



Calderys Holding Limited

Strategic Report for the Year Ended
31 December 2025



Strategic Report for the year ended 31 December 2025

The directors present the Strategic Report for Calderys Holding Limited (the “Company”) and its subsidiaries for the year ended 31 December 2025. The terms “Calderys Group”, “Calderys” and “the Group” refer to the Company and its subsidiaries.

Principal activity

Calderys is a leading global business specialising in thermal protection equipment. The Group supplies industrial customers with a wide range of refractory products and advanced solutions to enhance steel casting, metallurgical fluxes and moulding processes.

With 160 years of experience, Calderys has a presence in more than 30 countries, sales in over 100 countries and more than 50 plants across five continents. This truly global refractory network spanning production plants, labs, sales offices, engineering centres, external partners and full-time workers on customer sites means Calderys operates in close proximity to customers, meeting the specific needs and challenges of local markets.

Customer centricity is one of the priorities in the Group’s strategy, together with sustainability and innovation. Calderys has grouped its solutions for customers into four main areas, as follows:

Iron and steel – As a prominent partner to the iron and steel industry, Calderys has steadily enlarged its service solutions from ironmaking, liquid steel processing, continuous casting and reheat furnaces and other equipment.

Foundry – As experts in both ferrous and non-ferrous foundries, Calderys offers an array of turnkey solutions for foundry refractories, as well as core and moulding sand additives.

Thermal – Thermal industries, such as cement, aluminium and glass, have entered an era of transition with many companies striving to increase the productivity of their operations. Calderys offers customised solutions and services for companies facing decarbonisation challenges.

Services – Calderys offers a full range of services, tied in closely with its world-leading high temperature solutions product lines. Calderys is continually upgrading its services and equipment to ensure that its products are easy and safe to use.

Calderys recognises the crucial role it plays in assisting its customers in their own decarbonisation journey. Calderys develops solutions that promote customer efficiency and assist them in reducing their greenhouse gas emissions. Likewise, through the development of circular solutions, Calderys participates in resource conservation and facilitates its customers in minimising their waste.

Calderys takes part in several studies in partnership with laboratories, universities or other companies, to develop innovative products and initiatives, for instance to tackle the climate impacts that come with hydrogen and natural gas-based applications of its products. The Group’s research and development efforts were also showcased with the launch in 2025 of the UFALA® medium-weight brick in the United States of America (“USA”), designed to adapt to paper mills’ new kiln generation and reduce operational energy consumption and emissions, while providing increased insulation and better protection of their equipment.

At 31 December 2025, Calderys employed 4,663 people worldwide, excluding contractors. An international network of experts ensures a tailored service for clients’ end-to-end needs, including design and engineering, installation, maintenance, project management and repair.

Purpose and values

Calderys Group’s purpose and values form the cornerstone of the Group’s corporate identity and culture, driving the Company’s commitment to delivering positive global impact through innovative solutions. Calderys’ enduring customer relationships and deep expertise of 160 years, position the Group at the forefront of supporting industrial customers in their energy transition needs.

Purpose

Calderys is the vital partner of all high temperature industries and supports them building a better world through sustainable solutions.

Values

Calderys is tenacious – Calderys defines itself as determined and resilient problem solvers, committed to goal achievement and continuous improvement, always striving for innovation.

Calderys is accountable – Calderys takes responsibility and ownership very seriously. Calderys is deeply committed to safety and ethics, driven by the pursuit of excellence and respect for others.

Calderys is multicultural – Calderys believes in the strength of diversity, inclusion and cultural richness. This global mindset and sense of respect enhances the Group’s adaptability and effectiveness.

Calderys is authentic – Calderys is attached to trust, integrity and care for people, always aligning actions with words, keeping a humble and collaborative mindset.

Strategic Report for the year ended 31 December 2025 (continued)

Strategy

Calderys' corporate long-term strategy is made of three pillars: strengthen the core, expand in high-growth regions and invest in future growth.

The strategy is further supported by three priorities: customer centricity, sustainability and innovation.

This strategy shows the central position sustainability holds in the Calderys business. To deliver on this, Calderys' sustainability teams develop sustainability programmes focusing on three key commitments, which have been refined in 2025 to align better with the Group's priorities:

1) Committed to people

Calderys aims to create a positive impact by fostering a safe, inclusive and fair workplace, supporting the wellbeing and development of all employees, empowering communities and driving ethical practices throughout the value chain.

2) Accountable for its environmental footprint

Calderys strives to reduce its environmental impact and advance sustainability through low-carbon innovation, circular practices and responsible resource management.

3) Responsible for sustainable growth

The Group aims to create long-term value for society through ethical excellence and for business through innovative and sustainable solutions for customers.

Business review and future developments

The Group's key objectives are to increase revenue and execute its value creation plan with ongoing synergies and operational improvements initiatives. The Group's key performance indicators are revenue and earnings before interest, tax, depreciation and amortisation ("Reported EBITDA") (see Note 11 for definition).

The Group's revenue was euro ("€")1,528.7 million for the year ended 31 December 2025 (2024: €1,565.6 million), a decrease of €36.9 million impacted by the weakening of the United States dollar and Indian rupee. On a constant currency basis, revenue increased by 1.9%, with the price increase pass-through of raw material costs inflation and tariff surcharges in the USA more than offsetting lower volumes and adverse mix effect.

The Group's operating profit for the year ended 31 December 2025 was €149.0 million (2024: €125.3 million), an increase of 18.9%. Reported EBITDA grew to €219.8 million from €195.3 million in 2024, as a result of the Group continuing to deliver operational improvements and synergies with revenue and costs optimisation initiatives. The Group expects these initiatives to continue to drive Reported EBITDA growth in future years.

The Group's balance sheet remains strong with net assets increasing by €27.5 million from €622.7 million to €650.2 million. Total borrowings decreased by €29.3 million to €500.3 million mainly as a result of foreign exchange movements of €60.1 million partially offset by further drawings on the Indian loan facility of €11.4 million to finance the continued construction of a new site in India and €14.6 million drawn on the asset-based revolving credit facility.

In June 2025, the Group purchased 100% of Haznedar Durer Danışmanlık Anonim Şirketi, a company formed to own 24.871% of Haznedar Durer Refrakter Malzemeleri Sanayi Ve Ticaret A.Ş. ("Haznedar"), for €37.0 million as an amendment to, and the exercise of, the first call option which gave the Group the unconditional right to acquire the shares from Haznedar's historical shareholders. As a result, the Group now owns 84.871% of Haznedar and has the unconditional right to acquire the remaining shares under the second call option in about a year's time.

During the year, the Group continued construction of a new plant in Odisha, India, which will be completed during 2026, and a new lightweight monolithics production facility in Fulton, Missouri, USA, and completed its innovation centre in Germany. These will enable the Group to continue to develop innovative solutions tailored to operations and customers and so continue to improve its customer service and drive future growth.

Strategic Report for the year ended 31 December 2025 (continued)

Principal risks and uncertainties

The Group's principal risks are:

Risk	Risk description	Mitigation
Supply chain operations	The transformation of raw materials into finished goods can take several months and involve global shipments, making agility crucial to delivering value to customers. Accurate demand forecasting is essential for optimising production planning, procurement, inventory management and logistics across the Group's global network. Additionally, operations may be affected by disruptions in specific regions or broader industry-wide challenges.	<ul style="list-style-type: none"> • Ongoing supply chain initiatives focused on specific operational challenges • Geographical diversification of the production network • Minimisation of sole-source materials and strategically increasing inventory levels
Cyber and information security	The Group's reliance on IT systems and the focus on digitalisation results in a growing exposure to cyber, information security and artificial intelligence ("AI") related risks. The possible impact of such risks ranges from operational disruptions, a loss of intellectual property assets and compliance issues to reputational impact. AI related risks include accidental data leakage when employees use public AI tools and potential incorrect or incomplete outputs due to algorithm or training data issues.	<ul style="list-style-type: none"> • Continuous focus on prevention, protection and awareness of cyber risks • Prevention: monitoring, patching, hardening and up to date policies and controls, internal and external audits and penetration testing, USB blocking and mobile device management • Protection: immutable backups, multiple layers of network protection (firewalls, segregation) multi-layered email protection, insurance coverage • Awareness: new joiner training and annual refreshment training, phishing campaigns, training on use of AI, simulation exercise
Macroeconomic and geopolitical environment	Shifts in the global economic landscape, financial market conditions and geopolitical uncertainties can affect revenue and profitability. Macroeconomic fluctuations that reduce sales volumes may stem from industry-specific factors or broader global challenges, such as economic downturns or disruptions in global logistics. Demand for refractory products is closely tied to steel, cement and non-ferrous metal production, as well as metal and energy prices and the production techniques employed by customers. Adverse changes in global trade policies, including tariffs and trade barriers, may negatively affect operational performance and profitability.	<ul style="list-style-type: none"> • Initiatives to enhance the Group's resilience by implementing leaner processes and reducing fixed costs • Diversification of geographies and industries • Close monitoring of production cost fluctuations to guarantee expected profitability • Price increase initiatives to pass on inflationary costs • Early leading indicators to ensure identification of emerging macroeconomic trends • Treasury policies, supported by appropriate financial instruments, mitigate financial market exposure through natural cash flow hedges • Dynamic, experienced and solution-oriented management teams capable of responding swiftly and creatively to challenges • Tariff and trade barrier exposure is mitigated through a local-for-local production and sourcing strategy in key markets
Ability to adapt to changes in the competitive environment	The Group's ability to develop suitable products and services, along with shifting customer preferences toward innovation, may create pressure on demand and margins. The pace of customer demand for environmentally friendly features, digitalisation and services could outstrip the Group's capacity to keep up. Additionally, adapting technologies to support the circular economy and energy transition - both for the Group's operations and for its customers - presents both opportunities and challenges for business sustainability and climate targets.	<ul style="list-style-type: none"> • Continued investment in research and development ("R&D") • Focus development activity on projects aimed at an agile and fast impact on the market • Monitoring of key R&D and innovation metrics • Partnering with third-party innovation leaders
Environmental and climate	The production of refractory products inherently involves controlled emissions and the use of potentially hazardous materials. Failure to meet environmental regulations or prevent uncontrolled emissions at the Group's sites could lead to significant financial losses and liabilities.	<ul style="list-style-type: none"> • Carbon footprint assessment completed and energy efficiency programmes in place • First climate change risk assessment done in 2024 followed in 2025 by climate risk assessments for some class A sites and high-risk sites. For 2026, all other class A sites will be assessed. Remaining sites to undertake a light risk assessment • Well-established Sustainability Steering Committee to oversee and challenge management's environmental and climate strategy

Strategic Report for the year ended 31 December 2025 (continued)

Principal risks and uncertainties (continued)

Risk	Risk description	Mitigation
Health and safety	Employees and contractors may face health and safety (“H&S”) risks at the Group’s plants, where such inherent hazards cannot be fully eliminated. Additionally, the Group’s operations and products carry the potential to cause accidents at customer sites. Beyond the impact on individuals, H&S incidents can result in financial penalties, site closures and reputational damage to the Group.	<ul style="list-style-type: none"> • H&S is a core company objective, with performance continuously monitored through lagging and leading H&S KPIs • The H&S strategy aligns with leading global standards, incorporating regular risk assessments, near miss reporting and root cause analysis • Continuous improvement programmes, both preventive and also following incidents, in place to protect Calderys stakeholders • H&S software deployed for curative and preventive activities (incidents management, inspections, audits, etc.) • Fatality prevention programme in place • Safety culture programmes in place fostering a high maturity level (e.g. annual Group safe.day, leadership programmes)
Compliance	The Group operates in some geographies with inherently high compliance risks. It strives to establish a culture of compliance (comprising anti-bribery and corruption, anti-fraud, competition law and international sanctions) throughout the organisation. These compliance risks may result in financial loss or operational restrictions. Changes to the compliance landscape could impact the profitability of the Group’s operations and require investment to enable it to continue to meet its compliance obligations	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics and compliance policies and procedures (comprising anti-bribery and corruption, anti-fraud, competition law and international sanctions) • Global training and communication • Whistleblowing channels are available to employees and external parties to report compliance concerns and all reports are followed up by qualified professionals
Ability to strategically set and implement price adjustments	The Group may occasionally face strong increases in variable costs, including raw materials, logistics, labour and energy. To maintain or improve margin targets, it is essential to identify rising costs early through monitoring leading indicators and effectively pass them on to customers. Failure to do so in a timely manner, while balancing customer relationships and market share, could result in financial losses for the Group.	<ul style="list-style-type: none"> • Ongoing monitoring of key leading indicators to identify early signs of externally led cost inflation • Management focused on effectively negotiating price increases with customers without compromising relationships and market share • Mitigation of energy cost increases through energy hedging, alternate fuel supplies and energy supply guarantees
A lack of organisational capacity to execute strategy	The Group’s ability to execute its strategy successfully is dependent on its culture, organisational structure and the availability of skilled resources. Failure to attract, retain and develop key talent may hinder strategic objectives, reduce operational effectiveness and impact long-term growth.	<ul style="list-style-type: none"> • Emphasis on the Group’s culture as a key enabler of performance and driver of strategy execution • Leadership training and initiatives to support the attraction and retention of talent • Developing talent, enhancing diversity and promoting the Group’s culture as significant components in the People function

Sustainability-related risks and opportunities

The Group is committed to identify, assess and manage sustainability-related risks that are considered material to the Group. For further information on how climate risks are identified, assessed, managed and integrated into the overall risk management see the Climate disclosures on pages 4 to 9. In the 2024 risk identification exercises, Calderys did not look to identify sustainability-related opportunities; work is underway currently to assess and articulate them.

Climate

Calderys has worked over the past two years to align efforts and structures across the Group to comply with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and adopt voluntarily recommendations from the Task Force on Climate-related Financial Disclosures (“TCFD”). Key activities have included conducting an in-depth double materiality assessment and climate scenario analysis in 2024, followed by the development of a comprehensive climate strategy and climate risk assessments at some of the Group’s high-risk sites in 2025. In 2026, the climate strategy will be continued, and additional risk assessments will be performed at remaining sites.

Climate governance

Climate-related governance is a dedicated aspect of Calderys’ broader governance framework. This structure ensures that climate-related risks and opportunities are effectively managed and integrated into the Group’s strategic and operational processes.

Strategic Report for the year ended 31 December 2025 (continued)

Climate governance (continued)

Key components of climate-related governance

Board of directors

The board of directors of the Company (the “Board”) is comprised of three directors and oversees the business and key strategic decisions and holds accountability for all matters, including climate. The Board entrusts day-to-day activities, operational matters and decisions to the Executive Committee (“ExCo”), while maintaining oversight over reserved matters and statutory obligations.

Meetings hosted by Calderys’ Chief Financial Officer (“CFO”) are held quarterly with the Chief Executive Officer (“CEO”) and a director. During these sessions, Calderys’ CEO and CFO share updates, including updates and progress on climate issues and any other environmental, social and governance (“ESG”) matters covered by Global Vice President of Sustainability and Communications.

ExCo

The ExCo adopts a decentralised approach to managing climate topics. While the sustainability team collaborates and consolidates information, various teams take the lead on specific areas, for instance:

- **Operations Team:** Responsible for Scope 1 and Scope 2 emissions calculations, energy efficiency initiatives and climate physical risks assessments
- **Innovation and Technology Team:** Leads product sustainability initiatives and life cycle assessments
- **Purchasing Team:** Conducts ESG assessments of suppliers to identify risks in the supply chain, including climate considerations

Our robust governance structure ensures that Calderys maintains an integrated and thorough approach to managing ESG topics, including climate-related risks, aligning with TCFD’s requirements on governance and ensuring that both financial and non-financial disclosures meet regulatory and stakeholder expectations.

Sustainability Steering Committee

The Sustainability Steering Committee, led by the Global Vice President of Sustainability and Communications, oversees the climate roadmap as part of the full sustainability roadmap, ensuring alignment with the Group’s overall risk management processes and successful delivery. This committee is made up of all ExCo members and the Group Head of Sustainability. It meets quarterly to approve Group-wide sustainability programmes and monitor progress on objectives. Urgent topics are escalated to the ExCo by the sustainability team during the monthly ExCo meetings.

Sustainability team

The sustainability team, led by the Group Head of Sustainability (reporting to the Global Vice President Sustainability and Communications, is responsible for the day-to-day coordination and implementation of the Group’s sustainability strategy and climate roadmap. The team works cross-functionally with entities, functions, and regions to translate approved priorities into operational plans, track performance and prepare progress updates for the Sustainability Steering Committee and ExCo. It also supports risk identification, data management and regulatory reporting related to sustainability.

Risk Committee

The Risk Committee, led by the Group Internal Control and Audit Director (a direct report of an ExCo member), integrates ESG risks, including climate-related risks, into the Group’s overall risk management framework. The Industrial Risks Manager participates in this committee to ensure comprehensive consideration of climate-related risks from operational sites and the Group Head of Sustainability is a key member to guarantee that all climate-related risks across business are integrated into the overall risk management system.

Role of site management

At individual sites, plant managers participate in identifying the climate-related risks and contribute to the business continuity plans and maintaining certifications at site level on ISO 9001, 14001 and 45001. The Industrial Risks Manager (a direct report of an ExCo member) leads the climate risk assessment exercise at relevant sites in collaboration with plant managers and key team members and tracks progress as per the approved mitigation plan.

Local site managers also lead key initiatives to improve energy efficiency, mitigate risks or adapt to climate change as per the ESG roadmap validated by the ExCo. Further information on the risk management of climate-related risks can be found in Climate risk management subsection below.

Policies and processes

Calderys has policies and protocols in place to support its governance and management of climate-related topics. For example, the Energy and Emission Reporting Protocol applies to all operations under Calderys’ operational control and defines the key components of Scope 1 and 2 emissions and explains how to calculate them. Additionally, the newly developed Scope 3 Emissions Protocol defines all 15 categories and provides the methodology for calculating the material categories.

Strategic Report for the year ended 31 December 2025 (continued)

Climate strategy

Applying scenarios to understand future climate impacts

In 2024, Calderys enlisted the support of an external global ESG consultancy, specialising in climate-related risk and opportunities, to undertake scenario analyses and assess the Group's material climate-related risks, aligned with the recommendations of the TCFD. Scenario analysis allows Calderys to consider possible futures, understand the potential implications for its business and explore the actions it can take to mitigate risks, improve resilience and maximise opportunities. Three climate scenarios were assessed to explore a range of possible futures, including an optimistic and pessimistic scenario, and offer insights into potential future outcomes:

Shared socioeconomic pathways ("SSP") scenario	Degrees of warming	Assumed outcomes
SSP 1-2.6	<2°C (net zero)	Climate policy implementation is strong, with a fast phase out of fossil fuels. Physical risks are lower and transition risks are higher
SSP 2-4.5	<3°C (disorderly transition)	There is initial slow climate action but policy and regulations gain traction in the long term to curb emissions. Physical risks are higher in the short term and transition risk is higher in the long term
SSP 5-8.5	>3°C (hot house)	A business-as-usual scenario where emissions remain high. Physical risks are higher and transition risks are lower

Recognising that risks may evolve through time, the scenario analysis also considered three time horizons to align with Calderys' financial planning horizons:

- Short term = 2025-2030 (1-5 years)
- Medium term = up to 2040
- Long term = up to 2050

As per TCFD guidance, climate-related risks are categorised into physical and transition risks. Calderys assessed a total of nine physical climate-related risks (coastal flooding, cyclones, drought, extreme cold, extreme heat, extreme rainfall, riverine flooding, water stress and wildfires) and four transition climate-related risks (market, reputation, technology and policy and legal). Based on the initial analysis, three principal climate-related risks (based on projected risk scores and impact) were identified and assessed under each climate scenario:

Risk	TCFD category	Time horizon ¹	Risk banding	Description of risk	Impact
Water stress	Physical acute and chronic	Short, medium, long term	Higher, moderate	Periods in which the demand for water exceeds the volume of water available	Based on the initial outputs of the climate risk analysis, potential water shortages, particularly in Calderys' operating sites in Turkey, India, China and France, could lead to increased water supply costs and, in turn, higher operating costs. Water shortage may also disrupt production, including through constraints on cooling systems in plants and workers' safety and air quality concerns, potentially resulting in halts in production and, consequently, reduced revenue. Impacts could be felt across the value chain, for example in downstream sites in the USA and India, which are also considered to be particularly vulnerable to water stress. ²
Extreme heat	Physical chronic	Medium, long term	Moderate, higher-moderate	Extreme temperature events increasing operational costs and capital expenditure	Based on the initial outputs of the climate risk analysis, the projected increase in the frequency and / or intensity of extreme heat events at Calderys' sites, especially in the USA and India, may lead to more frequent maintenance on cooling systems, potentially increasing operating costs. The composition of raw materials used in production could also be affected by extreme heat whilst on site, leading to potential inventory losses and higher costs. ²
Policy and legal	Transition	Medium, long term	Lower-moderate, moderate, higher-moderate, higher	Policy and legal burdens placed on Calderys, such as carbon pricing and reporting requirements, may increase operational costs	To reduce emissions and mitigate the impact of carbon-related policies, there will be an increasing need for Calderys to adopt low-carbon technologies. Likewise, there may be impacts due to the implementation of carbon pricing policies and the requirement to comply with climate-related legislation. Calderys' own sites in the European Union ("EU") and China are projected to be at the highest risk to introduction of such policies. Calderys operates in a carbon-intensive industry, and the Group's upstream operations are likely to be exposed to the introduction of carbon pricing policies / legislation which could lead to increased supply costs for Calderys, especially in regions such as the EU and China. If carbon-related import levies, such as the EU's Carbon Border Adjustment Scheme are imposed on Calderys' products, Calderys may also lose competitive price advantage and experience reduced revenue from decreased demand. Reduced access to finance may also occur if Calderys' investors have a loss of confidence in the Group's ability to decarbonise and mitigate against climate-related risks.

¹The time-horizon that each risk is projected to fall within a higher-moderate or higher risk banding.

Strategic Report for the year ended 31 December 2025 (continued)

Applying scenarios to understand future climate impacts (continued)

²As part of the development of its climate strategy, Calderys has undertaken further in-depth assessments to refine its understanding of the identified climate-related risks. The assessments completed to date allow Calderys to nuance the initial identification of water stress and extreme heat as principal risks. For water stress, this reflects the relatively low water intensity of its manufacturing processes and the mitigation measures already in place at certain sites, including water recovery systems and on-site storage capacity (e.g. the Katni site in India). For extreme heat, the sites studied so far experience events only a few weeks per year, with estimated cost increases of around 2% during these periods, mainly in India. However, as these assessments do not yet cover all Group operations, Calderys will continue its climate risk assessment programme in 2026 to evaluate further water stress and extreme heat and confirm, or revise, their significance as the scope of analysis expands.

The non-principal climate-related risks identified and assessed in the scenario analyses were:

Risk	TCFD category	Time horizon ¹	Risk banding	Summary of risk
Coastal flooding	Physical acute and chronic	-	Lower-moderate	Flooding of land surrounding coast which can be caused by factors such as sea level rise
Riverine flooding	Physical acute	Short, medium, long term	Higher-moderate	Overflowing of rivers that leads to flooding of surrounding land
Extreme rainfall	Physical acute	-	Moderate	Periods of heavy rainfall that often leads to flooding
Cyclones	Physical acute	Short, medium, long term	Lower-moderate, higher-moderate	Spinning storms that are often characterised by strong winds and large amounts of rainfall
Extreme cold	Physical acute	-	Moderate	Extremely cold temperatures that are below or equal to 0°C
Wildfires	Physical acute	-	Moderate	Uncontrolled fires in natural areas, such as forests
Drought	Physical acute and chronic	-	Moderate	A period of dry conditions, often due to reduced rainfall, results in water shortages
Market	Transition	Long term	Lower-moderate, moderate, higher-moderate	Changes in supply and demand of Calderys' products, services and commodities during the shift to a lower-carbon economy and as climate-related risks and opportunities become increasingly prevalent
Technology	Transition	Medium, long term	Moderate, higher-moderate	Impact that low-carbon technological innovations and improvements have on Calderys
Reputation	Transition	Medium, long term	Moderate, higher-moderate	Shifts in stakeholders' perceptions of Calderys' role within the shift to a low-carbon economy

¹The time-horizon that each risk is projected to fall within a higher-moderate or higher risk banding.

Building a climate strategy

The climate scenario analysis carried out in 2024 has provided a better understanding of the potential impacts of climate change on the business operations. Calderys has used this information and additional site assessments to start developing a comprehensive climate strategy that combines emissions reduction, value-chain transformation, and climate resilience. The strategy is built on understanding both how Calderys impacts the climate and how climate change affects its operations, customers and supply chain. The work started in 2025 will continue in 2026.

Calderys' commitment to decarbonisation

Calderys is committed to tackling climate mitigation strategically and adaptation by embedding climate considerations into its core operations and decision making. The Group's approach focuses on aligning with evolving regulatory frameworks, proactively identifying and addressing climate-related risks and opportunities and developing a forward-looking roadmap that prioritises decarbonisation, innovation in sustainable practices and resilience building. By establishing robust processes and systems, Calderys can monitor transparently its current climate impact, assess potential scenarios and support long-term value creation.

To guide its ambition, Calderys conducted an internal study based on two science-aligned trajectories — well below 2°C and 1.5°C — and analysed the Group's investment capacity, energy-switch opportunities, energy-efficiency projects and the potential use of renewable energy. Based on this analysis, an ambition pathway was defined to shape the Group's Scope 1 and 2 reduction targets by 2030. Building on this work, Calderys has made tangible progress in identifying its key decarbonisation levers, notably through the detailed analysis of Scope 1 and 2 emissions.

In parallel, the Group completed its first Scope 3 greenhouse gas emissions calculation, providing increased visibility on emissions across both its own operations and its wider value chain. In addition, Calderys continues to advance resource efficiency initiatives, including the increased use of secondary raw materials to reduce reliance on virgin inputs, and has established a solid foundation for its five-year climate strategy, with certain elements already clearly defined and others under development.

Strategic Report for the year ended 31 December 2025 (continued)

Calderys' commitment to decarbonisation (continued)

Beyond direct emissions, a significant part of Calderys' footprint lies in its value chain. For Scope 3, cross-functional workshops with R&D, purchasing, logistics and operations were conducted in 2025 to identify real operational constraints and practical measures aligned with industry peers. Calderys will continue this work in order to define a Scope 3 roadmap in the years ahead.

Another important element of the strategy is circular economy and growing the share of reclaimed raw materials used across the Group. This includes securing reliable sources of reclaimed materials and building long-term supplier partnerships. The Group will continue to work on this area in 2026 and beyond in order to progress on a structured plan.

Increasing resilience through strategy and mitigation

Embedding climate into Calderys' decision making

Calderys is committed to strengthening its understanding of the potential implications of climate-related risks across its business and strategically tackling climate mitigation and adaptation by embedding climate considerations into its core operations and decision making. This ranges from implications for planning and strategy to site-level actions.

Based on the scenario analysis and the information collected to date through climate risk assessments, the Group's business model is considered resilient, with no scenario identified that would threaten its overall viability. Pressures on the business model are expected to increase proportionally with the severity of the climate scenario, particularly in higher-warming pathways where physical risks may increase operational complexity, costs and capital expenditure at certain sites. The Group's resilience is supported by its geographically diversified footprint and long-standing relationships with suppliers and customers.

While the scenario analysis provides a robust Group-level view, resilience will continue to be refined through the detailed site-level assessments currently underway. The outcomes of this work, including mitigation actions, will inform future strategic decisions.

Climate risk management

Identifying and assessing climate-related risks

The scenario analysis enabled Calderys to identify material climate-related risks under future time horizons. The first step in this process involved gathering site-specific data points, including location and nature of operations. This was combined with climate data, including that from the Intergovernmental Panel on Climate Change and Network for Greening the Finance System, to derive climate risk scores, categorised by either physical climate events (such as flooding or storms) or transition indicators (e.g. policy and legal).

The analysis covered all Calderys locations at the time, supplemented by selected upstream and downstream data where relevant. Risk scores were determined based on the likelihood of occurrence with a prospective impact rating. Stakeholder engagement sessions were then led, providing insight into internal perceptions of climate-related risks to validate the material risks identified.

The management of climate-related risks and integration into overall risk management

Calderys has a global risk management approach that integrates sustainability and climate-related matters, including climate-related risks. The Group intends to identify, assess and manage continually climate-related risks that are considered material to the Group.

Following the scenario analysis, a climate change risk assessment plan was developed in 2024 to assess Calderys' resilience to its most material physical risks and develop local mitigation actions against them. The plan involves a range of key stakeholders, such as plant managers and regional management teams to determine a risk owner and expert for each identified risk, the development of a risk register and a mitigation plan for each risk at the assessed plants. This plan is managed by the Industrial Risks Manager who integrates the relevant information to the overall risk register of the Group.

As part of this process, local risk assessments have been conducted in 2025 or planned for 2026 across Calderys' operating regions. The sites were primarily selected by cross-referencing two key factors: their classification within Calderys' class A and B site list (based on revenue, gross profit and production capacity) and their climate risk level, as identified in the climate scenario exercise. The assessment of nine sites took place in 2025: Fulton, South Point, South Shore and White Cloud in the USA; Katni and Nagpur in India; Ping Tung and Sunward in Taiwan; and Neuwied in Germany. In 2026, it is planned to cover a further 15 sites: Monterrey in Mexico; Fairfield, Mexico, Niagara Falls, Smithville, Thomasville, Vandalia, Windham and Waterloo in the USA; Jianping and Zhangjiagang in China; Silviri in Turkey; Marl Sensen and Oberhausen in Germany; and Sézanne in France.

Once assessed, each site facing critical risks develops a business continuity plan including an incident response plan using Calderys' crisis management process, a recovery and restoration plan and clearly defined roles and responsibilities. Within this strategy, plant managers and risk owners are responsible for managing the identified risks. This project, which is an example of how the Group's risk framework translates at regional or local levels, is part of Calderys' overall industrial risks project.

Calderys has also decided to conduct desktop risk assessments for the remaining sites in 2026. These assessments are lighter in nature and are conducted through surveys rather than workshops, while still supporting a comprehensive view across the full site portfolio. Sites selected for desktop assessments were those that were not classified as Class A or B and / or where the climate risk level identified through the scenario analysis was assessed as moderate or low.

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Metrics and targets

In 2025 Calderys completed its Greenhouse Gas (“GHG”) inventory of Scope 1 and 2 emissions, for the first time in accordance with the GHG protocol transitioning from a previously applied internal methodology. The Group also conducted its first Group-wide calculation of Scope 3 GHG emissions, aligned as well with the GHG Protocol. Based on 2024 data, it amounted to 1,774,544 tonnes of carbon dioxide (“CO₂”) equivalent (“CO₂e”).

2025 climate-related metrics

Category	Metrics	2025	2024 restated
Energy consumption	Total energy consumption (million kWh)	696.7	713.4 ¹
	Energy consumption per tonne of product produced net saleable plus volume crushed (kWh / tonne)	449.2	458.1 ¹
Scope 1 emissions	Process CO ₂ emissions (tonnes)	11,190	10,521
	Energy CO ₂ emissions (tonnes)	103,410	111,792
Scope 2 emissions	Purchased energy CO ₂ emissions - market based (tonnes)	58,420	57,049
	Purchased energy CO ₂ emissions - location based (tonnes)	59,761	57,049
Total GHG emissions	GHG emissions per revenue (tonnes CO ₂ e / €million revenue)	113.2	114.6
Waste management	Waste disposal (tonnes)	12,189	11,421 ¹
	Waste sent to landfill (tonnes)	6,267	5,008 ¹
	Waste recycled or reused (percentage)	49%	56% ¹
	Non-hazardous waste management (tonnes)	11,203	10,955 ¹
	Hazardous waste management (tonnes)	987	466 ¹
Water management	Water consumption (million cubic metres)	0.38	0.44 ¹
	Water intensity (cubic metres per tonne of product)	0.24	0.28 ¹
	Wastewater treated (metre ³)	51,572	51,232 ¹

¹Restated to be on a consistent basis to 2025

As part of the development of a comprehensive climate strategy, Calderys has focused on reducing emissions from its own operations (Scope 1 and 2). To inform this approach, the Group assessed science-aligned decarbonisation pathways and different estimated 2030 revenue scenarios, evaluating in parallel its investment capacity, energy transition opportunities and energy efficiency levers. The analysis also considered acquisitions, greenfield and brownfield investments within Calderys’ capital expenditure plan.

Based on this analysis, Calderys defined an ambition pathway to guide its Scope 1 and 2 emissions reduction targets through 2030. The 2021 baseline was selected, representing a typical operational year and remaining within a five-year time frame, while avoiding the distortions of 2020 due to COVID-19. Considering the Group’s growth plans, Calderys evaluated energy-switch projects at high-emitting sites, energy-efficiency initiatives, transitions to renewable electricity and solar panel studies to define a realistic yet ambitious pathway.

Based on this work, Calderys aims to reduce carbon intensity by at least 50% by 2030, which corresponds to a well below 2°C trajectory. The strategy prioritises the most carbon-intensive sites and is centred on two key levers: transitioning to renewable energy sources and implementing targeted energy-efficiency measures.

When assessing the Group’s emissions trajectory over the period 2021 to 2025, performance to date is broadly aligned with a well below 2°C pathway, indicating that the Group is already well positioned. Building on this momentum, Calderys intends to continue progressing along this pathway towards 2030.

A second part of the strategy focuses on the management of climate-related risks and their integration into overall risk management. As outlined in the Climate risk management subsection, Calderys conducted a series of in-depth assessments in 2025 and plans to cover additional sites in 2026 to ensure a comprehensive view across the Group.

Calderys is working towards establishing a quantified financial risk assessment, including the impact of climate-related physical and transition risks on asset values, revenue and cost.

Strategic Report for the year ended 31 December 2025 (continued)

Resource efficiency and circular economy

In line with the Group's efforts to strengthen its resource efficiency and circular economy, Calderys has a system in place internally, whose aim is to reintroduce second-hand raw materials in formulations to reduce reliance on virgin raw materials. These efforts include the reintegration of suitable reclaimed material into product formulations, reuse of its own waste generated during the production of finished goods and gradual recovery of material from customer sites where technically feasible. To achieve higher levels of reclaimed raw material use, Calderys is exploring partnership opportunities that could further unlock the potential of buyback schemes.

Looking ahead to 2026, Calderys will structure its circular economy approach further by building a structured programme, developing regional implementation plans and supporting policies as relevant. This could include identifying reliable reclaimed raw materials sources, selecting strategic suppliers for the programme, assessing potential capital expenditure needs and establishing metrics and systems to track progress.

Responsible supply chains

To progress successfully in its efforts towards greater resource efficiency and circular economy, Calderys needs to ensure its suppliers meet the required ESG standards and are aligned in their efforts for more responsible resource consumption and management.

Calderys vision for sustainable procurement is to cultivate a robust, responsible and resilient supply chain ecosystem, forging partnerships with suppliers who share its commitment to delivering consistent, high-quality products and services while upholding high standards of ethics and sustainability. By integrating sustainable practices across its supply chain, Calderys strives to create sustainable growth for all its stakeholders.

Supplier EcoVadis assessment for risk identification and mitigation

During 2024, Calderys signed a contract with EcoVadis, to assess how the key suppliers (by spend) in its portfolio align with the Group's sustainability goals and its Code of Business Conduct and Ethics. This comprehensive evaluation assesses suppliers across four ESG themes: environment, labour and human rights, ethics and sustainable procurement. The process for assessing risk associated with the Group's supply chain states:

- All suppliers must review, adhere to and declare their compliance with the Calderys ESG standards during onboarding
- Supplier segmentation is done by each region to ensure that business critical suppliers are selected to be assessed on their ESG performance
- Selected suppliers are requested to share their ESG scorecards (EcoVadis or equivalent). If neither is available, they are required to undergo EcoVadis assessment and share their scorecard
- High-risk suppliers are then required to formulate corrective actions and share progress within the next three years. If they fail or disregard corrective actions, alternative suppliers will be investigated. Suppliers that are flagged high risk on modern slavery are also requested to make corrective actions irrespective of their overall ESG performance

During 2025, 100% of new suppliers have either signed the Calderys mandatory Supplier ESG Standards or provided evidence of their alignment to the standards through disclosure of alternative ESG documentation. Calderys engages with high-risk suppliers through collective action and support with the implementation of corrective actions.

In line with Calderys' commitment to responsible sourcing and its ESG standards for suppliers, the Group does not source or use conflict minerals in its supply chain and continues to align its practices with international expectations.

By December 2025, training on the Responsible Purchasing Programme was completed by all buyers across all locations, strengthening internal capability to implement sustainable procurement requirements. Between March 2024 and December 2025, sustainability assessments were conducted for suppliers representing over 65% of total spend, supporting risk identification and mitigation across the supply chain. Over 800 suppliers were assessed and engaged with through the EcoVadis platform to encourage improvements in their ESG performance by addressing identified risks. Of these, 40 suppliers were classified as high risk and were asked to develop and submit time-bound corrective action plans to mitigate the specific risks identified and are monitored for progress.

In parallel, Calderys continued to enhance its own ESG performance by strengthening internal processes, governance structures and data quality to support credible and transparent auditable sustainability outcomes.

Strategic Report for the year ended 31 December 2025 (continued)

Employees

Calderys' employees are at the foundation of its past successes and future achievements, and at the centre of Group strategy. The ExCo regularly updates employees on the Group's performance and on other matters of interest to them, including by quarterly CEO updates, regional management updates, a monthly newsletter for employees, intranet updates and site visits by members of the ExCo. During the year, the ExCo and senior People leaders maintained regular engagement with respective employee representatives – to keep them informed of the Group's plans, entering into a transparent and open dialogue on specific key topics and / or negotiating collective bargaining agreements

The Group operates a structured performance appraisal process that applies to all of its manager / expert / professional population, often referred to as white-collar employees. It aligns individual objectives with business priorities, supports continuous feedback and informs development and reward decisions. Calderys provides mandatory training to employees on key topics such as ethics, compliance, health and safety and information security, complemented by role-specific and leadership development programmes. The Group is committed to equal opportunities and fair treatment in all aspects of employment, including recruitment, development, promotion and remuneration and does not tolerate discrimination or harassment. Recruitment practices are designed to be transparent, merit based and inclusive, supporting access to diverse talent across regions and functions.

During the year the Group has continued to develop Calderys Academy, the Group's in-house learning programme. Since its launch, Calderys Academy has become essential for employees to develop their skills. In 2025, Calderys Academy launched a global onboarding programme, and employees accessed over 11,000 courses, videos, books and articles on the learning management system ("LMS"), with an average of 16.3 hours of training per employee active on the system. Calderys Academy continues to evolve to meet employees' needs and support their development.

Gender specific employee demography

31 December 2025	Female	Male	Not specified
Full-time employees	655	3,892	45
Part-time employees	30	41	-

Health and safety

Calderys' people are the Group's greatest asset and their health and safety is a priority. Calderys' goal is to achieve zero work-related illnesses and zero injuries. Oversight of H&S strategy are addressed by the ExCo. H&S policies are defined at a corporate level.

Health and safety-related risk management, as well as the deployment of H&S programmes, is led and managed at site level, with support from regional level, reinforced by the corporate level governance and expertise to ensure consistent deployment of H&S programmes.

Calderys' four safety pillars are:

- **Safety first** - ensuring people know, understand and apply Calderys' H&S protocols, take the time to do things properly, stop the job if safety conditions do not meet Calderys' standards
- **Advancing communication** - communicating regularly and transparently about H&S at all levels, reporting incidents in full trust
- **Fostering collaboration** - safety is a shared commitment and collective effort. Collaborating with peers and teams to achieve the goal of zero work-related illnesses and zero accidents
- **Encouraging ownership** - Taking ownership and demonstrating commitment as everyone is accountable for workplace H&S, whatever their role.

Policies and processes

Calderys maintains a comprehensive set of policies, processes and continual training covering H&S. These include seven critical safety protocols (the Serious 7 protocols) linked to Calderys critical risks: lockout tagout tryout, electrical safety, machine guarding and conveyor safety, mobile equipment including traffic management, working at height, forklift safety and lifting operations and suspended loads.

In addition, Calderys has established specific H&S requirements for suppliers, requiring adherence to stringent environment, health and safety standards aligned with Calderys' expectations. Suppliers are required to complete a safety questionnaire as part of Calderys' bidding and onboarding requirements.

In 2025, Calderys continued the global programme of H&S audits and further embedded the B-Safe programme for middle management, supported by targeted interventions from the Safety Culture Improvement Team. The Group leveraged its global H&S management system, Evotix, to support incident reporting and performance monitoring. The yearly Group-wide safety day (the safe.day) was organised, reinforcing shared vigilance and collective responsibility for safety.

Calderys also focused on strengthening safety leadership and organisational capability by maintaining continuity of visible felt leadership ("VFL") practices, optimising key H&S tools such as the safety culture maturity matrix, occupational health assessments and gap analysis protocols, and embedding safety expectations through induction, training and leadership engagement at all levels.

Strategic Report for the year ended 31 December 2025 (continued)

Policies and processes (continued)

Building on its established H&S policies, processes and leadership-driven programmes, Calderys recorded a total injury frequency rate ("TIFR") of 2.41 per million working hours in 2025. This corresponds to a total of 35 incidents, comprising 20 non-lost time injuries and 15 lost time injuries, including two life-changing injuries. A total of 526 days were lost due to work-related injuries and ill health. While any injury remains a concern for Calderys, the TIFR showed a significant decrease compared to 2024, reflecting the impact of strengthened preventive and leading safety actions. No fatalities were recorded within the Group's own workforce as a result of work-related accidents in 2025.

During the year, Calderys demonstrated strong performance across its key leading safety indicators, including safety opportunities for improvement, VFL interactions and Serious 7 inspections. High levels of activity were recorded across all three indicators, reflecting consistent engagement and focus at all levels of the organisation. These activities, together with ongoing initiatives such as safety culture maturity matrix assessments, occupational health assessments and leadership development programmes, supported the continued strengthening of a proactive safety culture and continuous improvement in health and safety performance.

Business conduct

Business conduct governance

Business conduct governance and risks are overseen by the Ethics and Compliance Committee and are integrated into the broader risk management framework. This governance framework supports the identification, assessment and mitigation of risks related to unethical behaviour and legal non-compliance.

The Ethics and Compliance Committee, chaired by Group General Counsel, counts among its members the Global Vice President of Sustainability and Communications, Chief People Officer and Group Compliance Legal Counsel. Meeting on a quarterly basis, the Committee defines the Group's ethics strategy, overseeing the development and dissemination of codes, policies and training programmes. It monitors compliance through whistleblowing systems and misconduct indicators, maintaining direct oversight of high-level investigations and system effectiveness. Through regular reporting and performance evaluations, the Committee ensures the Group's ethical standards remain robust and effectively implemented across all jurisdictions.

Legal compliance and ethical behaviour

Calderys has several safeguard measures in place to mitigate its business conduct risks.

Calderys' Code of Business Conduct and Ethics aims to empower its employees, customers and stakeholders by outlining expected and appropriate business conduct and ethical behaviour, by which it seeks to ensure everyone working with and for Calderys behaves with the highest level of integrity. Additionally, employee training programmes on ethics and compliance are conducted and over the 2024-2025 period, 97.2% of the Group's total workforce received training on professional conduct and anti-harassment, either through e-learning or classroom-based formats. In accordance with its statutory obligations, anti-sexual harassment training was delivered to staff in India and a dedicated training on sexual harassment was rolled out to staff in the United Kingdom ("UK") following changes in UK legislation.

As part of the Group's Business Ethics rolling programme, classroom training is delivered to those employees identified as most exposed to legal compliance risks, such as but not limited to sales, purchasing, finance and project management departments. Classroom sessions covered the Code of Business Conduct and Ethics, corruption, antitrust, conflicts of interest, international sanctions and whistleblowing tool and were conducted for staff in Asia Pacific and Americas in 2024, whilst the 2025 campaign focused on Europe, Middle East and Africa. It will continue in 2026 for staff based in the Middle East, as well as for individuals who were unable to do the training in 2025. This three-year training programme aims to cover 100% of eligible staff by the end of 2026.

The professional conduct, antitrust and anti-bribery trainings are part of the on-boarding process for all the newcomers.

A Whistleblowing Policy and mechanism is also in place. A whistleblowing helpdesk called Speak Up is part of this mechanism. Operated by a third-party provider, it allows for confidential and anonymous reporting. All reports are assessed and investigated in line with established procedures and, in 2025, 20 reports were received by the Speak Up helpdesk.

During 2025, the Group published its Human Rights and Modern Slavery Statements, which set out Calderys' commitment to responsible business conduct and alignment with applicable international standards including child labour, forced labour and modern slavery. As part of its supply chain due diligence, Calderys continued to assess human rights risks in its supply chain as described on page 10. In addition, and as required by Canadian regulation, Calderys submitted its second annual report to the Canadian Government outlining the steps taken to prevent the use of forced labour and child labour in its supply chains.

Calderys also strengthened its ethics and compliance framework through several key initiatives. These included the execution of its second Group-wide conflicts of interest declaration campaign, alongside an update to the Conflicts of Interest Procedure to enhance clarity, accountability, and transparency. Governance over charitable contributions and partnerships was strengthened further through the rollout of a revised Donations and Sponsorship Policy. In parallel, Calderys reviewed and, where necessary, updated its legal compliance policies to ensure continued alignment with evolving regulatory requirements.

Strategic Report for the year ended 31 December 2025 (continued)

Data protection and information security standards

Calderys maintains appropriate information technology security and data privacy measures to ensure the secure collection, processing and storage of third-party information used for business operations. These measures are aligned with applicable data protection and privacy regulations and supported by internal policies and controls. The Group's data protection compliance programme is defined and overseen by a Data Privacy Committee which meets every two months and is composed of the Group General Counsel, Chief People Officer, Chief Information Officer, Global Cybersecurity Manager and Group Data Protection Officer.

Information security due diligence is incorporated into the onboarding and periodic review of relevant third parties, focusing on their ability to protect confidential and business-critical information. Measures such as access controls, encryption of data and defined data handling and monitoring procedures are implemented to prevent unauthorised access or disclosure of third-party data. Stakeholder consent for the processing, sharing and retention of confidential information is governed through contractual arrangements, privacy notices and documented retention practices. Employees are also trained on information security, with 94.65% of the LMS active users having completed a training on the topic in 2025, and on General Data Protection Regulation compliance and data protection governance at Calderys, with 97% having completed the training.

As a result of these measures, in 2025 there were no confirmed information security incidents reported.

Group non-financial and sustainability information statement

This section constitutes the Group's non-financial and sustainability information statement, produced to comply with sections 414CA and 414CB of the Companies Act 2006. The information presented below is incorporated by cross-reference. The principal activity together with the Group's purpose and values on page 1 form the Group's business model. The Group's principal risks and how it manages them is on pages 3 and 4. The Group's climate-related financial disclosures are on pages 4 to 9. The Group's Code of Business Conduct and Ethics underpins the Group's business activities while providing stakeholders with clear guidance on expected behaviours, actions and compliance requirements covering each of the below areas:

	Reporting requirement	Policies	Further information (including metrics where available)
Environmental matters	The Group's environmental policies set out its commitment to tackling climate mitigation strategically and adaptation by embedding climate considerations into its core operations and decision making.	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Sustainability Policy • Environment, Health, Safety and Quality ("EHSQ") Policy 	<ul style="list-style-type: none"> • Climate pages 4 to 9 • Resource efficiency and circular economy page 10
Employees	Calderys is committed to fostering a supportive, inclusive and empowering workplace. Through open and transparent communication, teamwork, innovation and a shared vision, the Group's employees shape the future of the Company and ensure every individual has the opportunity to thrive. The Group is building a culture where talent is nurtured, potential is unlocked, and success is achieved – both personally and as a team.	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • EHSQ Policy • Whistleblowing Policy 	<ul style="list-style-type: none"> • Employees pages 11 and 12 • Business conduct pages 12 and 13
Social matters	By applying the principles of Code of Business Conduct and Ethics, the Group demonstrates its respect for the world in which it operates. It is committed to its role in society and to meeting its obligations to the countries and to the communities in which it does business.	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Supplier ESG Standards • Whistleblowing Policy 	<ul style="list-style-type: none"> • Resource efficiency and circular economy page 10
Human rights	Calderys considers its entire value chain when looking at human rights, including its own operations, suppliers and customers.	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Human Rights Statement • Supplier ESG Standards • Modern Slavery Statement • Whistleblowing Policy 	<ul style="list-style-type: none"> • Resource efficiency and circular economy page 10 • Business conduct pages 12 and 13
Anti-corruption and anti-bribery	Calderys has a zero tolerance approach to bribery and corruption. Its policies support the Group with compliance with various laws relating to anti-corruption and anti-bribery.	<ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Supplier ESG Standards • Whistleblowing Policy • Group Anti-bribery Policy • Intermediaries Compliance Due Diligence • Conflicts of Interest Procedure • Gifts and Hospitality Procedure 	<ul style="list-style-type: none"> • Resource efficiency and circular economy page 10 • Business conduct pages 12 and 13

Strategic Report for the year ended 31 December 2025 (continued)

Section 172 statement

The directors of the Company consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely promote the success of the Company for the benefit of stakeholders as a whole. In doing so, they have had regard to matters including:

- a. the likely consequences of decisions in the long term
- b. the interests of employees
- c. the need to foster the Company's business relationships with suppliers, customers and others
- d. the impact of the Company's operations on the community and the environment
- e. the desire to maintain a reputation for high standards of business conduct
- f. the need to act fairly between members

Some examples of how the directors have had regard to these matters are:

- a. the likely consequences of decisions in the long term
 - Receiving updates on climate change risk assessments and climate strategy – pages 4 to 9
 - Encouraging spend on capital expenditure and other non-recurring operating expenditure to enable the Group to achieve its target operating model
- b. the interests of employees
 - Approving a comprehensive set of policies, processes and continual training covering health and safety – pages 11 and 12
 - Ensuring fair remuneration and benefits for employees, aligned with industry standards and organisational performance
- c. the need to foster the Company's business relationships with suppliers, customers and others
 - Encouraging management to work closely with customers and suppliers to meet customers' end-to-end needs, assist in their decarbonisation journey and strengthen its resource efficiency and circular economy – pages 1 and 10
- d. the impact of the Company's operations on the community and the environment
 - Receiving updates on climate change risk assessments and climate strategy – pages 4 to 9
 - Encouraging the Group to continue to participate in community outreach programmes and philanthropic activities to support local communities
- e. the desire to maintain a reputation for high standards of business conduct
 - Receiving updates on business ethics training completion – page 12
 - Issuing updates to legal compliance policies to ensure continued alignment with evolving regulatory requirements – page 12
- f. the need to act fairly between members
 - Enabling the Group to work towards its commitments to people and communities and driving ethical practices in its value chain, while improving its own environmental footprint and providing sustainable solutions for customers – page 2.

The Strategic Report was approved by the Board on2nd.April.2026..... and signed on its behalf by:



J. M. S. Downie

Director

WRB