PHOENIX MECANO

25

SUSTAINABILITY REPORT

This sustainability report has not been externally audited.

MANAGEMENT SUMMARY

The Phoenix Mecano Group consumed a total of around 75 000 MWh of energy in financial year 2025, an increase of just under 1% on the previous year's figure (2024: around 74 500 MWh). The share of energy from renewable sources increased from 24% to 27% over the same period.

Electricity generation from our own photovoltaic systems rose from just under 6 000 MWh to over 7 500 MWh. Of this, 89% was used directly on site – enough to cover around 15% of the Group's total electricity requirements. Additional solar energy systems with an annual production capacity of approximately 1 300 MWh will be added in 2026.

In particular, the higher proportion of self-generated solar power and the increased use of energy from renewable sources led to a 3.5% year-on-year reduction in Scope 1 and 2 greenhouse gas emissions. The data and calculations for Scope 1 (excluding refrigerant losses) and Scope 2 greenhouse gas emissions were externally audited once again.

Scope 3 emissions rose by 15% compared with 2024, mainly because additional material groups and purchased electronic components were included for the first time in 2025. Over 85% of Scope 3 emissions are attributable to purchased goods, while commuting accounts for only around 2%.

1 FOREWORD

1.1 Statement by the highest governance body

Alongside the success of our business activities, we have always attached great importance to looking after our employees, caring for the environment and making a positive contribution to society. These principles are all part of a commitment to operating sustainably, in economic, environmental and social terms. Sustainability is becoming increasingly important for investors, customers, employees and lawmakers. Environmental, social and governance (ESG) regulations in our markets have been expanded in recent years, and this trend is set to continue. In order to meet these growing demands for transparency and due diligence and to make our commitment more visible, we have been publishing an annual sustainability report since 2022. Data collected with reference to the Global Reporting Initiative (GRI) Standards forms the basis for the targeted management of activities in this area. We want to minimise the negative impact of our operations on the environment. Conversely, we examine the extent to which environmental influences and climate risks affect our operations or could affect them in the future (double materiality). To create transparency in this area, we report in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The procedure for identifying, managing and measuring our climate-change-related risks and opportunities in accordance with this structure is set out in section 5.2 of this report. As well as reducing our environmental footprint, we are also focusing on our social commitment. As such, we are working harder to ensure the traceability of our supply chain and compliance with human rights, and not just because of stricter regulatory requirements.

Benedikt A. Goldkamp
Executive Chairman of the Board of Directors

1.2 Aim of the sustainability report

The aim of this sustainability report is once again to take stock of where the Phoenix Mecano Group stands in terms of its impacts on people, the environment and the economy and how these have developed. The report and the collected data underpin the formulation and implementation of a Group-wide sustainability strategy with measures to save energy and reduce greenhouse gas emissions. The report was compiled with reference to the Global Reporting Initiative Standards and is intended to document developments in achieving the set goals. The relevant guidelines for identifying material topics and indicators for a sustainability report were consulted as an aid; however, the report does not meet all the corresponding requirements. In principle, the same scope and coverage apply to non-financial reporting as to financial reporting. The Scope 1 and 2 greenhouse gas balance for this sustainability report was externally audited by KPMG (with limited assurance). Emissions resulting from refrigerant losses were not audited. Figures covered by the audit are indicated by [✓].

2 SUSTAINABILITY AT PHOENIX MECANO

2.1 Global Competence, Local Value

Phoenix Mecano is a global technology company with leading positions in the growth markets of industrial automation, industrial enclosures and drive systems for electrically adjustable comfort and healthcare furniture. Phoenix Mecano's successful business model focuses on the cost-effective manufacture of technical components and their further processing into customised products for niche applications and integration into modular system solutions. Three focused divisions supply a broad customer base in the mechanical engineering, measurement and control technology, medical technology, aerospace, alternative energy, and home and hospital care sectors. The holding company's headquarters are located in Stein am Rhein, Switzerland. Phoenix Mecano Solutions AG, which distributes the

Benedikt A. Goldkamp
Executive Chairman of the Board of Directors

Dr Rochus Kobler
CEO

products of Phoenix Mecano subsidiaries in Switzerland, is based at the same location. The Group has a second Swiss base in Kloten, from where Phoenix Mecano Management AG carries out operational management of the entire Group. The structure has always been very lean. Operational responsibility lies with the divisional managers and the managing directors of the individual subsidiaries. Over time, Phoenix Mecano's subsidiaries have been split into three divisions: Enclosure Systems, Industrial Components and DewertOkin Technology Group. Importantly, however, knowledge is transferred between the divisions, allowing the Group to offer its customers comprehensive solutions. The Group has a strong international presence, operating at a total of 60 locations worldwide. Many products are manufactured centrally as basic modules. The biggest production locations are Germany, Tunisia, India, Hungary and China. Custom specifications, on the other hand, are undertaken locally where possible, at a global network of finishing plants. International sales companies open up local markets, providing a base to set up production capacities for the customised manufacture and machining of products locally. Local sales companies are therefore crucial to overall success.

2.2 Responsible corporate governance

Phoenix Mecano publishes a corporate governance report every year within its annual report. This generally follows the structure of the Directive on Corporate Governance (DCG) published by SIX Swiss Exchange.

→ group.Phoenix-mecano.com/en/annual-reports/archive

2.3 Sustainability levels

RELEVANCE AND IMPACT →

LOW	MEDIUM	HIGH
ECONOMIC LEVEL		
TAX	ANTI-CORRUPTION	ECONOMIC PERFORMANCE
	ANTI-COMPETITIVE BEHAVIOUR	
SOCIAL LEVEL		
FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING	CUSTOMER HEALTH & SAFETY	TRAINING & EDUCATION
SUPPLIER SOCIAL ASSESSMENT	DIVERSITY & EQUAL OPPORTUNITY	OCCUPATIONAL HEALTH & SAFETY
CHILD LABOUR	HUMAN RIGHTS	CONFLICT MINERALS
LABOUR/MANAGEMENT RELATIONS	CUSTOMER PRIVACY	
ENVIRONMENTAL LEVEL		
WASTE	MATERIALS	ENERGY
SUPPLIER ENVIRONMENTAL ASSESSMENT		EMISSIONS

2.4 Stakeholders

Phoenix Mecano is connected to its operating environment in a variety of ways and engages with a wide range of stakeholder groups. Stakeholders are entities or individuals that can reasonably be expected to be significantly affected by the organisation's activities, products and services or, conversely, that affect those activities, products and services. The main stakeholders are listed below:

- Employees
- Board of Directors and management
- Managing directors of business locations
- Customers
- Suppliers
- Authorities
- Policymakers
- Financial community
- Public
- Local communities/councils
- Media

3 ECONOMIC LEVEL

3.1 Economic performance

In financial year 2025, gross sales for the entire Group amounted to EUR 757.3 million. Material and operating expenses totalled EUR 459.1 million. Some 82% of value added was spent for the benefit of employees. The creation and distribution of value added are shown in the tables opposite.

Creation of value added

in 1 000 EUR	Note	2025	2024
Net sales		747 340	770 773
Own work capitalised and other income		15 469	24 654
Cost of materials		–365 524	–392 768
Other operating expenses	A	–93 595	–99 885
Depreciation/ amortisation		–23 397	–23 791
Other non-operating result	B	–561	–406
Value added		**279 732**	**278 577**

Distribution of value added

in %	Note	2025	2024
Employees	C	82.0	80.5
Government (taxes)	D	5.9	6.1
Shareholders	E	9.9	13.9
Lenders (net interest expense)		0.7	0.2
Companies (retained earnings)	F	1.5	-0.7
Value added		**100.0**	**100.0**

A Excluding capital taxes and other non-profit-related taxes.
B Financial result excluding net interest expense plus share of result from associated companies.
C Personnel expenses.
D Current income tax, capital taxes and other non-profit-related taxes.
E Dividends paid in the financial year and share repurchases under the share buy-back programme.
F Result of the period less dividends already paid in the financial year and share repurchases under the share buy-back programme.

The annual report displays the statement of income and balance sheet and presents the key financials by business area and region.

3.1.1 Tax

Phoenix Mecano assumes social responsibility in the countries in which it operates and, by paying taxes, contributes to the development and maintenance of infrastructure and social cohesion. It is committed to acting in accordance with the laws of the respective countries and to fulfilling its tax obligations with due diligence. Phoenix Mecano does not pursue comprehensive tax optimisation strategies and does not operate any subsidiaries with the aim of tax avoidance. Phoenix Mecano claims subsidies and takes advantage of tax breaks within the legal framework in the individual countries in which the Group is active. It maintains an open, cooperative and honest relationship with the relevant tax authorities.

3.1.2 Behaviour and Code of Conduct

In the Code of Conduct (applicable throughout the Group), Phoenix Mecano sets out binding standards and guidelines that must be observed. Areas covered include: compliance with laws and regulations; integrity and fairness in business dealings (no anti-competitive behaviour, no bribes, etc.); and compliance with restrictions imposed on international trade. Compliance with laws, regulations, norms and standards as well as the Group's Code of Conduct is a top priority for Phoenix Mecano. Nevertheless, violations can never be completely ruled out. It is important that suitable measures are implemented to prevent such breaches in the future. There were no significant instances of non-compliance with laws and regulations in the 2025 reporting year. No complaints were received regarding anti-competitive behaviour or anti-trust and monopoly practices. There were also no complaints concerning breaches of customer privacy or loss of customer data.

The Phoenix Mecano Group has implemented a Group-wide whistleblower system that meets the requirements of the EU Whistleblower Directive. It enables employees and external stakeholders to report potential violations of legal provisions, internal guidelines and ethical standards confidentially and – if desired – anonymously. The system is part of the compliance management system and particularly supports compliance with due diligence obligations under the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) and, for Swiss companies, the requirements of Article 14 of the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO). Information received is examined centrally by the compliance function and appropriate measures taken where necessary. The whistleblower system helps to identify risks early on and to strengthen the compliance culture.

4 SOCIAL LEVEL

4.1 Social responsibility

For Phoenix Mecano, social commitment is an integral part of sustainable and responsible business.

4.1.1 Minerals and metals from conflict-affected areas and child labour

The Phoenix Mecano Group embraces its social responsibility, even going a step further than required by law. Phoenix Mecano is subject to the reporting obligation on non-financial matters under Article 964b of the Swiss Code of Obligations. It has been implementing these requirements since financial year 2021, communicating on non-financial matters in its sustainability report. In addition to non-financial reporting, the regulation introduces a due diligence and reporting obligation in the areas of conflict minerals and child labour. These requirements are based on EU regulations that have been in place for some time.

Phoenix Mecano complies with the legal requirements and is exempt from the due diligence obligations due to the low quantities of 3TG imported and processed in Switzerland. Nevertheless, it requests information on smelters/refiners from its 3TG suppliers worldwide. Suppliers complete the Conflict Minerals Reporting Template provided by the Responsible Minerals Initiative (RMI) and Phoenix Mecano checks whether the smelters are RMI-compliant. In addition, a digital whistleblower system has been set up where suspected cases involving conflict minerals can be reported (see also 3.1.2).

With regard to child labour, an annual survey is carried out to determine whether there is any evidence of child labour in the companies themselves or at their suppliers. No cases of actual or suspected child labour were reported for financial year 2025. Phoenix Mecano is therefore exempt from due diligence obligations regarding child labour. Phoenix Mecano's Code of Conduct explicitly requires compliance with human rights. This includes, in particular, the core labour standards of the International Labour Organization (ILO) and the United Nations Conventions on the Rights of the Child and on Human Rights. A digital whistleblower system has been set up to provide a point of contact for reporting suspicions during the year (see also 3.1.2). To ensure effective prevention of child labour, the Internal Auditing Department has included compliance with international and national standards in the audit plan.

In 2025, the policies on child labour were reviewed at all companies visited by the Internal Auditing Department. Four of these companies were based in China, nine in the EU, and one each in Switzerland and the United States. The following steps were undertaken in each case:

- Document verification and compliance check: review of personnel files, subcontractor agreements and supplier confirmations to verify age and ensure the prevention of child labour.
- Surveys and interviews: discussions with managers and staff regarding the monitoring and implementation of age-related regulations, as well as internal training.
- Site inspection and observation: examination of production processes, shift schedules and the working environment for signs and risks of child labour.
- Control and prevention measures: ensuring training, awareness-raising initiatives and established reporting channels for suspected cases of child labour.

The companies visited had adopted Phoenix Mecano's Code of Conduct. However, the percentage of suppliers who had confirmed their adherence to the Code of Conduct in writing varied considerably. Future compliance audits will examine how this response rate develops. At the few companies whose suppliers – with an annual purchase volume exceeding EUR 25 000 – are based in a country posing an increased risk of child labour, the auditors examined whether further checks had been conducted. Countries posing an increased risk include those in sub-Saharan Africa (e.g. Nigeria, Ethiopia, Congo), South and South-East Asia (e.g. India, Bangladesh, Myanmar, Vietnam) and Latin America (e.g. Guatemala, Haiti, Bolivia), as well as China and Tunisia. To date, the companies concerned have not yet carried out any further checks, such as requesting supporting documentation, conducting on-site visits to suppliers or arranging such visits by Group companies based in those countries. By the end of 2026, appropriate verifications are to be carried out at all sites in countries with an increased risk of child labour, as well as at companies undergoing regular audits.

4.1.2 Dealings with suppliers and business partners

The Phoenix Mecano Group also assumes its social responsibility when selecting suppliers, with due attention paid to social criteria (observance of human rights, etc.). Just under 50% of company locations screened new suppliers using social criteria. Furthermore, around 40% of companies issued their suppliers with the Supplier Code of Conduct. This was either signed by the suppliers or else formed part of the general terms and conditions when the contract was concluded. In the reporting year, there were no operations and suppliers considered to have significant risks for incidents of child labour or young workers exposed to hazardous work. Phoenix Mecano's international orientation means that the Group also operates in countries where workers' rights to freedom of association or collective bargaining may be violated or at significant risk. Phoenix Mecano helps to improve working conditions by means of collective agreements, the Code of Conduct and supplier screening. It works with operations and suppliers in countries or geographical areas that have not ratified all eight fundamental ILO Conventions (International Labour Organization: Freedom of Association and Protection of the Right to Organise Convention, 1948 [No. 87]). These include Brazil, China, India, Saudi Arabia, Singapore, the United Arab Emirates, the United States and Vietnam.

4.1.3 Responsibility towards other stakeholder groups

The Group supports social projects all over the world, helping to foster development in the regions concerned.

→ group.Phoenix-mecano.com/en/sustainability

4.2 Customer focus

The success of the Phoenix Mecano Group is determined by that of its customers. Collaboration, continuous communication and an intensive exchange of constructive ideas are our highest priorities. Ensuring customer health and safety is a key pillar of a successful customer relationship. Protecting customer privacy has also become increasingly important in recent years, and is becoming more complex as a result of digitalisation.

4.2.1 Customer health and safety

Phoenix Mecano is committed to providing its customers with safe, high-quality products and services, something that is also enshrined in its Code of Conduct. Currently, 30 companies have ISO 9001 quality management certification. This certification allows Phoenix Mecano to document and demonstrate its commitment to quality.

Companies with quality management certification

Mecano Components (Shanghai) Co., Ltd. (CN)	China
PTR HARTMANN (Shaoguan) Co., Ltd. (CN)	China
DewertOKIN Technology Group Co., Ltd. (CN)	China
Phoenix Mecano Solutions AG (CH)	Switzerland
ConnectedCare GmbH (DE)	Germany
BEWATEC (Shanghai) Medical Device Co., Ltd. (CN)	China
Phoenix Mecano (India) Pvt. Ltd. (IN)	India
Phoenix Mecano Middle East (AE)	United Arab Emirates
Phoenix Mecano Saudi Arabia LLC (SA)	Saudi Arabia
Phoenix Mecano NV (BE)	Belgium
Phoenix Mecano Plastic S.r.l. (RO)	Romania
Phoenix Mecano S.E. Asia Pte Ltd. (SG)	Singapore
Bopla Gehäuse Systeme GmbH (DE)	Germany
RK Rose+Krieger GmbH (DE)	Germany
DewertOkin Kft. (HU)	Hungary
Kundisch GmbH & Co. KG (DE)	Germany
Phoenix Mecano Ltd. (GB)	United Kingdom
PM Special Measuring Systems B.V. (NL)	Netherlands
Phoenix Mecano S.r.l. (IT)	Italy
BEWATEC (Zhejiang) Medical Equipment Co., Ltd. (CN)	China
RK Schmidt Systemtechnik GmbH (DE)	Germany
REDUR GmbH & Co. KG (DE)	Germany
DewertOkin GmbH (DE)	Germany
ismet transformátory s.r.o. (CZ)	Czech Republic
Phoenix Mecano Elcom S.à.r.l. (TN)	Tunisia
ROSE Systemtechnik GmbH (DE)	Germany
PTR HARTMANN GmbH (DE)	Germany
Okin Vietnam Company Ltd. (VN)	Vietnam
Phoenix Mecano Inc. (US)	United States
Phoenix Mecano B.V. (NL)	Netherlands

Products and services must be engineered and manufactured in such a way that they pose no threat to life, limb or property. Products comply with the specifications for regulated substances and product contents and all relevant laws in the relevant markets prohibiting or restricting the use, contents and handling of certain substances. In the reporting period, there were no incidents of non-compliance with regulations and/or voluntary codes with a negative impact on customer health and safety due to Phoenix Mecano products or services.

4.2.2 Customer privacy

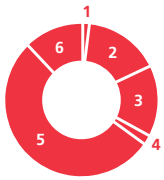
Phoenix Mecano only collects, uses or transmits personal data in accordance with applicable law. No substantiated complaints were received from outside parties or regulatory bodies during the reporting period.

One incident of data loss was detected at a Group company in 2025. Safeguards are implemented at various levels to prevent data loss.

4.3 Phoenix Mecano as an employer

Phoenix Mecano's corporate culture is characterised by a simple, decentralised and functional organisation and a high degree of personal responsibility. In this way, Phoenix Mecano encourages each individual to make the most of their potential and contribute to the company's success. The aim is to offer employees a fair and safe working environment. A total of 7642 staff (measured in full-time equivalents [FTEs], including temporary personnel) were employed Group-wide as at 31 December 2025. The following exhibits illustrate the breakdown of employees by region and the Phoenix Mecano Group's expansion in the Middle and Far East in recent years.

NUMBER OF EMPLOYEES BY REGION

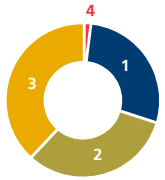


1 Switzerland 144
2 Germany 1204
3 Rest of Europe 1151
4 North and South America 164
5 Middle and Far East 4018
6 Africa 961

Development of number of employees by region

	2025	2024	2020
Switzerland	144	146	146
Germany	1204	1275	1604
Rest of Europe	1151	1158	1272
North and South America	164	151	255
Middle and Far East	4018	3827	3427
Africa	961	607	1554
Total	**7642**	**7164**	**8258**

NUMBER OF EMPLOYEES BY DIVISION



1 DewertOkin Technology Group 2159
2 Industrial Components 2437
3 Enclosure Systems 2933
4 Other 113

Around 1624 employees (FTEs) are covered by collective bargaining agreements, which is 26% of all Phoenix Mecano Group staff. Just under half of the locations have an agreement on working and employment conditions based on collective agreements. At most locations, employees are covered by social security in key areas. These include benefits in the event of unemployment, parental leave, retirement, illness, occupational accidents or disability. Half of companies have a defined minimum notice period for informing their employees about the implementation of significant operational changes. This period is around 3–4 weeks on average and is stipulated in collective agreements at 45% of the companies covered by such agreements. Virtually all companies enable their employees to influence decisions, for example by means of feedback systems.

4.3.1 Diversity and equal opportunity

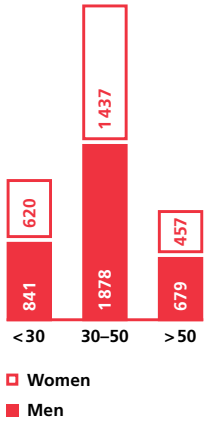
Diversity and equal opportunity are key principles for Phoenix Mecano and are also included in its Code of Conduct. The dignity of every single individual is to be respected. No discrimination based on race, ethnic origin, gender, religion or beliefs, disability, age, sexual identity or any other reason is tolerated. The rights of every individual must be respected. Some 1.6% of employees have impairments/disabilities. Around 20% of companies regularly assess whether equal pay between men and women is being observed. The proportion of female employees (including management) was 38% in 2025. In governance bodies, the proportion of female executives at management level was 20%.

EMPLOYEES BY GENDER

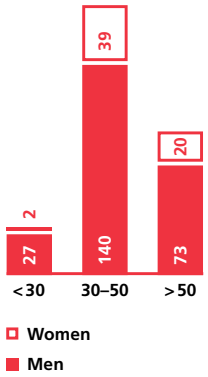
1 Women **38%**
2 Men **62%**

The diversity charts illustrate the composition of employees and management by age category and gender (excluding temporary staff).

DIVERSITY OF EMPLOYEES
Number of persons



MANAGEMENT DIVERSITY
Number of persons



4.3.2 Training and education

Phoenix Mecano is committed to vocational training, offering training opportunities to 131 apprentices and interns. Continuing training helps to maintain a high quality of work as well as preventing accidents. The average number of training hours per FTE in 2025 was approximately four. Around three quarters of companies have programmes and measures to specifically upgrade employee skills. Some companies also have programmes and measures to facilitate continued employability and support career endings due to retirement or termination of employment. Employees attend external and internal courses as required, with new production employees in particular receiving internal training. The proportion of external training hours exceeds that of internal training hours by just under 50%.

TRAINING HOURS BY GENDER

4.3.3 Occupational health and safety

Phoenix Mecano promotes occupational health and safety in order to prevent accidents and injuries and help keep workers healthy. To this end, workers are encouraged to comply with the general regulations and safety rules and to look after themselves and their colleagues. In this area too, the personal responsibility of workers has an important role to play. Inadequate safety standards, dangerous working conditions and violations of occupational health and safety regulations must be reported so that preventive measures can be taken. Half of companies have implemented an occupational health and safety management system. Six companies have ISO 45001 certification (occupational health and safety management): Mecano Components Co., Ltd. (CN); DewertOkin Technology Group Co., Ltd. (CN); Phoenix Mecano Ltd. (IN); BEWATEC (Shanghai) Medical Device Co., Ltd. (CN); Phoenix Mecano Elcom S.à.r.l. (TN); Okin Vietnam Company Ltd. (VN). Around three quarters of companies have processes in place to identify work-related hazards and assess risks. Quality assurance, the competency of the persons responsible and the associated improvement process differ from place to place:

- Certification body for occupational safety monitors and checks occupational safety management for compliance with ISO 9001
- Internal prevention advisor or work environment committee group carries out regular checks based on supplier information and safety data sheets
- Occupational safety documentation is compiled and internal worker training conducted
- Checklists for activity-related risk assessment are introduced
- External inspections are carried out by third parties
- Risk analysis serves as a basis for safety instructions and training provision

More than half of companies have implemented processes for reporting work-related hazards and hazardous situations for workers. Around 20% of locations have analysed occupation-specific risks for certain employee groups (production, distribution, office), while around half of companies provide occupational health and safety training. Fourteen serious occupational accidents were recorded worldwide, ten more than in the previous year. In addition, 57 work-related injuries were reported, one fewer than in the previous year. The accident rate was 0.17, compared with 0.05 the previous year, while the injury rate was 0.67, down from 0.75 the previous year (rates calculated on the basis of 200 000 working hours). Most accidents and injuries involved cuts, burns, fractures, falls and bruising. The highest risk came from falls and bruising. There were no fatalities due to occupational accidents in the reporting year. Analysis of accident reports as well as hazard assessment inspections and audits enable risks to be identified on an ongoing basis. The following measures are implemented to minimise the risk of occupational accidents and injuries:

- Compliance with occupational safety laws and regulations
- Training and active communication on occupational health and safety
- Installation of safety guards for machine work
- Regular safety checks by specialist staff
- Implementation of safety protocols

Efforts are also made to minimise work-related ill health. Twelve cases of work-related ill health were recorded in the reporting period, two more than in the previous year. These were due to burnout, noise exposure, inhalation of fumes and physical pain. Analysis of illness reports as well as inspections and workplace checks enable risks of occupational ill health to be identified on an ongoing basis. The following measures are implemented to minimise such risks:

- Protective equipment (ear protection, helmets, gloves, goggles, etc.)
- Safety training and instruction for workers
- Upgrading of ventilation systems (for fumes)
- Regular health screening for staff
- Increased training in risk identification

5 ENVIRONMENTAL LEVEL

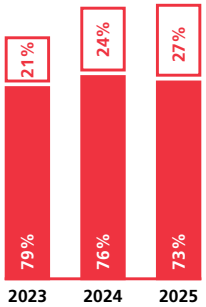
5.1 Energy

Like any business, Phoenix Mecano needs energy to heat and operate its office and production buildings and for its fleet of vehicles. These activities generate greenhouse gas emissions. The environmental and climate impacts can be positively influenced by cutting energy consumption and increasing the proportion of renewable energy used for electricity, heating and mobility. In 2024 and 2025, manufacturing processes were integrated into the new industrial park at the Jiaxing site in China. These include energy-intensive processes such as powder coating and wet painting with drying ovens. This insourcing resulted in higher energy consumption and emissions, especially in 2024. In 2025, energy consumption rose by just 1% compared with 2024, and thanks to the expansion of renewable energy, emissions were reduced by 3.5% despite the higher energy consumption (see 5.2.5).

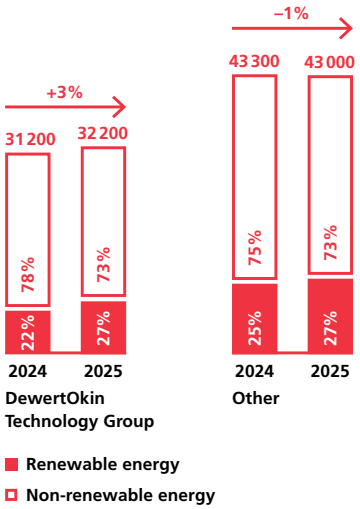
5.1.1 Energy consumption

Final energy consumption was 75 152 MWh in 2025, an increase of 1% on the previous year. Energy consumption includes the total energy consumption of the facilities and buildings owned by or under the operational control of Phoenix Mecano, as well as the energy consumption of the company fleet (4 774 MWh). This corresponds to 9.8 MWh per full-time equivalent and 0.099 kWh per EUR of sales. Renewable energy as a share of total consumption within the organisation was 3 percentage points higher than the previous year, at 27%. Among other things, this was due to the greater proportion of renewable electricity resulting from the expansion of our own photovoltaic systems, as well as the purchase of greener electricity.

DEVELOPMENT OF FINAL ENERGY CONSUMPTION
Total in 2025: 75 152 MWh

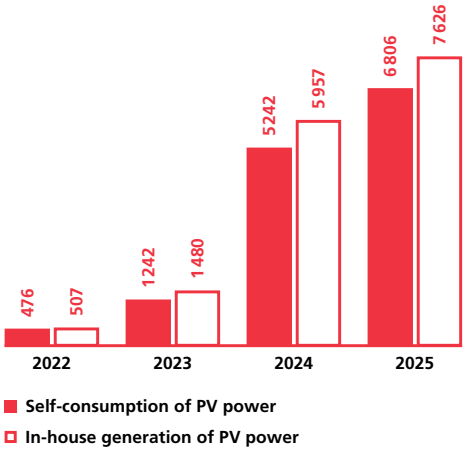


ENERGY CONSUMPTION OF DOT VS REST OF GROUP
Energy consumption in MWh



Phoenix Mecano implements energy efficiency measures on an ongoing basis, partly as a strategic objective under the Journey to Operational Excellence (J2OX) programme, aimed at the continuous optimisation of processes and systems, and partly at the level of infrastructure, such as replacing light sources with LED lighting. Most of the buildings owned by Phoenix Mecano are heated with fossil fuels (gas). Gas is also used for production (high-temperature processes). Similarly, the company-owned fleet consists mainly of internal combustion vehicles. Electrification of the vehicle fleet is being driven forward on an ongoing basis. Photovoltaic systems generating over 7 500 MWh of power per year are already in operation, including at major production sites in Jiaxing (China), Kecskemét (Hungary), Sibiu (Romania) and Pune (India). Another 1 300 MWh is under construction and due to come on stream by the end of 2026.

DEVELOPMENT OF SOLAR POWER GENERATION AND SELF-CONSUMPTION
PV power MWh



GRI Standard: Energy

302-1 Energy consumption within the organisation

Energy [MWh]	2025	2024
302-1a Total fuel consumption within the organisation from non-renewable sources	**31 239**	**32 125**
Mobility	4 584	6 698
Buildings	26 655	25 427
302-1b Total fuel consumption within the organisation from renewable sources	**0**	**0**
Mobility	0	0
Buildings	0	0
302-1c Total consumption	**43 913**	**42 386**
Purchased electricity consumption	37 108	37 144
Electricity self-consumption from generating facility	6 806	5 242
Electricity generation from own PV systems	7 626	5 957
302-1d Total energy sold	**820**	**715**
Electricity sold	820	715
302-1e Total energy consumption within the organisation	**75 152**	**74 511**
Energy consumption from renewable sources	20 184	17 937
Energy consumption from non-renewable sources	54 968	56 574

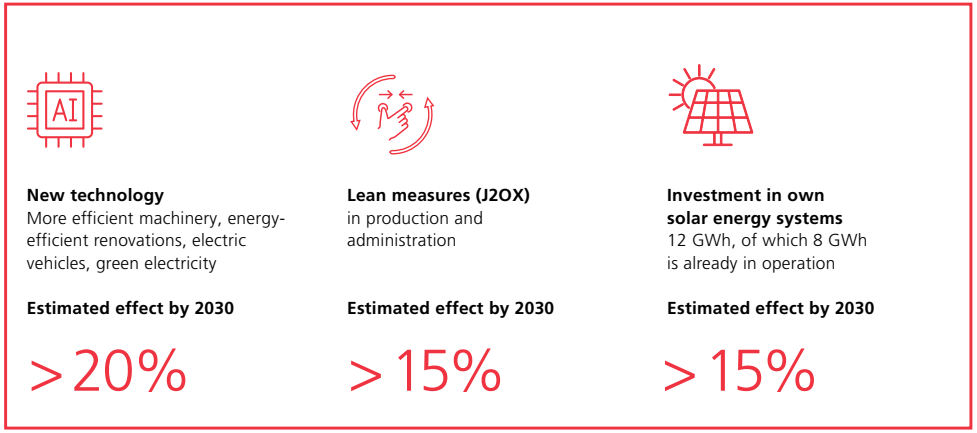
302-2 Energy consumption outside of the organisation

Energy [MWh]	2025	2024
302-2a Energy consumption outside of the organisation (full data not yet collected for all companies)	**438**	**399**
Heating energy consumption	438	399

Final energy consumption by energy source in 2025

MWh/a	Non-renewable energy consumption	Renewable energy consumption
Petrol	1 401	–
Diesel	7 152	–
Hydrogen	–	–
Heating oil	871	–
Natural gas	20 365	–
Propane/LPG	1 450	–
Biomass		–
Electricity	23 730	20 184
Total	**54 968**	**20 184**

THREE LEVERS OF THE CO_2 STRATEGY



Packages of measures to implement the CO_2 strategy

5.2 Climate reporting (TCFD report)

5.2.1 Governance

For financial year 2025, Phoenix Mecano is reporting for the third time on climate-related risks and opportunities in accordance with the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD). This climate reporting shows how Phoenix Mecano identifies and manages risks and opportunities caused by climate change that could have a financial impact on the company. Responsible, far-sighted corporate governance promotes resilience and thus long-term value creation for the business. Phoenix Mecano is aware of this and embraces its responsibility in the area of sustainability. The Board of Directors and management together determine the corporate and sustainability strategy. A key part of this is the CO_2 strategy launched in 2023. It was developed by the management and reviewed and approved by the Board of Directors. The management is responsible for implementing the strategy and reports to the Board of Directors at least once a year on the progress made in meeting targets. CO_2 ambassadors have been appointed to embed the strategy in the Group's companies. These ambassadors act as direct local contacts on sustainability issues and drive forward the implementation of measures. Reducing greenhouse gas emissions is already included in the performance targets of managing directors at some production locations. The corporate governance report in the 2025 annual report contains further information about the governance structure. Since 2022, Phoenix Mecano has published an annual sustainability report with reference to the Global Reporting Initiative (GRI) Standards. Responsibility for sustainability reporting lies with the communications department. Energy and CO_2 reporting in accordance with the Greenhouse Gas Protocol forms part of the sustainability report. Relevant environmental data such as energy and raw material consumption is recorded, enabling climate-related key performance indicators to be monitored.

Risk type	Risks (R) and opportunities (O) for Phoenix Mecano	Measures
PHYSICAL RISKS		
Acute: extreme events such as storms, floods or landslides	R: Extreme weather events could affect Phoenix Mecano's own production or its supply chain. Having production sites close to sales markets, maintaining proximity to customers and working with regional suppliers means that supply chain risks in particular are limited. No important Phoenix Mecano sites are located in areas directly at risk.	– Invest in building infrastructure in locations at increased risk of extreme events. – Keep supply chains short and develop alternative suppliers if necessary. – Continue production strategy and become more flexible at relocating production to alternative locations.
Chronic: longer-term, local impacts of climate change such as rising average temperatures, sea level rise or increased droughts	R: If air conditioning is inadequate, rising outside temperatures lead to higher indoor temperatures, and this results in lower labour productivity. Rising average temperatures mean increased energy requirements for cooling production sites and offices. This pushes up operating costs, and additional investment in the insulation and air conditioning of buildings may become necessary. A rise in sea levels would not affect any production sites or offices. Droughts could have a negative impact on the availability of water and lead to higher costs. O: Reduced energy requirements for heating in winter, potentially resulting in lower heating costs.	– Make ongoing investments in resource-efficient, energy- and water-saving production.
TRANSITION RISKS AND OPPORTUNITIES		
Regulatory/legal: tougher requirements on energy efficiency and renewable energy use and increased CO_2 tax on fossil fuels	R: Increased CO_2 tax on fossil fuels means higher operating costs, primarily at European production sites. O: Energy costs fall due to the implementation of optimisation measures and the installation of more solar energy systems. The lower energy costs compared with competitors make Phoenix Mecano's products more competitive.	– Continue to implement the comprehensive CO_2 strategy: new technologies (more efficient machinery, energy-efficient renovations, electric vehicles, green electricity), lean management (J2OX) in production and administration, investment in own solar energy systems (12 GWh, of which 8 GWh is already in operation). – Leverage pricing power to pass on energy costs to customers.
Regulatory/legal: stricter regulations on the circular economy, particularly as a result of the EU's Green Deal	R: Because of its wide product range, Phoenix Mecano can only keep pace with developments in the circular economy by accepting additional costs in development and product life cycle management.	– Minimise waste in production. – Step up efforts to close internal loops and use production waste as recyclable materials. – When developing new products, examine on a case-by-case basis whether materials with an increased recycled content can be used.
Regulatory/legal: stricter rules on greenhouse gas reporting	R: Identifying the environmental footprint of Phoenix Mecano's products and determining Scope 3 greenhouse gas emissions entails high costs and ties up human resources.	– Continuously expand greenhouse gas reporting. – Involve and raise awareness among suppliers.
Technology: new technologies such as energy-efficient machinery and low-carbon or carbon-neutral production processes	R: Procuring new machinery and switching to more carbon-neutral production processes involves higher costs. Early replacement of fossil fuel heating systems requires increased investment in heat pumps. O: Phoenix Mecano can open up new areas of application for its products in the field of green technologies (e.g. explosion-proof enclosures for hydrogen applications).	– Renew machinery and infrastructure on an ongoing basis in accordance with its service life. – Invest in the latest technologies. – Monitor the market to spot opportunities for new product applications early on.
Market: changing customer needs and preferences	R: Phoenix Mecano identifies new customer expectations or trends too late and is unable to meet/respond to them. Competitors get ahead on sustainability. O: Working closely with customers, Phoenix Mecano is able to identify new customer needs and preferences and translate them into promising new products and solutions.	– Engage regularly with customers and partners to identify market trends at an early stage. – Step up efforts to innovate in close collaboration with customers. – Invest in energy-efficient and resource-saving technologies and products, and in product quality. – Expand expertise in the area of sustainability.

5.2.2 Strategy

Phoenix Mecano aims to massively reduce its own greenhouse gas emissions, thereby generating a positive EBIT effect and the greatest possible environmental benefit. The goal is for its own operations (Scope 1 and 2) to be net zero by 2050 at the latest, achieved by cutting emissions as far as possible. In a first stage, Phoenix Mecano intends to halve CO_2 emissions from its own operations, per unit of sales, by 2030 compared with 2021. To this end, a number of measures have been defined and are being implemented on an ongoing basis. The most important levers include efficiency measures, aimed at reducing the Group's carbon footprint while also improving productivity. Another key element are photovoltaic systems generating green electricity for in-house use. In 2025, around 15% of the Group's electricity consumption was covered by self-generated solar power. Replacing machinery with more economical models and upgrading the energy performance of buildings as part of replacement investments will also help to reduce energy consumption and so lower CO_2 emissions. In Germany and China, the aim is to increase the proportion of electric company vehicles to around 90%. By systematically implementing its CO_2 strategy, Phoenix Mecano aims to minimise the risks and leverage the opportunities associated with climate change.

5.2.3 Risk management

In accordance with the TCFD recommendations, a distinction is made between physical risks and transition risks and opportunities.

Physical risks include short-term acute extreme events such as storms, floods or landslides as well as longer-term chronic, local impacts such as rising average temperatures, sea level rise or increased droughts.

Overall, the physical risks, which relate in particular to production and infrastructure, are categorised as low to moderate.

Transition risks and opportunities arise from new laws and stricter regulations, new technologies, social and economic trends and general conditions triggered by climate change.

Overall, the identified trends and changes with regard to energy costs, CO_2 tax and increased reporting requirements harbour low risks. For Phoenix Mecano, there are primarily opportunities, for example the ability to tap into new areas of application in green technology and gain market share. Phoenix Mecano reviews and assesses material risks and their financial significance. Climate risk management is to be integrated into the existing risk management process. The table on the previous page shows the most significant climate-related risks and opportunities that Phoenix Mecano has identified and assessed. It sets out how the risks and opportunities could affect business activities and what measures Phoenix Mecano can take. All of the company's activities have been taken into account and analysed.

Category	Relevance	Estimated proportion of Scope 3 emissions	Status	Comments
1. Purchased goods and services	High	>80%	Reported	Quantities of raw materials and semi-manufactured goods/parts have largely been recorded since 2021; electronics are cost-based
2. Capital goods	Low	< 5%	Estimated on a cost basis, not reported	
3. Fuel- and energy-related activities	Low	< 5%	Estimated on a cost basis, not reported	
4. Upstream transportation and distribution	Low	< 5%	Estimated on a cost basis, not reported	Costs of transportation paid for by Phoenix Mecano are available
5. Waste	Not relevant	< 1%	Estimated on a cost basis, not reported	
6. Business travel	Low	< 5%	Estimated on a cost basis, not reported	
7. Employee commuting	Low	< 5%	Reported	Collected via a survey in 2023, scaled on the basis of FTEs
8. Upstream leased assets	Not relevant	< 1%	Estimated on a cost basis, not reported	
9. Downstream transportation and distribution	Low	< 5%	Estimated on a cost basis, not reported	Costs of transportation paid for by Phoenix Mecano are available
10. Processing of sold products	Medium	Estimation not possible	Reporting is not possible due to a lack of data	Downstream value chain is too complex for meaningful data or assumptions
11. Use of sold products	Medium	Estimation not possible	Reporting is not possible due to a lack of data	Downstream value chain is too complex for meaningful data or assumptions
12. End-of-life treatment of sold products	Medium	Estimation not possible	Reporting is not possible due to a lack of data	Downstream value chain is too complex for meaningful data or assumptions
13. Downstream leased assets	Not relevant	< 1%	Estimated on a cost basis, not reported	Only applies to a few buildings
14. Franchises	Not relevant	< 1%	There are no franchises	
15. Investments	Low	< 5%	Estimated on a cost basis, not reported	

5.2.4 Key performance indicators and targets

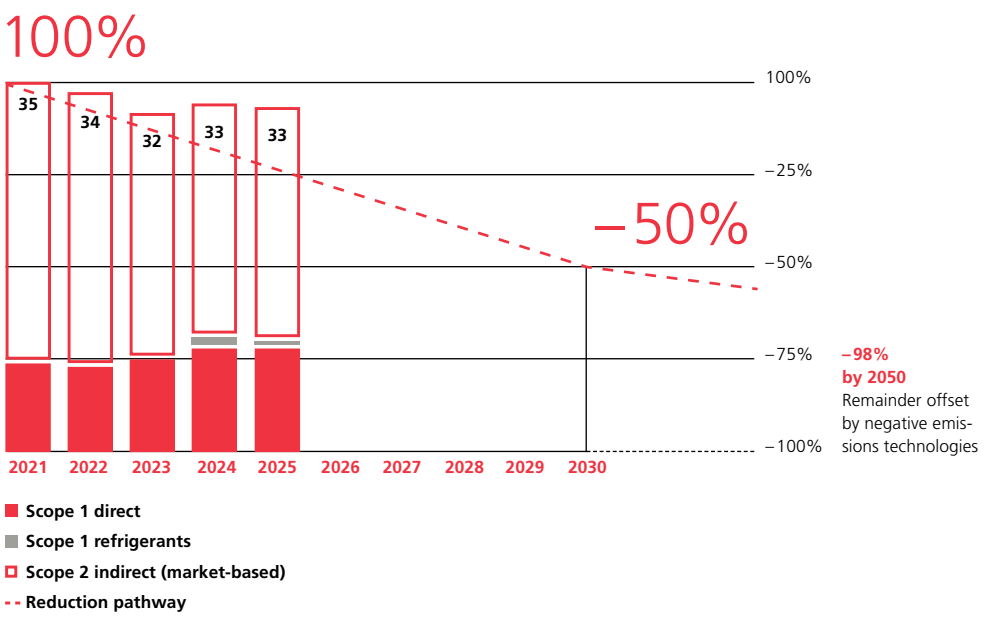
The calculation of greenhouse gas emissions in accordance with the Greenhouse Gas Protocol is divided into three scopes. Direct Scope 1 greenhouse gas (GHG) emissions are emissions occurring directly on site as a result of the energy requirements of the company's own buildings, facilities and vehicles. Refrigerant losses have been recorded since 2024 and the resulting emissions reported in Scope 1. Biogenic emissions (out of scope) are not yet reported. Indirect Scope 2 GHG emissions are emissions from purchased electricity and district heating for the company's own consumption (buildings and electric vehicle fleet). Scope 2 emissions are calculated using the market-based and location-based approach. In the case of some leased properties (Kundisch GmbH & Co. KG, Phoenix Mecano B.V.), Phoenix Mecano does not have operational control, which is why their energy consumption is reported as "outside of the organisation" (see section 5.1.1) and their emissions are not included in Scope 1 and 2. Scope 3 emissions include, for example, energy-related emissions in the upstream and downstream value chain, emissions from commuting, and emissions from purchased goods and services.

The base year for the reduction pathway is financial year 2021. Scope 1 and 2 GHG emissions in 2021 totalled around 28 803 t CO_2eq, with refrigerant losses not yet reported for that year. Financial year 2021 is a good reference year as business was normal and there were no longer any major impacts from the coronavirus pandemic. It is also the first year for which comprehensive data was collected and analysed. The emissions are calculated each year for all three scopes (see section 6.2.2), with only purchased materials and commuting included in Scope 3. This is because materials are responsible for a large proportion of total emissions. According to an analysis carried out in 2025, emissions from purchased goods account for over 85% of Scope 3 emissions. Emissions from commuting are low in comparison, but they are recorded because the data is available and collecting this information is a good way to raise employee awareness. Commuting data is not collected every year. The results of the survey for financial year 2023 were extrapolated for financial year 2025 based on the number of employees (FTEs). The accounting of Scope 3 emissions is to be continuously expanded, depending on relevance and data availability.

Scope 1 and 2 emissions fell by 3.5% compared with the previous year, totalling approximately 25 000 t CO_2eq in 2025. This corresponds to 3 232 kg CO_2eq per full-time equivalent and 0.033 kg CO_2eq per EUR of sales (market-based). At 3 689 t CO_2eq (see section 5.3), commuting emissions are equivalent to around 15% of total Scope 1 and 2 emissions. The system boundary for material emissions is at the production stage. The emissions generated by material production were calculated (cradle-to-gate). At around 218 030 t CO_2eq, the emissions arising from production of materials equate to around nine times the total emissions in Scope 1 and 2.

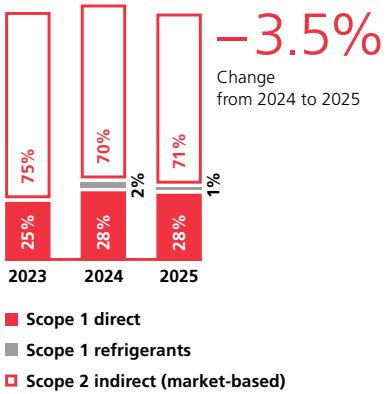
HALVING EMISSIONS BY 2030 (SCOPE 1 AND 2)

t CO_2eq per EUR 1 million sales



EMISSIONS SCOPE 1 AND 2

Total in 2025: 25 003 t CO_2eq



INDIRECT EMISSIONS SCOPE 3

Total in 2025: 221 717 t CO_2eq

GRI Standard: Emissions

305-1 Direct (Scope 1) GHG emissions

in t CO_2eq	2025	2024
305-1a Gross direct (Scope 1)[1] GHG emissions – excluding refrigerants [✓]	**6 925**	**7 270**
305-1a Gross direct (Scope 1) GHG emissions – including refrigerants	**7 229**	**7 699**
Scope 1 emissions – mobility	1 212	1 771
Scope 1 emissions – buildings	5 713	5 499
Scope 1 emissions – due to refrigerant losses	304	429

1 The emission factors for oil and gas are taken from the factsheet on CO_2 emission factors for Switzerland's greenhouse gas inventory, published by the Federal Office for the Environment (FOEN). They only include CO_2 and therefore differ from the other CO_2e-based factors. The carbon footprint is determined almost entirely by the carbon emissions from the fuel.

305-2 Energy indirect (Scope 2) GHG emissions

in t CO_2eq	2025	2024
305-2a Gross energy indirect (Scope 2) GHG emissions – market-based [✓]	**17 774**	**18 212**
Scope 2 emissions – mobility – market-based	47	34
Scope 2 emissions – buildings – market-based	17 727	18 178
305-2a Gross energy indirect (Scope 2) GHG emissions – location-based [✓]	**18 827**	**19 056**
Scope 2 emissions – mobility – location-based	60	36
Scope 2 emissions – buildings – location-based	18 768	19 020

305-3 Other indirect (Scope 3) GHG emissions

in t CO_2eq	2025	2024
305-3a Gross indirect GHG emissions from materials and commuting	**221 717**	**192 305**
Scope 3 emissions – materials (cradle-to-gate)	**218 028**	**188 846**
Aluminium	93 122	77 364
Copper	6 420	3 810
Steel	95 715	91 430
Plastic	14 806	15 272
Gold	790	790
Tin	242	181
Electronics	6 933	
Scope 3 emissions – commuting	**3 689**	**3 459**

5.2.5 Development of emissions

In financial year 2025, Phoenix Mecano managed to reduce its greenhouse gas emissions despite a slight increase in total energy consumption. This was largely due to various energy efficiency measures, increased production and use of solar power, and a higher share of renewable energy in the electricity mix in many regions.

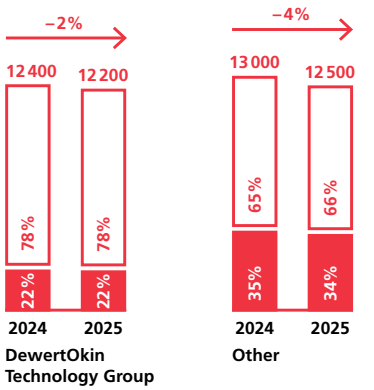
Since the new industrial park in Jiaxing came into operation in financial year 2024, the Phoenix Mecano Group's overall energy consumption has risen moderately. This is due to the expansion of production space and the fact that manufacturing processes that were previously outsourced are now carried out in-house. Most of this insourcing took place in 2024, although some facilities did not come into operation until 2025. In addition, a colder winter resulted in higher gas consumption.

Despite a 1% increase in energy consumption, Scope 1 and 2 emissions were reduced by 3.5%. Emissions from refrigerants were also recorded for the second time in financial year 2025. They accounted for around 1% of the Phoenix Mecano Group's total greenhouse gas emissions (Scope 1 and 2).

Scope 3 emissions increased by 15% compared with the previous year. In 2025, more material groups were reported than in 2024, with the weight of the purchased goods recorded and accounted for by main material. Due to the availability of data, electronics were accounted for using the spend-based method. Commuting emissions remained at a similar level, accounting for just 2% of Scope 3 emissions.

EMISSIONS OF DOT VS. REST OF GROUP

Scope 1 and 2 emissions t CO_2eq

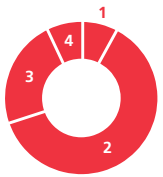


■ **Scope 1 emissions (excluding refrigerants)**
□ **Scope 2 emissions (market-based)**

5.3 Mobility

The distance travelled for work-related mobility remained largely unchanged from the previous year, down 0.4%. In 2025, employees drove 9 716 908 km in company-owned vehicles for business purposes. This corresponds to 1 272 km per FTE. The modal split remained virtually unchanged from the previous year.

SHARE OF DISTANCE DRIVEN IN COMPANY VEHICLES BY FUEL TYPE

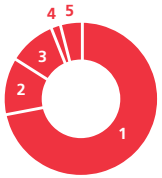


1 Electric **8%**
2 Diesel **62%**
3 Petrol **23%**
4 Hybrid/plug-in hybrid **7%**

Emissions (see section 5.2.4) from the company fleet (Scope 1 and 2) in 2025 amounted to around 1 260 tonnes of CO_2 equivalent, down 30% compared with 2024. This decline is partly due to the fact that vehicles have become more efficient, and therefore consume less energy per kilometre travelled. In addition, the proportion of electric vehicles has increased. Despite the higher number of employees, the number of company vehicles and the distance travelled fell. The fleet has also been further electrified. Forklift emissions are not included in this figure. This equates to emissions of 165 kg CO_2eq per FTE, compared with 252 kg CO_2eq per FTE the previous year. Commuter mobility was surveyed in 2023, but this survey is not conducted annually. For this reason, the data for 2025 was extrapolated on the basis of FTEs. The total commuting distance was around 26 751 600 km. Over 70% of the distance was travelled by car, with just 3% of that by carpool and only 4% in electric or hybrid vehicles.

Commuting emissions (Scope 3) totalled around 3 700 t CO_2eq, more than twice the emissions from work-related mobility. This was equivalent to emissions of 483 kg CO_2eq per FTE.

COMMUTING BY MOBILITY TYPE



1 Car **72%**
2 Motorcycle **12%**
3 Public transport **10%**
4 Bicycle **2%**
5 On foot **4%**

5.4 Resources

Phoenix Mecano uses a variety of resources to manufacture its products, in the form of energy, water and raw, auxiliary and packaging materials. There are legal provisions covering all of these areas, and compliance with these is regularly checked. Phoenix Mecano strives to use natural resources carefully and to minimise the impact on the environment. Relevant environmental standards and regulations are adhered to, including restrictions or bans on the use of certain materials. Currently, 18 companies have ISO 14001 environmental management certification. Environmental aspects are also taken into account in dealings with suppliers. Around 40% of company locations screened new suppliers using environmental criteria. Furthermore, compliance with environmental standards is required by the Code of Conduct (see 3.1.2).

Companies with environmental management certification (ISO 14001:2015)

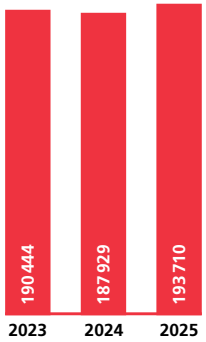
BEWATEC (Shanghai) Medical Device Co., Ltd. (CN)	ISO 14001:2015	China
BEWATEC (Zhejiang) Medical Equipment Co., Ltd. (CN)	ISO 14001:2015	China
Bopla Gehäuse Systeme GmbH (DE)	ISO 14001:2015	Germany
DewertOkin GmbH (DE)	ISO 14001:2015	Germany
DewertOkin Kft. (HU)	ISO 14001:2015	Hungary
DewertOkin Technology Group Co., Ltd. (CN)	ISO 14001:2015	China
ismet transformátory s.r.o. (CZ)	ISO 14001:2015	Czech Republic
Mecano Components (Shanghai) Co., Ltd. (CN)	ISO 14001:2015	China
Phoenix Mecano Elcom S.A.R.L. (TN)	ISO 14001:2015	Tunisia
Phoenix Mecano Inc. (US)	ISO 14001:2015	United States
Phoenix Mecano (India) Pvt. Ltd. (IN)	ISO 14001:2015	India
Phoenix Mecano Kecskemét Kft. (HU)	ISO 14001:2015	Hungary
Phoenix Mecano Plastic s.r.l. (RO)	ISO 14001:2015	Romania
PTR HARTMANN (Shaoguan) Co., Ltd. (CN)	ISO 14001:2015	China
PTR HARTMANN GmbH (DE)	ISO 14001:2015	Germany
REDUR GmbH & Co. KG (DE)	ISO 14001:2015	Germany
RK Rose+Krieger GmbH (DE)	ISO 14001:2015	Germany
ROSE Systemtechnik GmbH (DE)	ISO 14001:2015	Germany

5.4.1 Water

Water consumption in 2025 was approximately 193 710 m³. The water is mainly used for sanitary facilities and also for various manufacturing processes at production locations. The insourcing of previously outsourced production steps at the new industrial park in Jiaxing, China, led to a significant increase in water consumption.

DEVELOPMENT OF WATER CONSUMPTION

In m³/a



Total water consumption at all locations

When water is used in production processes, it is very important that the resulting wastewater is thoroughly treated. With this in mind, Phoenix Mecano Kecskemét (Hungary) has installed a large wastewater treatment system. This means that the rinse water from chemical processes no longer has to be disposed of at great expense. After passing through the system, it is so clean that it can be discharged safely into the public sewage system.

5.4.2 Materials

A range of materials are used, especially in production. The materials used consist mainly of steel and aluminium. A certain proportion of materials is made up of recycled materials. Data on this is to be collected across the board in the future. For financial year 2025, information was collected about additional material groups (semi-manufactured goods/parts). In addition, electronic components were recorded and accounted for using the spend-based method. The supply chain for 3TG (gold, tin, tantalum and tungsten – of which Phoenix Mecano only procures gold and tin) is monitored more closely (see section 4.1.1). The production of purchased materials generates a high level of greenhouse gas emissions. These have been calculated since 2023 (see section 5.2.4). Packaging material accounts for around 13% of materials used. Fortunately, the majority of materials used for packaging are made from renewable resources, meaning that the renewable share of total materials used is 12%. Materials used were up by 3% compared with the previous year. This is due to the inclusion of additional material groups. Material consumption by the Phoenix Mecano Group is heavily influenced by the business of its largest division, DewertOkin Technology Group, which is a high-volume manufacturer.

DEVELOPMENT OF MATERIALS USED

Based on materials purchased
Total in 2025: 106 685 t

Renewable resources
Non-renewable resources

GRI Standard: Materials

301-1 Materials used by weight or volume

Weight (t)	2025	2024
Total weight of materials used to produce primary products and services	**63 795**	**60 814**
– Aluminium	6 733	6 501
– Copper	1 247	740
– Steel	51 813	49 446
– Plastic	4 002	4 127
Spend (1 000 EUR) Electronic components and assemblies	**56 134**	**–**
Total weight of raw materials and semi-manufactured goods/parts of materials with conflict minerals declaration used to produce primary products and services	**23**	**18**
– Gold	0.02	0.02
– Tin	23	17
– Tantalum	0	0
– Tungsten	0	0
Total weight of process materials used to produce primary products and services	**151**	**140**
– Oil and lubricants	121	114
– Refrigerants	30	26
– Other process materials	Not surveyed	Not surveyed

Weight (t)	2025	2024
Total weight of packaging materials used for primary products and services	**9 138**	**9 868**
– Paper	451	423
– Cardboard	2 860	3 104
– Wood	5 490	5 997
– Plastic	337	344
301-1a Total weight of materials used to produce and package primary products and services	**73 107**	**70 839**
i. Non-renewable materials used	64 306	61 316
ii. Renewable materials used	8 801	9 524

5.4.3 Waste

Half of sites have a waste reduction strategy. For example, Phoenix Mecano Solutions AG in Stein am Rhein has developed a system to completely recycle and properly dispose of the waste generated in production. All materials that can be recycled are sorted accordingly. PTR HARTMANN also operates recycling programmes, covering not only the materials generated in its own production processes, but also used and returned test probes from customers.

6 METHODOLOGICAL ANNEX

A sustainability report discloses information about a company's economic, environmental and social impacts as well as its management approach. The Global Reporting Initiative (GRI) is an internationally recognised set of guidelines for identifying and defining material topics and indicators for sustainability reporting. Phoenix Mecano's sustainability report was prepared in accordance with GRI guidelines for the financial year from 1 January to 31 December 2025. All the data therefore relates to the year 2025. The sustainability report covers most of the companies in the Phoenix Mecano Group. Companies that were dissolved during the reporting period and companies with no employees are not included in the report. The GRI content index in the annex enables quick access to the individual topics. The report is updated annually. An external audit of the Scope 1 and 2 greenhouse gas balance was conducted (without emissions from refrigerant losses). The sustainability report was reviewed and approved by the Board of Directors.

6.1 Procedure for defining report content

A working group was established to prepare the sustainability report and ensure that sustainability issues are firmly embedded within the Group. The working group consists of representatives from management, finance and communications. Before determining the material topics for the report content, the working group identified the stakeholders. The stakeholders themselves were not directly involved in this report. In order to take stakeholders' interests into account, the topics and Phoenix Mecano's economic, social and environmental impacts were also assessed from a stakeholder perspective.

6.2 Data collection for report content

6.2.1 Materiality assessment

In previous reports, all GRI Standards were analysed for the materiality assessment. Each topic was examined to determine whether it had impacts within and/or outside of the organisation. The topics discussed in the report were those on which Phoenix Mecano had a medium or high impact or which were categorised as important by Phoenix Mecano or from a stakeholder perspective. At least one indicator was reported for each material standard (medium and high impact). Whenever possible and where all the relevant data was available, all companies in the Phoenix Mecano Group were included. If a different reporting boundary was chosen for a topic, this is duly noted in the GRI index.

6.2.2 Calculation of Scope 1, 2 and 3 emissions

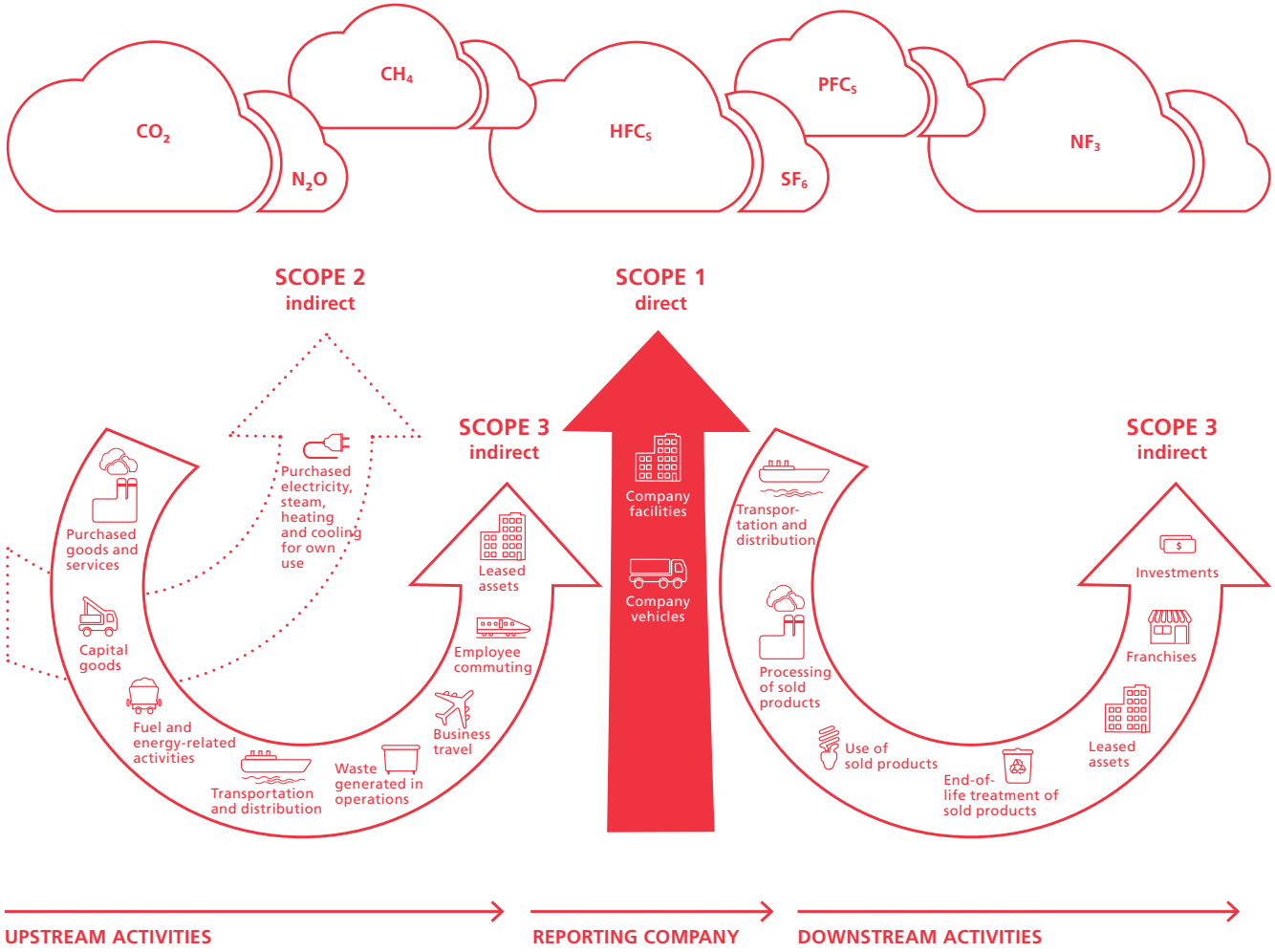
The calculation of greenhouse gas emissions in accordance with the Greenhouse Gas Protocol is divided into three scopes. Direct Scope 1 greenhouse gas (GHG) emissions are emissions occurring directly on site as a result of the energy requirements of the company's own buildings and vehicles (fuel consumption and emissions due to refrigerant losses at buildings and facilities owned by Phoenix Mecano). Indirect Scope 2 GHG emissions are emissions from purchased electricity and district heating for the company's own consumption – for the operation of company-owned buildings and facilities or those on leased property over which Phoenix Mecano has operational control, as well as for the electric vehicle fleet. In the case of some leased properties (Kundisch GmbH & Co. KG and Phoenix Mecano B.V.), Phoenix Mecano does not have operational control, which is why their energy consumption is reported as "outside of the organisation" (see section 5.1.1) and their emissions are not included in Scope 1 and 2.

Scope 3 emissions include, for example, energy-related emissions in the upstream and downstream value chain, emissions from commuting, and emissions from purchased goods and services.The activity data required for the calculation of Scope 1 and Scope 2 emissions are collected directly from the various branches. Recognised sources are used for

the emission factors applied (see list on page 34). The Scope 2 emissions are calculated using a dual approach:

– Location-based, based on country-specific average electricity grid mixes
– Market-based. following a defined hierarchy in accordance with the GHG Protocol Scope 2 Guidance:
  1 contractual emission factors derived from energy attribute certificates (e.g., GoO/REC/PPA)
  2 residual mix factors, where available
  3 where neither 1 nor 2 are available, the market-based value is reported as equal as to the location-based value.

Scope 1 and 2 emissions are used to calculate the emission intensities. This is done by dividing total Scope 1 and 2 emissions by total sales for the same period. Unless otherwise referenced, the emissions cited in charts and text are market-based. No employee survey was conducted in 2025 to calculate Scope 3 commuting emissions. Instead, the results from the 2023 commuter survey were used and scaled according to the number of FTEs. Based on the distance travelled and the mode of transport used, the modal split was determined and the greenhouse gas balance calculated. To calculate the emissions from purchased materials, the branches were asked about their material purchases. No data was requested directly from suppliers. Aside from purchased materials and commuting, no other Scope 3 categories have been calculated to date. A relevance matrix was drawn up for Scope 3 in 2025 (see section 5.2.4). Accordingly, emissions were calculated using the spend-based method for the relevant categories wherever possible. Emissions from materials used account for over 85% of total Scope 3 emissions. For this reason, the raw materials previously reported have been supplemented with additional material groups. Only fossil emissions are reported, not biogenic emissions. As well as CO_2, emissions also include other important greenhouse gases.



Overview of scopes and emissions along the value chain according to the Greenhouse Gas Protocol

The emission factors used to calculate greenhouse gas emissions are derived from the following sources:

- treeze, Alig, M., Tschümperlin, L., Frischknecht, R. 2017: Treibhausgasemissionen Strom- und Fernwärmemixe Schweiz gemäss GHG Protocol. Tab. 2.1
  - → Link
  - Factors include all greenhouse gas emissions, based on Intergovernmental Panel on Climate Change (IPCC) 2013
  - Swiss Federal Office for the Environment (FOEN) factsheet: CO_2 emission factors from Switzerland's greenhouse gas inventory
    - → Link (version of July 2025, see under Documents)
  - Factors include only CO_2 (calculated on the basis of C content in energy sources), without biogenic content, based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- Mobitool v3.1
  - → Link
  - For hybrid/plug-in hybrid: emissions split 50% diesel and 50% electricity
  - Factors include all GHGs (CO_2eq), based on KBOB and ecoinvent
- Carbondi electricity factors
  - → Link
  - Factors include all GHGs, based on IPCC Fifth Assessment Report
- REIDA CO_2e Report Methodology
  - → Link
  - Factors include all GHGs (CO_2eq), based on IPCC 2013
- German Environment Agency
  - → Link
  - Factors include all GHGs (CO_2eq), based on IPCC Guidelines 2006
- AIB, European Residual Mixes, Table 4: Total Supplier Mix 2024
  - → Link to report based on data from each country and ecoinvent www.aib-net.org/facts/european-residual-mix
- Information sheet on CO_2 factors, 20 May 2025, Federal funding for energy and resource efficiency in industry – Grant
  - → Link
  - Factors include all GHGs (CO_2eq), based on all Kyoto GHGs, GWP 100 based on IPCC
- ecoinvent, ecoinvent 3.6 (EcoSpeed Scout)
  - Factors include all GHGs (CO_2eq), depending on the impact method (IPCC, ReCiPe or others)
- FOEN (2025): Overview of the main refrigerants (version of February 2025)
  - → Link
  - Factors include all GHGs (CO_2eq): global warming potential (GWP) over a 100-year time horizon; figures for CFCs, HCFCs, PFCs/HFCs and natural refrigerants from IPCC (2007):
    - → Link
  - Figures for HCFOs from WMO (2018):
    - → Link
  - Figures for HFOs from IPCC (2014):
    - → Link
  - GWP values for blends: the sum of the GWP values of the components, weighted according to their respective mass fractions

6.3 GRI index

Phoenix Mecano reports the information cited in this GRI content index for the period from 1 January to 31 December 2025, with reference to the GRI Standards. In the case of topic-specific standards, only those for which data is available or has been collected are listed.

THE ORGANISATION AND ITS REPORTING PRACTICES

2-1 Organisational details

a. Legal name: Phoenix Mecano AG

b. Nature of ownership:
Listed on SIX Swiss Exchange
Legal form: Incorporated company

c. Location of headquarters: Stein am Rhein, Switzerland

d. Countries of operation: group.Phoenix-mecano.com/en/divisions-and-locations

2-2 a. Entities included in the organisation's sustainability reporting:

Phoenix Mecano Management AG
Phoenix Mecano AG
Phoenix Mecano GmbH
IFINA Beteiligungsgesellschaft mbH
Bopla Gehäuse Systeme GmbH
HPC Sekure GmbH
Kundisch GmbH & Co. KG
ROSE Systemtechnik GmbH
DewertOkin do Brasil Ltda
Connected.Care GmbH
DewertOkin GmbH
RK Rose+Krieger GmbH
RK Schmidt Systemtechnik GmbH
DewertOkin AG
DewertOkin Kft.
OKIN America Inc.
Okin Vietnam Company Ltd.
DewertOkin Technology Group Co., Ltd.
Haining MyHome Mechanism Co., Ltd. (merged with DewertOkin Technology Group Co., Ltd. from 1 July 2025)
PTR HARTMANN GmbH
REDUR GmbH & Co. KG
PM Special Measuring Systems B.V.
Ismet transformátory s.r.o.
Phoenix Mecano ELCOM S.à.r.l.
PTR HARTMANN (Shaoguan) Co., Ltd.
Phoenix Mecano NV
Phoenix Mecano ApS
Phoenix Mecano S.à.r.l.
Phoenix Mecano Ltd
Phoenix Mecano (India) Pvt. Ltd.
Phoenix Mecano S.r.l
Phoenix Mecano B.V.
Phoenix Mecano Plastic S.r.l.
Phoenix Mecano Saudi Arabia LLC
Phoenix Mecano Solutions AG
Phoenix Mecano S.E. Asia Pte Ltd.
Sistemas Phoenix Mecano España S.A.
Phoenix Mecano Kecskemét Kft.
Phoenix Mecano Inc.
Phoenix Mecano Middle East
Mecano Components (Shanghai) Co., Ltd
Phoenix Mecano Hong Kong Ltd.
Phoenix Mecano AB
Phoenix Mecano Australia Pty Ltd. (minority interest)
BEWATEC (Zhejiang) Medical Equipment Co., Ltd.
BEWATEC (Shanghai) Medical Device Co., Ltd.
PTR Hartmann S. de R.L. de C.V.
Setago.io GmbH

b. Outside the scope of the sustainability report:

- DewertOkin AB (company with no office and only one employee at the end of 2025)
- DewertOkin Latin America S.A. (holding organisation with no employees)
- Phoenix Mecano Holding Ltda. (holding organisation with no employees)
- Phoenix Mecano OOO (no longer operational)

Outside the scope of the 2025 greenhouse gas accounting:

- DewertOkin AB (only one FTE, working from home)
- DewertOkin AG (only one FTE, working from home)

2-3 Reporting period, frequency and contact point

a. and b. See section 6

c. Publication date: 22 April 2026

d. Philipp Eberhard, Head of Corporate Communications

2-4 Restatements of information

The system boundary for companies included in the report has been expanded to include new acquisitions:

- Phoenix Mecano GmbH

2-5 External assurance

a. The greenhouse gas balance was externally audited by KPMG for Scope 1 (excluding emissions from refrigerant losses) and Scope 2 (see audit report in section 6.5).

ACTIVITIES AND WORKERS

2-6 Activities, value chain and other business relationships

See sections 2.1, 3.1 and 4.1.2
Active in manufacturing of industrial and electronic components
group.Phoenix-mecano.com/en/group/company-profile

2-7 Employees

See section 4.3

2-8 Workers who are not employees

See section 4.3

GOVERNANCE

2-9 Governance structure and composition

→ Corporate governance

2-10 Nomination and selection of the highest governance body

→ Corporate governance

2-11 Chair of the highest governance body

a. The chair of the highest governance body is also a senior executive in the organisation.

b. Explanation on this and on conflicts of interest

The Chairman performs an executive role.
In the event of potential conflicts of interest, the Chairman is represented by the Independent Lead Director.
The Chairman's executive duties include in particular:

- representing the company and the Group externally and overseeing public relations, including media contacts and corporate identity, as agreed internally with the CEO;
- monitoring compliance with and enforcement of Board of Directors' decisions;
- setting HR and wage policy, including pensions, unless otherwise determined by law, the Articles of Incorporation or the rules of procedure governing organisational matters;
- overseeing the acquisition and sale of investments and submitting proposals for approval to the Board of Directors;
- monitoring subsidiaries' budgeting processes.

2-12 Role of the highest governance body in overseeing the management of impacts
Section 1.1 and
→ Corporate governance

2-13 Delegation of responsibility for managing impacts
Section 1.1 and
→ Corporate governance

2-14 Role of the highest governance body in sustainability reporting
Review and approval of the sustainability report. The sustainability report was reviewed and approved by the Board of Directors at its meeting on 31 March 2026.

2-15 Conflicts of interest
→ Corporate governance

2-16 Communication of critical concerns
No information available yet

2-17 Collective knowledge of the highest governance body
No information available yet

2-18 Evaluation of the performance of the highest governance body
No information available yet

2-19 Remuneration policies
→ Remuneration report

2-20 Process to determine remuneration
→ Remuneration report

2-21 Annual total compensation ratio
No information available yet

STRATEGY, POLICIES AND PRACTICES

2-22 Statement on sustainable development strategy
See sections 1.1 and 5.2.2

2-23 Policy commitments
See section 3.1.2

2-24 Embedding policy commitments
See section 3.1.2

2-25 Processes to remediate negative impacts
Embedded in the Code of Conduct

2-26 Mechanisms for seeking advice and raising concerns
a. Employees are encouraged to raise concerns with their line manager/managing director or to contact the CEO/Board of Directors.

2-27 Compliance with laws and regulations
See section 3.1.2

2-28 Membership associations
The companies are members of various associations and some also hold positions in the governance bodies. The following memberships exist (non-exhaustive list, last updated in 2024):

- Agoria (technology industry association)
- InduMotion
- Flanders' Chamber of Commerce and Industry (Voka)

Germany:

- German Chamber of Commerce and Industry (DIHK)
- German Electro and Digital Industry Association (ZVEI)
- German Association of Healthcare IT Vendors (bvitg)
- Association of Hospital Technology (FKT)

China:

- High-tech District Chamber of Commerce
- Xiujiang District Chamber of Commerce
- Jiaxing City High-tech Enterprise Association
- Jiaxing City Import and Export Chamber of Commerce
- Jiaxing Health Industry Association
- Shanghai Rehabilitation Device Association
- Jiaxing Artificial Intelligence Society
- Zhejiang Medical Device Industry Association
- Shanghai Modern Service Industry Federation Medical Service Professional Committee

Sweden:

- Swedish Industrial Robot Association (SWIRA)

Switzerland:

- Canton of Schaffhausen Industry and Commerce Association (IVS)
- Stein am Rhein Industry Association (IVS)
- Swiss Mechatronics
- Friendly Work Space Business Advisory Board (Wirtschaftsbeirat)

Spain:

- Zaragoza Chamber of Commerce and Industry

Tunisia:

- Maintenance and Management Group (Groupement de Maintenance et de Gestion [GMG])
- Tunisian-Swiss Chamber of Commerce and Industry
- Tunisian-Chinese Chamber of Commerce
- Tunisian-British Chamber of Commerce
- Tunisian-German Chamber of Industry and Commerce (AHK)

USA:

- Frederick County Workforce Services
- Frederick County Chamber of Commerce
- Frederick County Office of Economic Development
- Hood College Board of Associates
- Frederick County Career Technology Council
- Regional Manufacturing Institute of Maryland/Maryland Manufacturing Extension Partnership

STAKEHOLDER ENGAGEMENT

2-29 Approach to stakeholder engagement
See sections 2.4 and 6.1

2-30 Collective bargaining agreements
See section 4.3

ECONOMIC PERFORMANCE

201-1 Direct economic value generated and distributed
See section 3.1 and
→ Annual report

201-4 Financial assistance received from government
The financial assistance (in the form of tax relief, subsidies, royalty holidays, etc.) that Phoenix Mecano received from government in the reporting year totalled EUR 16.25 million.

LOCAL SOURCING

204-1 Proportion of spending on local suppliers
No data available yet

ANTI-COMPETITIVE BEHAVIOUR

205-1 Operations assessed for risks related to corruption
In the risk-oriented audit planning by the Internal Auditing Department, one criterion is how Transparency International has assessed the corruption risk for a specific country. However, there is no assessment of risks related to corruption at Group companies.

205-2 Communication and training about anti-corruption policies and procedures
The anti-corruption policy and processes have been communicated to all management, and around 59% of employees with a business email address have completed the training.

205-3 Confirmed incidents of corruption and actions taken
There were no confirmed incidents of corruption in the reporting period.

206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices
a. During the reporting period, Phoenix Mecano had no legal actions relating to anti-competitive behaviour and violations of anti-trust and monopoly legislation.

TAX

207-1 Approach to tax
See section 3.1.1

MATERIALS

301-1 Materials used by weight or volume
See section 5.4.2

ENERGY

302-1 Energy consumption within the organisation
See section 5.1.1

302-2 Energy consumption outside of the organisation
See section 5.1.1. Heat consumption was reported for the following companies whose buildings are not owned by Phoenix Mecano ("outside of the organisation"):
Kundisch GmbH & Co. KG
Phoenix Mecano B.V.

302-3 Energy intensity
See section 5.1.1

WATER

303-5 Water consumption
See section 5.4.1

EMISSIONS	
305-1	**Direct (Scope 1) GHG emissions** See section 5.2.4
305-2	**Energy indirect (Scope 2) GHG emissions** See section 5.2.4
305-3	**Other indirect (Scope 3) GHG emissions** See section 5.2.4
305-4	**GHG emissions intensity** See sections 5.2.2 and 5.2.4
WASTE	
306-2	**Management of significant waste-related impacts** See section 5.4.3
SUPPLIER ENVIRONMENTAL ASSESSMENT	
308-1	**New suppliers that were screened using environmental criteria** See section 5.4
LABOUR/MANAGEMENT RELATIONS	
402-1	**Minimum notice periods regarding operational changes** See section 4.3
OCCUPATIONAL HEALTH AND SAFETY	
403-1	**Occupational health and safety management system** See section 4.3.3
403-2	**Hazard identification, risk assessment and incident investigation** See section 4.3.3
403-5	**Worker training on occupational health and safety** See section 4.3.3
403-9	**Work-related injuries** See section 4.3.3
403-10	**Work-related ill health** See section 4.3.3
TRAINING AND EDUCATION	
404-1	**Average hours of training per year per employee** See section 4.3.2
404-2	**Programmes for upgrading employee skills and transition assistance programmes** See section 4.3.2
404-3	**Percentage of employees receiving regular performance and career development reviews** Around 70% of employees, irrespective of gender and age, received a performance and career development review during the reporting period.
DIVERSITY AND EQUAL OPPORTUNITY	
405-1	**Diversity of governance bodies and employees** See section 4.3.1
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	
407-1	**Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk** See section 2.2
CHILD LABOUR	
408-1	**Operations and suppliers at significant risk for incidents of child labour** See sections 2.2 and 4.1.1 Internal audits were carried out at the following companies in 2025: DewertOkin Technology Group Co., Ltd., BEWATEC (Zejiang) Medical Equipment Co., Ltd., BEWATEC (Shanghai) Medical Device Co., Ltd. and Mecano Components (Shanghai) Co., Ltd., PTR HARTMANN GmbH, REDUR GmbH & Co. KG, ROSE Systemtechnik GmbH, Kundisch GmbH & Co. KG, DewertOkin Kft., Phoenix Mecano Special Measuring Systems B.V., Phoenix Mecano B.V., Phoenix Mecano S.R.L., Sistemas Phoenix Mecano España S.A, Phoenix Mecano Solutions AG, OKIN America Inc.
SUPPLIER SOCIAL ASSESSMENT	
414-1	**New suppliers that were screened using social criteria** See section 2.2
CUSTOMER HEALTH AND SAFETY	
416-2	**Incidents of non-compliance concerning the health and safety impacts of products and services** a. Phoenix Mecano had no incidents of non-compliance with regulations or voluntary codes during the reporting period. b. See section 4.2.1
CUSTOMER PRIVACY	
418-1	**Substantiated complaints concerning breaches of customer privacy and losses of customer data** a. During the reporting period, no substantiated complaints were received from external parties or regulatory authorities regarding breaches of customer privacy. b. Phoenix Mecano experienced one incident of data loss during the reporting period, see section 4.2.2.

6.4 Swiss Code of Obligations Art. 964b

This report was reviewed and approved by the Board of Directors prior to publication. The non-financial matters pursuant to Article 964b of the Swiss Code of Obligations are described in the following sections:

Business model	See section 2.1
Environmental matters	See section 5
Social issues	See section 4
Employee-related issues	See section 4.3
Respect for human rights	See sections 1.1, 1.2, 3.1.2 and 4.1
Combating corruption	See sections 3.1.2, 4.1.2 and 6.3 GRI index 205-1 to 206-1

Independent limited assurance report on selected sustainability information of Phoenix Mecano AG

To the Board of Directors of Phoenix Mecano AG, Stein am Rhein

We have undertaken a limited assurance engagement on Phoenix Mecano AG's (hereinafter "Phoenix Mecano") and its subsidiaries following selected Sustainability Information in the Sustainability Report for the year 2025 (hereinafter "Sustainability Information").

Our independent assurance on selected Sustainability Information consists of key performance indicators in the area of Scope 1 und Scope 2 Greenhouse Gas (hereinafter "GHG") emissions on page 15 for the year 2025, which are marked with a checkmark [✔].

Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the '*Summary of the work we performed as the basis for our assurance conclusion*' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the requirements of the Global Reporting Initiative Sustainability Reporting Standards (GRI SRS).

Our assurance report and our assurance conclusion do not extend to information in respect of earlier periods or future looking information included in the Sustainability Report 2025, information included in the Financial Report 2025, information included in the Business Report 2025, information linked from the Sustainability Report 2025, information linked from the Financial Report 2025 or any images, audio files or embedded videos.

Understanding how Phoenix Mecano has prepared the Sustainability Information

The GRI SRS have been used as criteria references for the disclosures of Scope 1 and 2 GHG emissions (GRI 305: Emissions), as described in chapter 6 "Methodological Annex" of the sustainability report. Consequently, the Sustainability Information needs to be read and understood together with the criteria.

Inherent Limitations in Preparing the Sustainability Information

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur in disclosures of the Sustainability Information and not be detected. Our engagement is not designed to detect all internal control weaknesses in the preparation of the Sustainability Information because the engagement was not performed on a continuous basis throughout the period and the audit procedures performed were on a test basis.

Phoenix Mecano's Responsibilities

The Board of Directors of Phoenix Mecano is responsible for:

- selecting or establishing suitable criteria for preparing the sustainability information, taking into account applicable law and regulations related to reporting the sustainability information;
- the preparation of the sustainability information in accordance with the chosen criteria; and
- designing, implementing and maintaining internal control over information relevant to the preparation of the sustainability information that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our independent conclusion to the Board of Directors of Phoenix Mecano.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by the Board of Directors, we are not permitted to be involved in the preparation of the Sustainability Information as doing so may compromise our independence.

Professional Standards Applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (ISAE 3000) and in respect of greenhouse gas emissions, with the International Standard on Assurance Engagements 3410 *Assurance Engagements on Greenhouse Gas Statements* (ISAE 3410), issued by the International Auditing and Assurance Standards Board (IAASB).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work was carried out by an independent and multidisciplinary team including assurance practitioners and sustainability experts. We remain solely responsible for our assurance conclusion.

Summary of the Work we Performed as the Basis for our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgment. Carrying out our limited assurance engagement on the Sustainability Information included, among others:

- assessment of the design and implementation of systems, processes and internal controls for determining, processing and monitoring sustainability performance data, including the consolidation of data;
- inquiries of employees responsible for the determination and consolidation as well as the implementation of internal control procedures regarding the selected disclosures;
- inspection of selected internal and external documents to determine whether quantitative and qualitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- assessment of the data collection, validation and reporting processes as well as the reliability of the reported data on a test basis and through testing of selected calculations;
- analytical assessment of the data and trends of the quantitative disclosures included in the scope of the limited assurance engagement;
- assessment of the consistency of the disclosures applicable to Phoenix Mecano with the other disclosures and key figures and of the overall presentation of the disclosures through critical reading of the Sustainability Report 2025.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

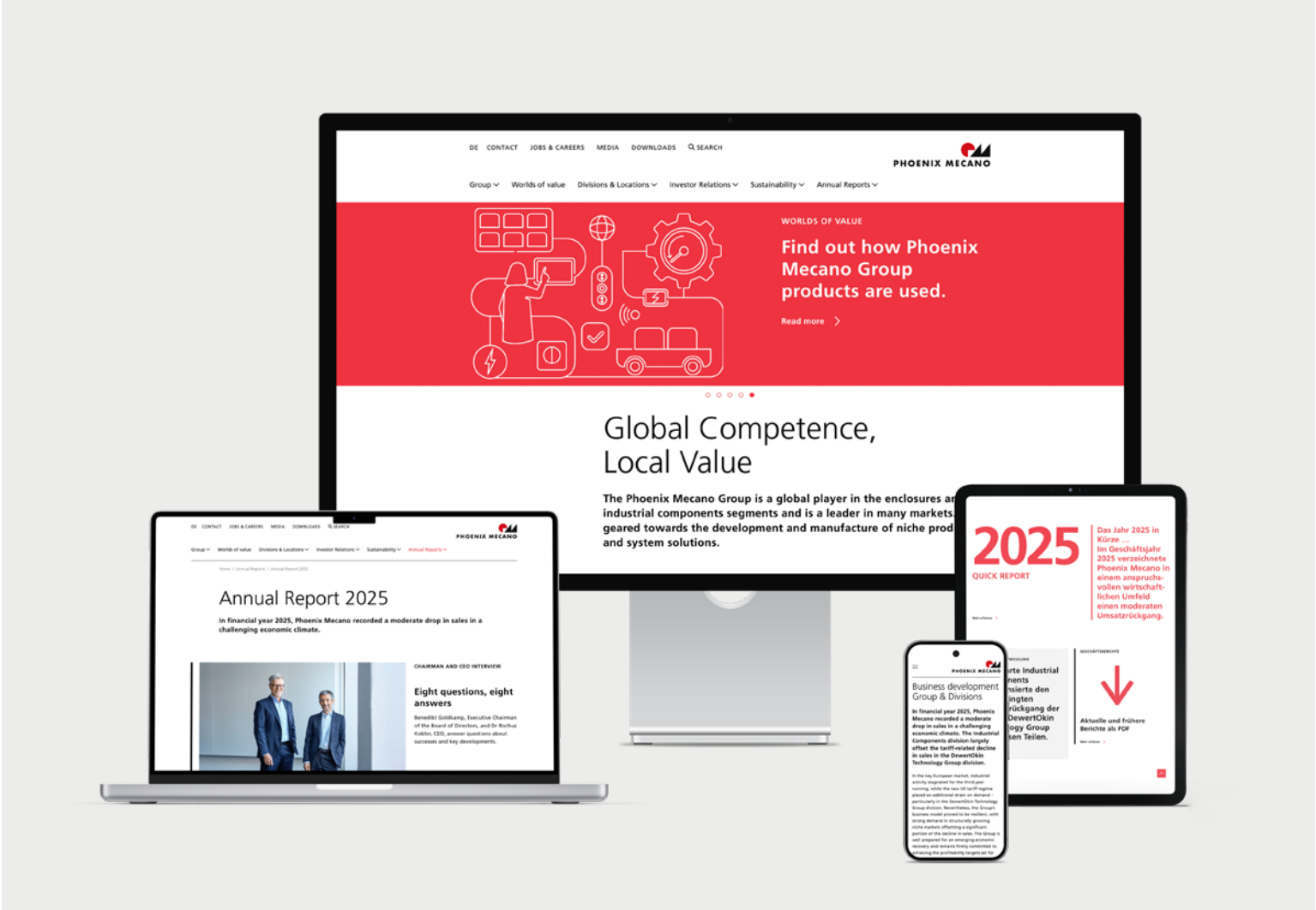
KPMG AG

Silvan Jurt
Licensed Audit Expert

Cyrill Kaufmann
Licensed Audit Expert

Zurich, 21 April 2026

MULTIMEDIA



All information is available online and can be accessed and used at any time:
group.phoenix-mecano.com/en/sustainability

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