compromises in quality and safety, especially in critical deployment scenarios, could have highly negative impacts on its reputation, and therefore indirectly affect its business success.

The health, protection and safety of workers in the supply chain, especially minors, are essential values. At the same time, RENK is of the opinion that the absence of these values makes it impossible to achieve product-related quality and safety requirements. Rather, they form the basis for the individual development of employees within and outside of their own business operations and therefore for RENK's financial and non-financial objectives.

On account of RENK's positioning within the supply chain and our requirements for supplier acceptance, RENK's business activities have no direct impact on the working conditions of employees in the value chain. Our business activities are in the mechanical engineering category, which is associated with industry-typical risks such as occupational safety in the directly upstream and downstream stages of the value chain. Our requirements regarding working conditions at suppliers prevent industry-specific risks associated with the use of technical equipment in their production from becoming systemic, and instead ensure that incidents retain the character of isolated cases.

When analyzing IROs, RENK did not distinguish between specific groups of workers or their locations. In RENK's view, such differentiation does not lead to better insights and outcomes regarding the protection of workers in the value chain. Potential risks and opportunities based on impacts and dependencies in relation to workers cannot therefore be attributed to specific groups of workers.

Due to a lack of transparency with regard to workers in the value chain, RENK focuses on the immediately upstream stage of the value chain (tier 1) as well as on the service providers and workers of the end customers commissioned by RENK in the downstream value chain. These are examined for human rights risks as part of a system-controlled risk analysis. The identification of an actual risk or a human rights violation leads to an immediate response in the form of remediation by RENK. In order to meet this requirement, RENK has introduced an HRC, which is responsible for the implementation of human rights due-diligence obligations. In RENK's opinion, there are currently no material financial risks and opportunities arising from impacts and dependencies on workers in the value chain.

In addition, the resilience analysis carried out in fiscal year 2024 shows that RENK is able to address the material impacts related to the workers employed in the value chain. There are no inherent challenges arising from the supplier base, the business model or the geographical concentration of the supply chain. In procurement, the Code of Conduct for Suppliers and other Business Partners (SCoC) has been implemented as a key tool for addressing minimum requirements and human rights due-diligence obligations when dealing with workers in the upstream value chain, which can result in positive and negative impacts on the working conditions of RENK's suppliers in the short, medium and long term.

**S2-1 Policies related to value-chain workers**

RENK has the following relevant guidelines and policies in place to identify, assess, control and manage material impacts on affected stakeholders:

- 1) Code of Conduct for Suppliers and other Business Partners (SCoC)
- 2) Policy Statement for Quality, Environmental, and Occupational Health and Safety
- 3) Policy Statement on Human Rights
- 4) Implementation of human rights due diligence

- 1) Code of Conduct for Suppliers and other Business Partners (SCoC)

RENK's corporate values extend not only to its own business operations, but along the entire supply chain. This gives rise to the requirement for sustainable and responsible procurement and supplier management. The RENK SCoC describes the values and basic principles of RENK, which must also be observed by suppliers. It sets a binding minimum standard and defines clear requirements and expectations for suppliers. Full respect of human rights in-house and along the upstream supply chain are the basis for collaboration. The provisions of the SCoC are based on the ILO core labor standards. By accepting the RENK purchasing conditions, our suppliers undertake to comply with the SCoC standards. RENK reserves the right to carry out an audit of compliance with these standards on an ad-hoc basis.

Policy	RGR-0-4 Code of Conduct for Suppliers and other Business Partners (SCoC)
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Protection of human rights and the explicit prohibition of all forms of human trafficking, forced labor and child labor</li> <li>• Ensuring equal opportunities and prohibiting discrimination</li> <li>• Ensuring freedom of association and fair working conditions</li> <li>• Occupational health and safety</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Compliance with applicable law and ethical, environmental and social standards within the company and throughout the supply chain</li> </ul>
<b>Monitoring process</b>	<ul style="list-style-type: none"> <li>• Unwavering commitment to compliance with all applicable laws and observance of the basic ethical principles listed in the SCoC for all suppliers, other business partners and RENK</li> <li>• SCoC as part of our supplier qualification</li> </ul>
<b>Scope of application</b>	<ul style="list-style-type: none"> <li>• Contractual partners who supply RENK with goods, materials, work or services</li> <li>• Business partners with an intermediary or representative function as well as cooperation partners</li> </ul>
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive Board of RENK</li> <li>• Central Compliance Department</li> <li>• Supply Chain Management</li> </ul>
<b>Reference to third party standards or initiatives</b>	<ul style="list-style-type: none"> <li>• UN Global Compact</li> <li>• Core Conventions of ILO</li> <li>• Supply Chain Due Diligence Act (LkSG)</li> </ul>
<b>Consideration of the interests of stakeholders</b>	The consideration of the interests of stakeholders was ensured by the central compliance department during the drawing up of the SCoC.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> <li>• RENK website</li> </ul>

2) Policy Statement for Quality, Environmental, and Occupational Health and Safety

<b>Policy</b>	<b>Corporate Policy for Quality, Environmental Protection and Occupational Health and Safety</b>
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Management systems for quality, occupational health and safety, environment and energy</li> <li>• Compliance with legal and regulatory requirements as well as the requirements of customers and interested parties</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Identification and fulfillment of customer requirements</li> <li>• Continuous improvement of customer satisfaction</li> </ul>
<b>Monitoring process</b>	• Regular review of the performance and effectiveness of the management systems by the management of RENK and the management of the segments
<b>Scope of application</b>	• Employees of RENK
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive Board of RENK</li> <li>• Central Q-HSE department</li> </ul>
<b>Reference to third party standards or initiatives</b>	<ul style="list-style-type: none"> <li>• ISO 9001</li> <li>• ISO 14001</li> <li>• ISO 45001</li> </ul>
<b>Consideration of the interests of stakeholders</b>	The consideration of the interests of stakeholders was ensured by the central Q-HSE department.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• RENK website</li> </ul>

3) Policy Statement on Human Rights

4) Implementation of human rights due diligence

We are committed to fully respecting human rights. RENK is convinced that taking social responsibility for the well-being of people is the basis for sustainable success. Therefore, compliance with human rights, both in our own business operations and in the supply chain, is an essential component of good corporate governance and firmly anchored in our sustainability strategy. RENK recognizes the United Nations Universal Declaration of Human Rights. By joining the UN Global Compact, RENK has committed itself to the principles in the areas of human rights, labor standards, environmental protection and corruption prevention.

RENK’s commitment to human rights is set out in the “Policy Statement on Human Rights”. It describes responsibilities and actions for implementing human rights due diligence within the company’s own business area and in the supply chain. The declaration is communicated both internally and externally to relevant target groups. For further information, please see section *ESRS S1 – Own workforce*.

RENK has only a very limited influence on the more distant stages of the downstream value chain. Despite these challenges, RENK is committed to continuously examining opportunities for improvement and developing alternative approaches to minimizing potential long-term impacts on workers in the value chain.

**S2-2 Processes to engage with value-chain workers about impacts**

	<b>Yes</b>	<b>No</b>
<b>Procedure for inclusion</b>		
Did RENK establish a process in fiscal year 2024 that would serve as a basis for the regular and systematic inclusion of workers in the value chain?		x

**S2-3 Processes to remediate negative impacts and channels for value-chain workers to raise concerns**

Stakeholders throughout RENK’s value chain can report any human rights risks via the “RENK Integrity Line,” which is available online worldwide in various languages. The HRC will advise on any remediation. The procedures and actions

for investigating reported violations described in section *ESRS G1 – Business conduct* are also applicable to reports from workers in the value chain.

Further information on the redress and complaint mechanism and the related concept can be found in sections *ESRS S1 – Own workforce* and *ESRS G1 – Business conduct*. The effectiveness of remediation in the supply chain is ensured, depending on the type of measure, by follow-up checks, e.g. submission of documents or control audits of direct business partners. As soon as RENK takes a remedial action, an effectiveness assessment is carried out based on the individual action.

The whistleblower system is available to all internal and external stakeholders on the RENK website. All whistleblowers are protected from reprisals within the framework of our rules of procedure and the actions set out therein. Since workers in the value chain can raise their concerns anonymously and in a protected environment at any time, RENK has no reason to doubt that they lack confidence in the structures or procedures. The complaint procedure is highlighted within the framework of the SCoC, and its use is actively encouraged.

**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 and approaches**

	Yes	No
<b>Specific measures</b>		
Did RENK establish specific measures in fiscal year 2024 beyond the implemented precautions such as the whistleblower system (“RENK Integrity Line”)?		x

RENK attaches great importance to responsible action. By integrating the relevant topics of product safety, ethical business practices and compliance with international standards and regulations into our sustainability strategy and business model, RENK believes that the rights and needs of workers in the value chain, as far as they are within RENK’s sphere of influence, are taken into account and protected. However, RENK reserves the right to establish further actions in the future if the existing ones prove to be inadequate. There is currently no substantial evidence for this.

**S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

	Yes	No
<b>Specific targets</b>		
Did RENK formulate specific targets in fiscal year 2024?		x

RENK has only a very limited influence on the more distant stages of the upstream and downstream value chain. Should RENK experience negative impacts, necessary changes can only be implemented in the long term and with considerable effort, and possibly only partially. Therefore, setting specific targets regarding potential indirect impacts on workers in the value chain is extremely complex and must be done on the basis of need in order to define a functional framework for action and ensure measurable success. For these reasons, verifying the effectiveness of targets and actions in relation to material sustainability-related impacts is difficult and has not yet been carried out.

In addition to the ambition of avoiding negative impacts of business activities on workers in the value chain as far as possible, RENK currently does not have any time-bound or result-oriented targets. As a result, there is no ongoing monitoring of the degree of target achievement. RENK reserves the right to formulate targets and establish actions in the future, provided that this involves the prospect of measurability and enforceability.

### 1.3.3 ESRS S3 – Affected communities

RENK is aware of its social responsibility towards affected communities and is committed to respecting human rights. We are confident that we assume social responsibility with regard to affected societies as part of our business activities, as we have been one of the world's leading manufacturers of mission-critical products and components for security and defense for decades.

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

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in section *ESRS 2 SBM-3*. In the following section, the identified IROs are examined with regard to their interaction with the corporate strategy and business activities.

To the extent that RENK's product range serves military application fields, these are subject to political decision-making for procurement measures and their military use. The reporting period and previous years have been characterized by an increasing threat situation since Russia's war of aggression against Ukraine. This results in increased global military spending. Taking into account RENK's main markets, these are attributable to the NATO countries and their allies. According to Article 1 of the NATO Treaty, the Alliance is committed to peaceful conflict resolution. At the same time, NATO states are called upon to establish defense capabilities in accordance with Article 3 and to provide assistance in the event of a conflict resulting from an external attack in accordance with Article 5. The corporate purpose and the corporate strategies derived from it, including those that address sustainability goals, indirectly serve this overarching goal, in particular conflict prevention through deterrence. The latter is equivalent to the positive impacts of RENK's business activities by contributing to the prevention of armed conflicts. The strategic focus on high quality of mission-critical drive solutions contributes to the credibility of this deterrence, which protects communities within the defense alliance.

Nevertheless, the identified potential negative impacts reflect the remaining possibility that the civilian population will be injured or killed as a result of acts of war using RENK technology. As a component supplier, RENK has no direct influence on armed conflicts, which is why the strategy and business model are only indirectly linked to both the negative and positive impacts on affected societies in operational areas.

The potentially affected communities are not communities that live or work near our operations, but exclusively groups of people who are subject to the protective function of RENK's government customers or who may be injured or killed as a result of the use of RENK technology in the event of defense. The potential impact arises from the proximity to armed conflicts and the corresponding living conditions, but not necessarily from certain characteristics or activities of the communities. A deeper understanding of how affected communities with certain characteristics and communities living in certain environments or performing certain activities may be at greater risk has not yet been developed.

The potential negative impacts are therefore concentrated on individual areas and individual incidents related to the use of military vehicles or naval vessels equipped with RENK drive solutions. RENK's choice of business partners is also heavily regulated by export control regulations, ensuring the legally compliant distribution of our products under the additional condition of global compliance with these regulations. This results in the strengthening of the deterrence-based positive impacts and therefore the reduction of possible negative impacts.

The double materiality assessment was carried out without direct consultation with affected communities. The impact on communities is derived from NATO's defense architecture and was assessed by the subject-matter experts at RENK in light of the current geopolitical framework.

#### S3-1 Policies related to affected communities

RENK has the following relevant guidelines and policies in place to identify, assess, control and manage material impacts on affected stakeholders:

- 1) Export compliance within the RENK Group
- 2) Policy Statement for Quality, Environmental, and Occupational Health and Safety
- 3) Code of Conduct
- 4) Policy Statement on Human Rights
- 5) Code of Conduct for Suppliers and other Business Partners

Since the material impacts are not related to indigenous peoples, there are no specific provisions to prevent and manage impacts on indigenous peoples in the concepts set out below. Accordingly, there is no reference to internationally recognized standards that explicitly refer to indigenous peoples.

- 1) Export compliance within the RENK Group

In addition, we apply our governance policy on export compliance within the RENK Group. This policy includes checking exports for possible risks and compliance with sanctions and embargoes. Compliance with these regulations is critical to minimizing legal and reputational risks and ensuring the trust of affected communities and other stakeholders.

Policy	RGR-14-2 Export compliance within the RENK Group
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Description of the export control process</li> <li>• Execution of the scope</li> <li>• Specification of the requirements</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Ensuring compliance with applicable export control laws and regulations</li> <li>• Implementation of processes for compliance with export control regulations</li> </ul>
<b>Monitoring process</b>	<ul style="list-style-type: none"> <li>• Companies ensure the highest possible level of compliance with the policy</li> </ul>
<b>Scope of application</b>	<ul style="list-style-type: none"> <li>• Worldwide for all companies of RENK and their employees</li> <li>• Implementation and application of the policy in coordination with export control officers in companies where RENK cannot directly enforce its validity</li> <li>• Applies to all regulations issued after entry into force</li> <li>• Previously issued regulations will be adapted at the next review or amendment</li> </ul>
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Export Control Officer</li> <li>• Otherwise management, if no export control officer appointed</li> </ul>
<b>Reference to third-party standards or initiatives</b>	n/a
<b>Consideration of the interests of stakeholders</b>	The interests of stakeholders were taken into account by the central legal department when drawing up the export control policies.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> </ul>

- 2) Policy Statement for Quality, Environmental, and Occupational Health and Safety

RENK is committed to ensuring compliance with all relevant safety and quality standards and implementing processes for continuous monitoring and improvement of our products. Compliance with the quality, environmental, occupational health and safety, and energy policies makes a significant contribution to gaining and maintaining the trust of our customers in the EU, NATO and NATO-equivalent countries. Meeting all customer requirements and continuously improving customer satisfaction ensure high product quality and safety. It also provides the basis for preventing potential collateral damage to the civilian population and promoting the potential protection of the civilian population when using our products. For further information, please see section *ESRS S2 – Workers in the value chain*.

### 3) Code of Conduct

RENK's Code of Conduct is the central element of internal compliance and an essential part of our corporate culture. It contains rules on lawful and ethical conduct and regulates our business practices. The commitments contained therein apply within the entire Group, as well as to external partners and the public, and therefore also include potentially affected communities. For further information, please see section 1.4.1 ESRS G1 – Business conduct.

### 4) Policy Statement on Human Rights

We are also committed to fully respecting human rights. RENK is convinced that taking social responsibility for the well-being of people is the basis for sustainable success. Therefore, compliance with human rights, both in our own business operations and in the supply chain, is an essential component of good corporate governance and firmly anchored in our sustainability strategy. RENK recognizes the United Nations Universal Declaration of Human Rights. By joining the UN Global Compact, RENK has committed itself to the principles in the areas of human rights, labor standards, environmental protection and corruption prevention. RENK's commitment to human rights is also based on the ILO core conventions and the OECD Guidelines for Multinational Enterprises. Further information can be found in ESRS S1 – Own workforce.

Despite the challenge of limited influence over the use of RENK products on site, RENK is committed to continuously examining opportunities for improvement and developing alternative approaches to minimizing long-term and potential impacts on affected communities.

During fiscal year 2024, there were no cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises involving affected communities.

### 5) Code of Conduct for Suppliers and other Business Partners

RENK's corporate values extend not only to its own business operations, but along the entire supply chain. The SCoC explicitly calls on RENK's suppliers and other business partners to respect the rights of local communities, indigenous peoples and minorities. They do not resort to reprisals against human rights defenders. For further information, please see section ESRS S2 – Workers in the value chain.

## S3-2 Processes for engaging with affected communities about impacts

During the reporting period, there was no direct involvement of or interaction with affected communities directed at the identified impacts.

	Yes	No
<b>Procedure for inclusion</b>		
Did RENK establish a process in fiscal year 2024 that would serve as a basis for the regular and systematic inclusion of the affected communities?		x

## S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns

Stakeholders throughout the value chain can use our publicly accessible complaints procedure ("RENK Integrity Line") to report violations of national and international laws, (internal) regulations and guidelines, and to enable the prompt clarification and cessation of misconduct. The procedures and actions for investigating reported violations described in section ESRS G1 – Business conduct are also applicable to reports from affected communities in the value chain.

Further information on the redress and complaint mechanism and the related concept can be found in sections ESRS S1 – Own workforce and ESRS G1 – Business conduct. The whistleblower system is available to all internal and external stakeholders on the RENK website. All whistleblowers are protected from reprisals within the framework of our rules of

procedure and the actions described therein. Since affected communities can raise their concerns anonymously and in a protected environment at any time, RENK has no reason to doubt that they have confidence in the structures or procedures. The effectiveness of the relevant complaint procedures has not yet been reviewed.

**S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions**

	Yes	No
<b>Specific actions</b>		
Did RENK establish specific actions in fiscal year 2024 beyond the implemented precautions such as the whistleblower system ("RENK Integrity Line")?		x

RENK attaches great importance to responsible action. By integrating the relevant topics of product safety, ethical business practices and compliance with international standards and regulations into our sustainability strategy and business model, RENK believes that the rights and needs of the affected communities, as far as they are within RENK's sphere of influence, are taken into account and protected. However, RENK reserves the right to establish further actions in the future if the existing ones prove to be inadequate. There is currently no substantial evidence for this.

**S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

	Yes	No
<b>Specific targets</b>		
Did RENK formulate specific targets in fiscal year 2024?		x

RENK has only a very limited influence on the more distant stages of the upstream and downstream value chain. Should RENK experience negative impacts, necessary changes can only be implemented in the long term and with considerable effort, and possibly only partially. Therefore, setting specific targets regarding potential indirect impacts on affected communities is extremely complex and must be done on the basis of need in order to define a functional framework for action and ensure measurable success. For these reasons, verifying the effectiveness of targets and actions in relation to material sustainability-related impacts is difficult and has not yet carried out.

In addition to the ambition of avoiding negative impacts of business activities on affected communities as far as possible, RENK currently does not have any time-bound and outcome-oriented targets. As a result, there is no ongoing monitoring of the degree of target achievement. RENK reserves the right to formulate targets and establish actions in the future, provided that this involves the prospect of measurability and enforceability.

#### 1.3.4 ESRS S4 – Consumers and end-users

The health, protection and safety of the end-users of our products are of utmost importance to us. That is why we set the highest quality standards for our products. Our strict security and quality requirements are designed to prevent negative impacts of our business activities on consumers and end-users under all circumstances.

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

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in section *ESRS 2 SBM-3*. In the following section, the identified IROs are examined with regard to their interaction with the corporate strategy and business activities.

RENK's products are used in end products for the civil and military sectors and are sold to customers in the defense, energy and industrial sectors around the world. End-users of the products are soldiers of the army and navy as well as civilian users such as energy, industrial and commercial shipping companies and their employees. The operation of RENK products does not expose end-user groups to any harmful impacts. The risk of chronic disease also remains unaffected. The services provided by RENK do not have a negative impact on the right to privacy, protection of personal data, freedom of expression and non-discrimination of end-users. RENK's product portfolio is highly customer- and application-specific. Therefore, end-users typically receive technical training in safe operation of the products, which, as installed system components for drive solutions, only constitute part of the functional and usage context. Nevertheless, users are to a certain extent dependent on knowledge of product-related information in order to ensure safe operation. Particularly vulnerable user groups are not addressed by the products and services.

On account of RENK's quality-oriented positioning and our high requirements for acceptance by end-users, our business activities have no direct impacts on their security and well-being. Our work in mechanical engineering entails industry-typical risks in the area of product safety, which can arise in the immediately downstream stages of the value chain. Our strict requirements regarding the safety and quality of our products are intended to ensure that these industry-specific risks associated with the use of technical equipment do not become systemic problems, but remain limited to individual cases. In addition, no users of specific products were identified who would be particularly at risk. Rather, all user groups are equally exposed to risks arising from impacts and dependencies.

Although no significant financial disadvantages for RENK are apparent in the short term, compromises in quality and safety, especially in critical deployment scenarios, could have material negative impacts on the company's reputation and therefore indirectly affect its business success.

The health, protection and safety of end-users are essential values for us. RENK is convinced that without these values, it would not be possible to meet our high standards of product quality and safety. Rather, they form the basis for the individual development of our employees both within and outside of our business operations and therefore make a significant contribution to achieving RENK's financial and non-financial objectives.

In RENK's opinion, there are two material financial risks that may arise from the identified impacts. Firstly, there are reputational risks and the danger of an impairment loss in the event of major negative quality incidents that could cost the lives of soldiers. Such incidents could significantly undermine trust in our products and damage RENK's reputation in the long term. Secondly, there is the threat of legal proceedings and fines in the event of major negative quality incidents that cost soldiers' lives. These incidents could result in significant legal consequences, including costly litigation and heavy fines, which could jeopardize RENK's financial stability. RENK considers the endangerment of soldiers' lives and the safety of civilian users of drive solutions as a very significant potential impact if RENK technology does not meet mission-critical requirements due to poor quality. Therefore, RENK places a special strategic focus on product quality.

RENK's business model and policy are focused on the material potential impacts and risks with regard to product quality, since concessions in product quality put human lives at risk. With this responsibility in mind, testing procedures and certifications according to ISO 9001 are mandatory.

**S4-1 Policies related to consumers and end-users**

RENK has the following relevant guidelines and policies in place to identify, assess, control and manage material impacts on affected stakeholders:

- 1) Policy Statement on Human Rights
- 2) Implementation of human rights due diligence
- 3) Policy Statement for Quality, Environmental, and Occupational Health and Safety

Through the HRC, RENK ensures that end-users and consumers are provided with a direct point of contact. In fiscal year 2024, no violations of the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises were identified throughout RENK’s value chain. Furthermore, no serious human rights incidents related to consumers and end-users were identified.

- 1) Policy Statement on Human Rights and
- 2) Implementation of human rights due diligence

We are committed to fully respecting human rights. RENK is convinced that taking social responsibility for the well-being of people is the basis for lasting success. Therefore, compliance with human rights, both in our own business operations and in the supply chain, is an essential component of good corporate governance and firmly anchored in our sustainability strategy. RENK recognizes the United Nations Universal Declaration of Human Rights. By joining the UN Global Compact, RENK has committed itself to the principles in the areas of human rights, labor standards, environmental protection and corruption prevention.

RENK’s commitment to human rights is set out in the “Policy Statement on Human Rights”. It describes responsibilities and actions for implementing human rights due diligence within the company’s own business area and in the supply chain. The declaration is communicated both internally and externally to relevant target groups. Further information on the policy statement can be found in section *ESRS S1 – Own workforce*.

Despite the actions taken, RENK has only a very limited influence on the more distant stages of the downstream value chain and therefore also on consumers and end-users. Nevertheless, RENK is committed to continuously examining opportunities for improvement and developing alternative approaches to minimizing possible impacts on consumers and end-users in the long term. For further information, please see section *ESRS S3 – Affected communities*.

- 3) Policy Statement for Quality, Environmental, and Occupational Health and Safety

RENK is committed to ensuring compliance with all relevant safety and quality standards and to implementing processes for the continuous monitoring and improvement of its products. Compliance with the product safety and product quality policy makes a significant contribution to ensuring safety for end-users. For further information, please see section *ESRS S2 – Workers in the value chain*.

**S4-2 Processes for engaging with consumers and end-users about impacts**

	Yes	No
<b>Procedures for inclusion</b>		
Did RENK establish a process in fiscal year 2024 that serves as a basis for regular and systematic inclusion of consumers and end users?		x

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

Stakeholders throughout the value chain can use our publicly accessible complaints procedure (“RENK Integrity Line”) to report violations of national and international laws, as well as (internal) regulations and guidelines, and to enable the prompt clarification and cessation of misconduct. The procedures and actions for investigating reported violations

described in section *ESRS G1 – Business conduct* are also applicable to reports from consumers and end-users in the value chain.

Further information on the redress and complaint mechanism and the related concept can be found in section *ESRS S1 – Own workforce* and *ESRS G1 – Business conduct*. The whistleblower system is available to all internal and external stakeholders on the RENK website. All whistleblowers are protected from reprisals within the framework of our rules of procedure and the actions described therein. Since end-users and consumers can raise their concerns anonymously and in a protected environment at any time, RENK has no reason to doubt that they trust the structures or procedures. The effectiveness of the relevant complaint procedures has not yet been reviewed.

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

	Yes	No
<b>Specific measures</b>		
Did RENK establish specific measures in fiscal year 2024 beyond the implemented precautions such as the whistleblower system ("RENK Integrity Line")?		x

RENK attaches great importance to responsible action. By integrating the relevant topics of product safety, ethical business practices and compliance with international standards and regulations into our sustainability strategy and business model, RENK believes that the rights and needs of consumers and end-users, as far as they are within RENK's sphere of influence, are taken into account and protected. However, RENK reserves the right to establish further actions in the future if the existing ones prove to be inadequate. There is currently no substantial evidence for this.

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

	Yes	No
<b>Specific targets</b>		
Did RENK formulate specific targets in fiscal year 2024?		x

RENK has only a very limited influence on the more distant stages of the upstream and downstream value chain and on the use of the products on site. Should RENK experience negative impacts, necessary changes can only be implemented in the long term and with considerable effort, and possibly only partially. Therefore, setting specific targets regarding potential indirect impacts on consumers and end-users is extremely complex and must be done on the basis of need in order to define a functional framework for action and ensure measurable success. For these reasons, verifying the effectiveness of targets and actions in relation to key sustainability-related impacts is difficult and has not yet been carried out.

In addition to the ambition of avoiding negative impacts of business activities on consumers and end-users as far as possible, RENK currently does not have any time-bound and result-oriented targets. As a result, there is no ongoing monitoring of the degree of target achievement. RENK reserves the right to formulate targets and establish actions in the future, provided that this involves the prospect of measurability and enforceability.

## 1.4 Governance information

Responsible corporate governance is the basis for our business success. We attach great importance to responsible, fair and reliable action at all levels of the company. Ensuring compliance with statutory regulations is also part of successful corporate governance. At RENK, this is ensured through the compliance organization and the compliance management system (CMS). Other central topics include the provision of reporting channels and the protection of whistleblowers, as well as the prevention and detection of corruption.

### 1.4.1 ESRS G1 – Business conduct

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

The impacts, risks and opportunities identified as material in the double materiality assessment can be found in tabular form for all topic-specific standards in section *ESRS 2 SBM-3*. In the following section, the identified IROs are examined with regard to their interaction with the corporate strategy and business activities.

RENK has anchored resilient corporate governance in its corporate strategy, which promotes responsible action at all levels of the company, enforces high standards and enables long-term relationships with customers, partners and stakeholders. RENK is aware of its special position in view of mission-critical application scenarios of products and the associated services.

Without a positive corporate culture that is focused on employee satisfaction, motivation and loyalty, on compliance and a culture of constrictive criticism, RENK runs the risk of limiting or not leveraging employee potential, not meeting customer quality expectations, taking on increased legal risks and, as a result, suffering a significant loss of reputation. While a lack of employee engagement hinders the prospects of financial success due to lower output, inadequate quality and dwindling innovation capacity, legal disputes, a lack of prevention of corruption and bribery and loss of reputation can constitute facts that endanger the existence of a company. RENK's corporate governance therefore successfully is doing everything in its power to reduce negative impacts and risks and instead leverage employee and productivity potential. The foundations for this are RENK's corporate values, from which the content and structural requirements for corporate culture, corporate governance, compliance culture and the CMS are derived.

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

At RENK, the bodies are divided into the Executive Board and the Supervisory Board. The Supervisory Board advises the Executive Board on the management of the company and monitors its activities. Furthermore, the Supervisory Board appoints the members of the Executive Board. The Executive Board manages RENK Group AG under its own responsibility. The control and supervision of governance factors are carried out centrally by RENK Group AG for the entire Group under the leadership of the Executive Board and the Supervisory Board. The Executive Board bears overall responsibility for sustainability issues. The Chief Legal Officer communicates directly with the Chief Executive Officer and reports regularly to the Supervisory Board. We also refer to the information on the RENK compliance organization in section *ESRS G1-1 Business conduct policies and corporate culture*.

### **Corporate governance**

For RENK, corporate governance means responsible, fair and reliable action at all levels of the company – in the Supervisory Board, in the Executive Board, in relation to employees and to all other stakeholders. The management and monitoring tier at RENK has a role-model function here. Building on the RENK corporate values, this also includes transparent documentation and communication as well as trust-based cooperation, which form the basis for good corporate governance within RENK. The corporate governance structure promotes an open and risk-mitigating compliance and integrity culture while simultaneously advancing the strategic business segments. Key aspects of the

corporate and compliance culture include systematic internal training and awareness-raising aimed at compliance with legal and ethical standards, thus contributing to sustainable business performance.

**G1-1 Business conduct policies and corporate culture**

RENK has the following relevant guidelines and policies to identify, assess, control and manage significant impacts on affected stakeholders. These apply to all employees, including those identified as risk groups: the Executive Board, the management tier of RENK companies, Sales, Purchasing, Service departments and the representatives of RENK in the political discourse:

- 1) Code of Conduct
- 2) Handling of gifts, hospitality and invitations to events
- 3) Global Human Resources Policy

- 1) Code of Conduct

Policy	RGR-0-3 Code of Conduct (CoC)
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• Binding ethical principles of conduct and compliance requirements for all employees</li> <li>• CoC as a central element of internal compliance and an essential component of the corporate culture</li> <li>• Complementing the CoC with various compliance guidelines</li> <li>• Supporting employees in complying with legal requirements and implementing internal compliance processes</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Guidelines for legally compliant and ethical behaviour</li> <li>• Validity of obligations within the entire group of companies as well as towards external partners and the public</li> <li>• CoC as a framework for all decisions made by RENK and its employees</li> <li>• Specific instructions and approval processes for dealing with conflicts of interest and secondary employment</li> <li>• Maintaining objectivity by strictly separating professional and private interests</li> </ul>
<b>Monitoring process</b>	<ul style="list-style-type: none"> <li>• Unwavering commitment to comply with all applicable laws and to observe fundamental ethical principles for all employees without exception</li> <li>• Core elements of the CMS</li> <li>• Raising awareness through training</li> </ul>
<b>Scope of application</b>	<ul style="list-style-type: none"> <li>• All legal entities of RENK</li> <li>• Special role model function of managers</li> <li>• If necessary, additional measures due to company-, business- and country-specific requirements</li> </ul>
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive Board of RENK</li> <li>• Central Compliance Department</li> </ul>
<b>Reference to third-party standards or initiatives</b>	<ul style="list-style-type: none"> <li>• UN Global Compact</li> <li>• Core Conventions of ILO</li> </ul>
<b>Consideration of the interests of stakeholders</b>	The interests of stakeholders were taken into account by the central compliance department when drawing up the Code of Conduct.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> <li>• RENK Website</li> </ul>

2) Handling of gifts, hospitality and invitations to events

Policy	RGR-4-1 Handling Gifts, Hospitality and Invitations to Events
<b>Main contents</b>	<ul style="list-style-type: none"> <li>• General criteria for determining the appropriateness of benefits</li> <li>• Approval processes for accepting and giving gifts, hospitality and invitations to events</li> <li>• Rules for dealing appropriately with public officials</li> <li>• Documentation of benefits requiring approval</li> </ul>
<b>General objectives</b>	<ul style="list-style-type: none"> <li>• Prevention of corruption</li> <li>• Adherence to high compliance standards</li> <li>• Raising employee awareness of the risks of corruption</li> <li>• Clear instructions for dealing with benefits</li> </ul>
<b>Monitoring process</b>	• Joint responsibility of the Management Board, Chief Legal Officer, managers and specialist departments
<b>Scope of application</b>	• Own operations
<b>Responsible organizational level</b>	<ul style="list-style-type: none"> <li>• Executive board of RENK</li> <li>• Implementation by the CMS</li> <li>• Central Compliance Department</li> </ul>
<b>Reference to third-party standards or initiatives</b>	n/a
<b>Consideration of the interests of stakeholders</b>	The interests of stakeholders were taken into account by the central compliance department when drawing up the Code of Conduct.
<b>Availability of the policy</b>	Available in German and English language: <ul style="list-style-type: none"> <li>• Intranet "OneRENK"</li> </ul>

3) Global Human Resources Policy

For RENK, creating a working environment characterized by respect, fairness and equal opportunities is of central importance. The RENK Global HR Policy serves as a guide for all employees and managers to ensure that our working practices are transparent, fair and compliant with the law. A positive working atmosphere both promotes the well-being of employees and forms the basis for our mutual success. This policy defines clear expectations and promotes a culture of collaboration and mutual respect. For further information, please see section *ESRS S1 – Own workforce*.

**Corporate culture**

RENK has internal guiding principles that were developed and approved by our Executive Board and published on the intranet in 2023. The guiding principles give our managers and employees a basis for sustainable action in their own areas of responsibility and fields of activity. They summarize the following key points:

- How RENK is positioning itself in terms of sustainability,
- that RENK focuses on its customers and business partners,
- how RENK is geared towards the challenges of growing transformation,
- that at RENK, we treat each other in a respectful, fair and open manner, and
- that RENK is keen to grow profitably and globally through innovation and internationalization.

All managers are called upon to firmly integrate the guiding principles into their daily business life and to live by them. In addition, the RENK Code of Conduct and the ethical principles of conduct contained therein apply to all employees.

**Compliance organization and compliance management system**

The RENK compliance organization is headed by the Chief Legal Officer and is a function within the area of responsibility of the Chief Executive Officer. The Chief Legal Officer communicates directly with the Chief Executive Officer and regularly reports to RENK’s Supervisory Board on functionality, risks and any incidents. Material compliance risks and incidents are addressed on an ad-hoc basis outside of regular reporting. Based on internal and external training and their professional experience, the members of the Executive Board and Supervisory Board have

comprehensive expertise to assess identified compliance risks and incidents in accordance with the relevant legal or regulatory framework and to take appropriate actions to deal with them.

The Chief Legal Officer is in charge of the Corporate Ethics & Compliance department, which in turn is headed by the Head of the Corporate Ethics & Compliance department, which implements and enhances the Group-wide CMS. The management bodies in the legal entities, in particular their management teams, are responsible for the implementation of the compliance program implemented Group-wide by the Executive Board and managed by the Corporate Ethics & Compliance department. Each management body of a legal entity has also appointed an Ethics Officer. Ethics Officers report to the Head of Corporate Ethics & Compliance (“dotted line”) and assist the Corporate Ethics & Compliance department in the effective implementation of compliance actions at the respective sites or with questions that arise at the site in this context.

In order to protect the company and its employees from legal and reputational risks, RENK has a Group-wide CMS. The aim is the prevention and, if necessary, early detection of violations of the law such as corruption, money laundering, breaches of competition law, and violations of foreign trade law. Another CMS focus is on data privacy and information security. The CMS serves to actively manage risk, and provides a protective function for RENK and its employees.

### **Compliance training**

In order to create awareness of how to deal with integrity-relevant issues and to impart the necessary knowledge for legally compliant and transparent behavior, we conduct mandatory compliance training for all employees. The compliance training concept pursues a target group-oriented approach. This means that an employee’s training is always tailored to their respective work area and therefore to their specific risk exposure. Depending on the topic, we provide employees with e-learning and/or face-to-face or virtual training courses, which are repeated at a set training interval and are mandatory.

E-learning courses ensure consistent, Group-wide compliance knowledge at all levels of the company and can be completed independently and flexibly in the workplace. All employees must complete a “Code of Conduct” training course as basic training. Mandatory in-depth modules are also offered. Face-to-face and virtual training courses are primarily aimed at the risk groups: the Executive Board, the management tier of RENK companies, Sales, Purchasing, Service departments or the representatives of RENK in the political discourse. The content was tailored to the prevailing compliance risks in the respective area of work and organized interactively.

The company also supports the Supervisory Board to an appropriate extent with human and financial resources in order to help the members of the Supervisory Board ease into their role and enable them to receive the training necessary to maintain the required expertise.

### **Reporting system and protection of whistleblowers**

When identifying compliance violations, RENK relies on information from employees, as misconduct can largely only be discovered based on internal reports. Employee feedback is important in order to create and maintain a compliance culture based on sustainability, social responsibility and integrity. The purpose of whistleblowing is to help the entire company and all its employees to behave lawfully and therefore make a sustainable and long-term contribution to business performance and to securing jobs. RENK encourages all employees to report suspicious activities and violations. Therefore, all employees are informed about the various reporting channels and processes. This is done primarily on the basis of compliance training, supported by accompanying actions such as posters and the distribution of flyers.

Information can be provided via RENK’s digital whistleblower system “RENK Integrity Line” and through direct communication with the Corporate Ethics & Compliance department, whose contact details are accessible to all employees on the intranet. In addition, the “RENK Integrity Line” can be accessed online at any time and from anywhere. It is available in several languages to all employees, but also to customers, suppliers, their employees and other third parties. Information can be provided either anonymously or with disclosure of personal details. The set-up of a protected digital mailbox also enables communication between the Corporate Ethics & Compliance department and the

whistleblower (also anonymously). Incoming reports are reviewed and processed by the Corporate Ethics & Compliance department.

Processing is carried out within the framework of a defined incident management process. As an official reporting office established by the German Whistleblower Protection Act, the Corporate Ethics & Compliance department is obliged to maintain particular confidentiality in order to protect the identity of the whistleblower. People from the Corporate Ethics & Compliance department who are charged with the tasks of an internal reporting office exercise their duties independently, i.e. separately from the Executive Board, and have special expertise in dealing with and investigating tip-offs. Only a few people deal with tip-offs, and the sharing of information follows the "need-to-know" principle. If a whistleblower does not wish to reveal his or her identity, there is always the option of submitting an anonymous report to the Corporate Ethics & Compliance department.

Alternatively, whistleblowers can contact an external ombudsman. The ombudsman protects the identity of a whistleblower by maintaining a duty of confidentiality. The whistleblower's identity will only be disclosed to the Corporate Ethics & Compliance department upon request and with his or her express consent. The ombudsman's contact details are also available on the intranet and on the RENK company website.

At RENK, whistleblowers are protected from discrimination, unfair treatment and reprisals. Therefore, whistleblowers can have no fear of disciplinary action or any other negative consequences from RENK as a result of their report, unless they themselves are involved in the reported compliance violation. RENK does not tolerate hostility or discrimination against whistleblowers. The processes and actions implemented for this purpose are in line with Directive (EU) 2019/1937 on the protection of whistleblowers. At the same time, the reporting channels provided by RENK may not be used to express knowingly false suspicions or accusations. An interdisciplinary Incident Response Committee advises on investigations and sanctions in the event of serious compliance violations. It contains representatives from the Compliance, HR and IT departments.

### **G1-3 Prevention and detection of corruption and bribery**

#### **Rules and actions to prevent corruption**

RENK operates in a highly regulated environment and therefore pays particular attention to preventing corruption and acting in accordance with the law. This requirement applies throughout the Group and to the entire upstream and downstream value chain. Particularly affected corporate functions such as the Executive Board, the management tier of RENK companies, the Sales, Purchasing and Service departments or the representatives of RENK in the political discourse are trained every two years by means of e-learning on possible compliance risks in the area of corruption prevention. In addition, a more in-depth classroom training session lasting for several hours is held annually for the Sales, Purchasing and Service departments. Using practical examples, the e-learning and classroom training covers aspects such as the correct way to handle donations and awareness of the various forms of corruption. In particular, lawful conduct towards public officials is explained.

96.9 % of the affected corporate functions participated in appropriate training measures in fiscal year 2024. The Code of Conduct and the policies derived from it, as well as the actions and behavioral guidelines set out therein, are available to all employees in English and German on the "OneRENK" intranet.

In order to implement the zero-tolerance strategy pursued by RENK, benefits in the form of gifts, hospitality or invitations to events are distinguished on the basis of a Group-wide policy based on a traffic light system, which is differentiated according to the type and extent of possible compliance risks. If compliance violations are identified, an audit is carried out, and suitable and appropriate sanctions are implemented. The Incident Response Committee develops recommendations for handling the respective incident, which are then submitted by the Chief Legal Officer to the management or the Executive Board for decision. Sanctions range from disciplinary action and consequences under civil law to criminal charges, depending on the severity of the violation. The implementation of sanctions is monitored within the Group.

In order to avoid compliance violations, all employees are asked to contact their managers, specialist units or the Compliance department with any questions or suggestions. To ensure that irregularities can be identified at an early stage, we give our employees the opportunity to report them confidentially (“RENK Integrity Line”).

<b>Prevention and detection of corruption and bribery</b>			
	Unit	2024 01.01.-31.12.	Standard
Percentage of at-risk functions covered by anti-corruption/bribery training	%	96.9	G1-3 21 (b)

### ESRS G1-4 Confirmed incidents of corruption or bribery

As no judgments were issued against RENK for corruption or bribery offenses in fiscal year 2024, no case-specific actions had to be taken. Therefore, no penalties had to be paid.

<b>Incidents of corruption or bribery</b>			
	Unit	2024 01.01.-31.12.	Standard
Convictions for violations of anti-corruption and anti-bribery laws	Number	0	G1-4 24 (a)
	€	0	G1-4 24 (a)

RENK considers the prevention of corruption and bribery incidents to be extremely important. The creation of a transparent and ethical working environment is continuously advanced. As internal processes are regularly reviewed and comply with the highest compliance standards, there is currently no reason to introduce new actions. The effectiveness of the actions already established is demonstrated by the fact that no relevant incidents have occurred so far. However, RENK reserves the right to instigate further actions in the future if the existing ones prove to be inadequate. There is currently no substantial evidence for this.

	Yes	No
<b>Specific measures</b>		
Did RENK develop specific measures in fiscal year 2024?		x

### G1-5 Political influence and lobbying activities

#### Advocacy

In political communication, RENK maintains contact with political representatives through its Government Relations department. For this purpose, RENK maintains an office in the German capital that is responsible for all political representation of the company’s interests at state (Bavaria), federal and EU level. In addition, work with political associations is coordinated from there. There is also an advocacy team in Washington, D.C., USA.

The nature and extent of advocacy work can be viewed in the lobby register of the German Bundestag, in which RENK is listed under register entry R000345, the Bavarian lobby register under register number DEBYLT00CF and the EU transparency register under the entry 149024447497-03. Along with this, advocacy in the USA is carried out by RENK Holdings Inc., Wilmington, USA, which is registered under the number 565530001 (House Registration Number) in accordance with the Lobbying Disclosure Act. The Chief Executive Officer and the Supervisory Board monitor all activities of the advocacy team. None of the members of Executive Board and Supervisory Board held a comparable position in public administration (including regulatory authorities) in the two years prior to their appointment. RENK

made financial contributions and in-kind contributions totaling € 10,200 in fiscal year 2024 in Germany. Donations in kind in the form of sample transmissions to members of parliament and associations accounted for € 1,700 of this. No political contributions were made in the United States.

Key topics on which RENK contributed to the political decision-making process in Germany and the USA mainly concern security and defense policy with a focus on the affairs of the armed forces, industrial policy issues, mechanical engineering and the energy sector. In Germany in fiscal year 2024, this involved the legal basis of arms export control and the Carbon Capture and Transport Act. The lobbying activities regarding the legal framework for arms exports are essentially aimed at maintaining the existing regulations and accelerating approval procedures. With regard to the Carbon Capture and Transport Act, RENK takes the position that rapid implementation and a clear commitment to the expansion and financing of the corresponding infrastructure are required.

Overall, the lobbying activities serve to highlight the need for predictability of political action, openness to new technologies, especially for attainment of climate goals, and an effort to maintain existing regulations that have proven to be resilient and robust, rather than creating new bureaucratic burdens. While predictability and reduced bureaucracy are factors of the political business environment, the aspect of technological openness focuses on RENK's strategic opportunity to transform negative impacts into positive ones through energy-efficient product solutions that contribute to climate-change protection.

<b>Political influence and lobbying activities</b>			
	Unit	<b>2024</b> <b>01.01.-31.12.</b>	<b>Standard</b>
<b>Direct and indirect financial contributions, broken down by country</b>			G1-5 29 (b)
Germany	€	8,500	G1-5 29 (b)
USA	€	0	G1-5 29 (b)
<b>Direct and indirect contributions in kind, broken down by country</b>			G1-5 29 (b)
Germany	€	1,700	G1-5 29 (b)
USA	€	0	G1-5 29 (b)

1.5 Further information on the sustainability statement

ESRS 2 GOV-4 Statement on due diligence

Core elements of due diligence	References within the sustainability statement
a) Integration of due diligence into governance, strategy and business model	Cf. reporting on ESRS 2 GOV-2, GOV-3, SBM-3
b) Involvement of affected stakeholders in all key due diligence steps	Cf. reporting on ESRS 2 GOV-2, SBM-2, IRO-1, MDR-P on material topic-specific disclosures relating to concepts, topic-specific stakeholder engagement processes
c) Identification and assessment of negative impacts	Cf. reporting on ESRS 2 IRO-1 (including topic-specific IRO-1 disclosures), SBM-3
d) Measures to address these negative impacts	Cf. Reporting on ESRS 2 MDR-A on material topic-specific disclosures relating to actions, topic-specific procedures to address adverse impacts and actions taken in relation to material impacts.
e) Monitoring and communicating the effectiveness of these efforts	Cf. reporting on ESRS 2 MDR-M and MDR-T on material topic-specific disclosures relating to key figures and targets, topic-specific disclosures relating to channels through which concerns can be raised

ESRS 2 IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement

ESRS content index

ESRS 2 General Disclosures			Reference
2	BP-1	General basis for preparation of the sustainability statement	ESRS 2 BP-1
2	BP-2	Disclosures in relation to specific circumstances	ESRS 2 BP-2
2	GOV-1	The role of the administrative, management and supervisory bodies	ESRS 2 GOV-1
2	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	ESRS 2 GOV-2
2	GOV-3	Integration of sustainability-related performance in incentive schemes	ESRS 2 GOV-3
2	GOV-4	Statement on due diligence	ESRS 2 GOV-4
2	GOV-5	Risk management and internal controls over sustainability reporting	ESRS 2 GOV-5
2	SBM-1	Strategy, business model and value chain	ESRS 2 SBM-1
2	SBM-2	Interests and views of stakeholders	ESRS 2 SBM-2
2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS 2 SBM-3
2	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	ESRS 2 IRO-1
2	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statements (ESRS Index)	ESRS 2 IRO-2

ESRS E1 Climate Change			Reference
E1	GOV-3	Integration of sustainability-related performance in incentive schemes (Climate)	ESRS E1 ESRS 2 GOV-3
E1	E1-1	Transition plan for climate change mitigation	ESRS E1-1
E1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS E1 ESRS 2 SBM-3
E1	IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	ESRS E1 ESRS 2 IRO-1
E1	E1-2	Policies related to climate change mitigation and adaptation	ESRS E1-2
E1	E1-3	Actions and resources in relation to climate change policies	ESRS E1-3
E1	E1-4	Targets related to climate change mitigation and adaptation	ESRS E1-4
E1	E1-5	Energy consumption and mix	ESRS E1-5

<b>ESRS E1 Climate Change</b>			<b>Reference</b>
E1	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	ESRS E1-6
E1	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	ESRS E1-7
E1	E1-8	Internal carbon pricing	ESRS E1-8

<b>ESRS S1 Own Workforce</b>			<b>Reference</b>
S1	SBM-2	Interests and views of stakeholders	ESRS S1 ESRS 2 SBM-2
S1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS S1 ESRS 2 SBM-3
S1	S1-1	Policies related to own workforce	ESRS S1-1
S1	S1-2	Processes for engaging with own workers and workers' representatives about impacts	ESRS S1-2
S1	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	ESRS S1-3
S1	S1-4	Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions and approaches	ESRS S1-4
S1	S 1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S1-5
S1	S1-6	Characteristics of the undertaking's employees	ESRS S1-6
S1	S1-8	Collective bargaining coverage and social dialogue	ESRS S1-8
S1	S1-9	Diversity Metrics	ESRS S1-9
S1	S1-10	Adequate Wages	ESRS S1-10
S1	S1-14	Health and safety metrics	ESRS S1-14
S1	S1-16	Compensation metrics (pay gap and total remuneration)	ESRS S1-16
S1	S1-17	Incidents, complaints and severe human rights impacts	ESRS S1-17

<b>ESRS S2 Workers in the Value Chain</b>			<b>Reference</b>
S2	SBM-2	Interests and views of stakeholders	ESRS S2 ESRS 2 SBM-2
S2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS S2 ESRS 2 SBM-3
S2	S2-1	Policies related to value chain workers	ESRS S2-1
S2	S2-2	Processes for engaging with value chain workers about impacts	ESRS S2-2
S2	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	ESRS S2-3
S2	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	ESRS S2-4
S2	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S2-5

<b>ESRS S3 Affected Communities</b>			<b>Reference</b>
S3	SBM-2	Interests and views of stakeholders	ESRS S3 ESRS 2 SBM-2
S3	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS S3 ESRS 2 SBM-3
S3	S3-1	Policies related to affected communities	ESRS S3-1
S3	S3-2	Processes for engaging with affected communities about impacts	ESRS S3-2
S3	S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	ESRS S3-3
S3	S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	ESRS S3-4
S3	S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S3-5

<b>ESRS S4 Consumers and End-users</b>			<b>Reference</b>
S4	SBM-2	Interests and views of stakeholders	ESRS S4 ESRS 2 SBM-2
S4	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS S4 ESRS 2 SBM-3
S4	S4-1	Policies related to consumers and end-users	ESRS S4-1
S4	S4-2	Processes for engaging with consumers and end-users about impacts	ESRS S4-2
S4	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	ESRS S4-3
S4	S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	ESRS S4-4
S4	S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S4-5

<b>ESRS G1 Business Conduct</b>			<b>Reference</b>
G1	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS G1 ESRS 2 SBM-3
G1	GOV-1	The role of the administrative, management and supervisory bodies	ESRS G1 ESRS 2 GOV-1
G1	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	ESRS G1 ESRS 2 IRO-1
G1	G1-1	Business conduct policies and corporate culture	ESRS G1-1
G1	G1-3	Prevention and detection of corruption and bribery	ESRS G1-3
G1	G1-4	Confirmed Incidents of corruption or bribery	ESRS G1-4
G1	G1-5	Political influence and lobbying activities	ESRS G1-5

**List of data points in general and topic-specific standards arising from other EU legislation**

The following table contains all data points originating from other EU legislation as listed in ESRS 2 Appendix B, and indicates where the data points can be found in our sustainability statement. If no page number is specified, the data point is not relevant for RENK.

<b>Disclosure requirement and associated data point</b>	<b>Reference to other EU legal regulations</b>	<b>Reference</b>
ESRS 2 GOV-1 Board's gender diversity Paragraph 21 d	- SFDR: Indicator No. 13 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission(5), Annex II	ESRS 2 GOV-1
ESRS 2 GOV-1 Percentage of board members that are independent Paragraph 21 e	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS 2 GOV-1
ESRS 2 GOV-4 Statement on due diligence Paragraph 30	- SFDR: Indicator No. 10 in Annex 1 Table 3	ESRS 2 GOV-4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	- SFDR: Indicator No. 4 Table 1 in Annex 1 - Pillar 3 reference: Article 449 (a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission(6), Table 1: Qualitative disclosures on environmental risks, and Table 2: Qualitative disclosures on social risks - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	n/a
ESRS 2 SBM-1 Involvement in activities related to chemical production Paragraph 40 d (ii)	- SFDR: Indicator No. 9 in Annex 1 Table 2 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	n/a
ESRS 2 SBM-1 Involvement in activities related to controversial weapons Paragraph 40 d (iii)	- SFDR: Indicator No. 14 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818(7), Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II	n/a

Disclosure requirement and associated data point	Reference to other EU legal regulations	Reference
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco Paragraph 40 d (iv)	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II	n/a
ESRS E1-1 Transition plan to reach climate neutrality by 2050 Paragraph 14	- EU Climate Law Reference: Regulation (EU) 2021/1119, Article 2 (1)	ESRS E1-1
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks Paragraph 16 g	- Pillar 3 reference: Article 449 (a) - Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, Template 1: Annex book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12 (1) (d) to (g) and Article 12 (2)	ESRS E1-1
ESRS E1-4 GHG emission reduction targets Paragraph 34	- SFDR: Indicator No. 4 in Annex 1 Table 2 - Pillar 3 reference: Article 449 (a) - Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, Template 3: Annex book – Transition risk related to climate change: Alignment parameters - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 6	ESRS E1-4
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) Paragraph 38	- SFDR: Indicator No. 5 in Annex 1 Table 1 and Indicator No. 5 in Annex 1 Table 2	ESRS E1-5
ESRS E1-5 Energy consumption and mix Paragraph 37	- SFDR: Indicator No. 5 in Annex 1 Table 1	ESRS E1-5
ESRS E1-5 Energy intensity associated with activities in high climate sectors Paragraphs 40 to 43	- SFDR: Indicator No. 6 in Annex 1 Table 1	ESRS E1-5
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions Paragraph 44	- SFDR: Indicators No. 1 and 2 in Annex 1 Table 1 - Pillar 3 reference: Article 449 (a) Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, Template 1: Annex book – Transition risk related to climate change: Credit quality of exposures by sector, issue and residual maturity - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 5 (1), Article 6 and Article 8 (1)	ESRS E1-6
ESRS E1-6 Gross GHG emissions intensity Paragraphs 53 to 55	- SFDR: Indicator No. 3 Table 1 in Annex 1 - Pillar 3 reference: Article 449 (a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, Template 3: Annex book - Transition risk related to climate change: Alignment parameters - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 8 (1)	ESRS E1-6
ESRS E1-7 GHG removals and carbon credits Paragraph 56	- EU Climate Law Reference: Regulation (EU) 2021/1119, Article 2 (1)	ESRS E1-7
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks Paragraph 66	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	Phase-In (material)
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk Paragraph 66 a	- Pillar 3 reference: Article 449 (a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, paragraphs 46 and 47; Template 5: Annex book – Physical risk related to climate change: Exposures with physical risk	Phase-In (material)
ESRS E1-9 Location of significant assets at material physical risk Paragraph 66 c		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes Paragraph 67 c	- Pillar 3 reference: Article 449 (a) of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2022/2453 by the Commission, paragraph 34; Template 2: Annex book – Transition risk related to climate change: Loans collateralized by real estate – Energy efficiency of collateral	Phase-In (material)
ESRS E1-9 Degree of exposure of the portfolio to climate- related	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818 by the Commission, Annex II	Phase-In (material)

Disclosure requirement and associated data point	Reference to other EU legal regulations	Reference
opportunities Paragraph 69		
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil Paragraph 28	- SFDR: Indicator No. 8 in Annex 1 Table 1, Indicator No. 2 in Annex 1 Table 2, Indicator No. 1 in Annex 1 Table 2 and Indicator No. 3 in Annex 1 Table 2	Not material
ESRS E3-1 Water and marine resources Paragraph 9	- SFDR: Indicator No. 7 in Annex 1 Table 2	Not material
ESRS E3-1 Dedicated policy Paragraph 13	- SFDR: Indicator No. 8 in Annex 1 Table 2	Not material
ESRS E3-1 Sustainable oceans and seas Paragraph 14	- SFDR: Indicator No. 12 in Annex 1 Table 2	Not material
ESRS E3-4 Total water recycled and reused Paragraph 28 c	- SFDR: Indicator No. 6.2 in Annex 1 Table 2	Not material
ESRS E3-4 Total water consumption in m <sup>3</sup> per net revenue on own operations Paragraph 29	- SFDR: Indicator No. 6.1 in Annex 1 Table 2	Not material
ESRS 2 SBM-3 – E4 Paragraph 16 a (i)	- SFDR: Indicator No. 7 in Annex 1 Table 1	Not material
ESRS 2 SBM-3 – E4 Paragraph 16 b	- SFDR: Indicator No. 10 in Annex 1 Table 2	Not material
ESRS 2 SBM-3 – E4 Paragraph 16 c	- SFDR: Indicator No. 14 in Annex 1 Table 2	Not material
ESRS E4-2 Sustainable land / agriculture practices or policies Paragraph 24 b	- SFDR: Indicator No. 11 in Annex 1 Table 2	Not material
ESRS E4-2 Sustainable oceans / seas practices or policies Paragraph 24 c	- SFDR: Indicator No. 12 in Annex 1 Table 2	Not material
ESRS E4-2 Policies to address deforestation Paragraph 24 d	- SFDR: Indicator No. 15 in Annex 1 Table 2	Not material
ESRS E5-5 Non-recycled waste Paragraph 37 d	- SFDR: Indicator No. 13 in Annex 1 Table 2	Not material
ESRS E5-5 Hazardous waste and radioactive waste Paragraph 39	- SFDR: Indicator No. 9 in Annex 1 Table 1	Not material
ESRS 2 SBM-3 - S1 Risk of incidents of forced labour Paragraph 14 f	- SFDR: Indicator No. 13 in Annex I Table 3	ESRS S1 ESRS 2 SBM-3
ESRS 2 SBM-3 - S1 Risk of incidents of child labour Paragraph 14 g	- SFDR: Indicator No. 12 in Annex I Table 3	ESRS S1 ESRS 2 SBM-3
ESRS S1-1 Human rights policy commitments Paragraph 20	- SFDR: Indicator No. 9 in Annex I Table 3 and Indicator No. 11 in Annex I Table 1	ESRS S1 ESRS 2 SBM-3
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 Paragraph 21	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS S1-1
ESRS S1-1 Processes and measures for preventing trafficking in human beings Paragraph 22	- SFDR: Indicator No. 11 in Annex I Table 3	Not material
ESRS S1-1 Workplace accident prevention policy or management	- SFDR: Indicator No. 1 in Annex I Table 3	ESRS S1-1

Disclosure requirement and associated data point	Reference to other EU legal regulations	Reference
system Paragraph 23		
ESRS S1-3 Grievance/complaints handling mechanisms Paragraph 32 c	- SFDR: Indicator No. 5 in Annex I Table 3	ESRS S1-3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents Paragraph 88 b and c	- SFDR: Indicator No. 2 in Annex I Table 3 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS S1-14
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness Paragraph 88 e	- SFDR: Indicator No. 3 in Annex I Table 3	Phase-In (material)
ESRS S1-16 Unadjusted gender pay gap Paragraph 97 a	- SFDR: Indicator No. 12 in Annex I Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS S1-16
ESRS S1-16 Excessive CEO pay ratio Paragraph 97 b	- SFDR: Indicator No. 8 in Annex I Table 3	ESRS S1-16
ESRS S1-17 Incidents of discrimination Paragraph 103 a	- SFDR: Indicator No. 7 in Annex I Table 3	ESRS S1-17
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Paragraph 104 a	- SFDR: Indicator No. 10 in Table 1 of Annex I and Indicator No. 14 in Table 3 of Annex I - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12 (1)	ESRS S1-17
ESRS 2 SBM-3 – S2 Significant risk of child labour or forced labour in the value chain Paragraph 11 b	- SFDR: Indicators No. 12 and 13 in Annex I Table 3	ESRS S2 ESRS 2 SBM-3
ESRS S2-1 Human rights policy commitments Paragraph 17	- SFDR: Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 in Annex 1 Table 1	ESRS S2-1
ESRS S2-1 Policies related to value chain workers Paragraph 18	- SFDR: Indicators No. 11 and 4 in Annex 1 Table 3	ESRS S2-1
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines Paragraph 19	- SFDR: Indicator No. 10 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12 (1)	ESRS S2-1
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 Paragraph 19	- Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS S2-1
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain Paragraph 36	- SFDR: Indicator No. 14 in Annex 1 Table 3	ESRS S2-4
ESRS S3-1 Human rights policy commitments Paragraph 16	SFDR: Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 in Annex 1 Table 1	ESRS S3-1
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines Paragraph 17	SFDR: Indicator No. 10 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	ESRS S3-1
ESRS S3-4 Human rights issues and incidents Paragraph 36	SFDR: Indicator No. 14 in Annex 1 Table 3	ESRS S3-4
ESRS S4-1 Policies related to consumers and end-users Paragraph 16	SFDR: Indicator No. 9 in Annex 1 Table 3 and Indicator No. 11 Table 1 in Annex 1	ESRS S4-1
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights	SFDR: Indicator No. 10 in Annex 1 Table 1 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	ESRS S4-1

Disclosure requirement and associated data point	Reference to other EU legal regulations	Reference
and OECD guidelines Paragraph 17		
ESRS S4-4 Human rights issues and incidents Paragraph 35	SFDR: Indicator No. 14 in Annex 1 Table 3	ESRS S4-4
ESRS G1-1 United Nations Convention against Corruption Paragraph 10 b	- SFDR: Indicator No. 15 in Annex 1 Table 3	ESRS G1-1
ESRS G1-1 Protection of whistle-blowers Paragraph 10 d	- SFDR: Indicator No. 6 in Annex 1 Table 3	ESRS G1-1
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws Paragraph 24 a	- SFDR: Indicator No. 17 in Annex 1 Table 3 - Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816 by the Commission, Annex II	ESRS G1-4
ESRS G1-4 Standards of anticorruption and anti- bribery Paragraph 24 b	- SFDR: Indicator No. 16 in Annex 1 Table 3	ESRS G1-4



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