delfortgroup AG - 2025 Sustainability Report

Reporting Period: January 1, 2025 – December 31, 2025

table of contents

List of Abbreviations

CEO: Chief Executive Officer
CEPI: Confederation of European Paper Industries
CFO: Chief Financial Officer
COO: Chief Operating Officer
CSRD: Corporate Sustainability Reporting Directive
CSR: Corporate Social Responsibility
EBIT: Earnings Before Interest and Taxes
ESG: Environmental, Social, and Governance
ESRS: European Sustainability Reporting Standards
EU: European Union
EU-ETS: EU Emissions Trading System
FSC™ : Forest Stewardship Council*
GHG: Greenhouse Gas
GOV: Governance
GRI: Global Reporting Initiative
HR: Human Resources
IFC: International Finance Corporation
IRO: Impact, Risks, and Opportunities
NWC: Net Working Capital
ÖZEPA: Austrian Association of Pulp and Paper Chemists and Technicians
PEFC: Program for the Endorsement of Forest Certification**
PPA: Power Purchase Agreement
SBA: Strategic Business Area
SBM: Strategy and Business Model
TCFD: Task Force on Climate-related Financial Disclosures
GHG: Greenhouse Gas
UGB: Austrian Commercial Code
UN: United Nations

* FSC-C115666, FSC-C109921, FSC-C111390, FSC-C114680, FSC-C023027, FSC-C128063, FSC-C174212
** PEFC/06-33-163, PEFC/08-33-0002, PEFC/06-33-09, PEFC/02-31-107, PEFC-51-31-014, PEFC/01-31-1157, PEFC/47-31-08, PEFC/04-31-3504, PEFC/34-31-288

ESRS 2 general information

ESRS 2 General Information

Sustainability is a central component of delfortgroup's actions and a key driver of the company's long-term success. In a world increasingly shaped by environmental and social challenges, we are committed to fulfilling our responsibilities and contributing to sustainable development. This sustainability report provides insights into our strategic priorities and goals, our progress, and the actions we have taken to drive positive changes and continuously reduce negative impacts.

This sustainability report follows the European Sustainability Reporting Standards (ESRS), which require companies to report transparently and comprehensively on their environmental, social, and governance (ESG) performance. On February 26, 2025, the European Commission published a draft of the "Omnibus Initiative," which provides for a comprehensive simplification package for the Corporate Sustainability Reporting Directive (CSRD), the EU Taxonomy Regulation, and the Corporate Sustainability Due Diligence Directive (CSDDD). The aim of this initiative was to make reporting requirements for companies more targeted and proportionate. First, the "Stop-the-Clock" directive was adopted in April 2025, thereby postponing the reporting obligation for "second-wave" companies to the 2027 fiscal year. The final agreement among the EU institutions (Commission, Council, Parliament) on the amended scope and substantive changes was reached in December 2025.

Publication of the simplified European Sustainability Reporting Standards is anticipated by the end of the second quarter of 2026. Given the associated legal uncertainties, particularly regarding the content, scope, and effective date of the future sustainability standards, delfortgroup has decided to report on a voluntary basis for the 2025 reporting year. In doing so, the currently valid ESRS requirements (ESRS as of August 2024) were applied in part and used as the authoritative framework for sustainability reporting.

Our reporting is based on a double materiality analysis, which ensures that we consider both our material impacts on the environment and society and the associated risks and opportunities for our company. Due to the initial legal requirement for our Group to prepare this report starting in the 2025 fiscal year, a comprehensive project was launched in 2023. Despite the postponement of mandatory reporting under the Corporate Sustainability Reporting Directive and the planned simplifications of numerous regulations, the project continued. With this report, we aim to continue the trusting and transparent communication with our stakeholders that we began many years ago, thereby replacing the previous sustainability report prepared in accordance with GRI Standards.

Our goal is to provide a clear and structured overview of delfortgroup's ESG activities and thereby contribute to an open dialogue on sustainability.

We invite you to gain a detailed insight into our sustainability strategy, our objectives, as well as our progress, opportunities, and challenges.

When "delfort" is mentioned in the report, it always refers to the parent company, delfortgroup AG. When referring to "delfortgroup", the "company" or the "Group" this refers to the entire Group.

BP-1 – General Basis for Preparation of Sustainability Statements

This report constitutes the **consolidated** sustainability report of delfortgroup AG (delfort). The reporting period covers the fiscal year from January 1, 2025, to December 31, 2025. The ESRS generally require companies to disclose their information on environmental, social, and governance (ESG) topics in a separate section of the "Management Report". However, due to the postponement of the reporting requirement, the sustainability report is published separately from the annual report. With this document, delfortgroup addresses all stakeholders.

The report is also available in German. In the event of any discrepancies, the German version shall prevail. For the 2025 fiscal year, the German version of the report was voluntarily submitted to a limited assurance audit by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft. No later than the 2027 fiscal year, the report will become an integral part of the Group Management Report. In the 2025 reporting year, the current ESRS requirements were applied in part. This does not include:

ESRS 2

- GOV-3 – Incorporation of sustainability-related performance into incentive schemes

S1 Own Workforce

- Topic "Equal treatment and equal opportunities for all – gender equality and equal pay for work" (ESRS 1.AR16): The resulting impacts, risks, and opportunities have not yet been taken into account in the double materiality analysis.
- S1-16 – Compensation metrics (pay gap and total compensation)

E1 Climate Change

- GOV-3 – Incorporation of sustainability-related performance into incentive systems
- E1-3.29-c – Actions and resources related to climate strategies: significant monetary amounts of CapEx and OpEx required to implement the actions taken or planned
- E1-6 – Biogenic emissions are not reported separately from GHG emissions
- E1-7 – Greenhouse gas removals and greenhouse gas mitigation projects financed through carbon credits

E2 Environmental Pollution

- The topics "Microplastics", "Substances of Concern", and "Substances of Very High Concern" (ESRS 1.AR16): The impacts, risks, and opportunities arising from these topics have not yet been considered in the double materiality analysis.
- E2-4.28-b – Microplastics generated or used by the company
- E2-5 – Substances of Concern and Substances of Very High Concern

E4 Biodiversity and Ecosystems

- E4-1.13 – Resilience of strategy and business model in relation to biodiversity and ecosystems
- E4-5 – Impact metrics related to biodiversity and ecosystem change

In addition, the phase-in provisions for **ESRS S2 Workers in the Value Chain** and **ESRS S4 Consumers and End Users** were applied (see **BP-2**).

A detailed overview of all ESRS disclosure requirements addressed in this report is provided in the chapter "**IRO-2** – Disclosure requirements contained in the ESRS and covered by the company's sustainability report".

If you have any questions about the sustainability report or would like further information, we invite you to contact us at sustainability@delfortgroup.com.

Scope of Consolidation (ESRS 2 BP-1.5)

This delfortgroup sustainability report was prepared on a consolidated basis and includes all companies within the Group. The underlying scope of consolidation thus corresponds to that of the consolidated financial statements, ensuring that the information and key figures presented provide a complete and coherent overview of the sustainability activities of the entire Group.

Notwithstanding the above, the following applies with regard to the inclusion of Group companies based on a materiality analysis or the respective availability of data:

- E1-E5: The disclosures and key figures refer only to the 13 operating sites (paper-producing sites and printing sites). The key figures under E1-5 and E1-6 also include data from the Group holding company.
- S1: Unless otherwise disclosed in the respective metrics, the data refers to the Group holding company, the 13 operational sites, and the sales offices.

Where targets apply only to a part of the Group, this is also highlighted accordingly in the topic standards.

An overview of the Group's companies is also provided in the list of subsidiaries in **Appendix 1** of this report.

Building on the results of the materiality analysis, both the upstream and downstream value chains are taken into account to the extent possible (for the upstream value chain, see also G1-2). There is regular dialogue with selected customers and suppliers on topics such as emissions reduction, energy consumption, water consumption, and the associated risks, biodiversity, and recyclability, as well as on human rights and labor law issues. Suppliers are selected for this purpose based, among other factors, on turnover, and evaluated according to criteria such as price, certifications, and environmental and social standards. This approach enables the company to identify and transparently present not only the direct impacts of its business activities but also the impacts along the value chain. This ensures that material environmental, social, and economic aspects influenced by suppliers and business partners are also taken into account. Due to limited information and data regarding the upstream and downstream value chains, this cannot be fully addressed in all reporting standards where such disclosures are required. Any resulting limitations are transparently disclosed in this report for the respective topics.

No information was omitted for reasons of intellectual property, know-how, or the protection of innovation-related information.

- Furthermore, the safeguard clause under ESRS 2, BP-1.5-e regarding disclosures of impending developments or matters in the course of negotiation was not invoked.
- Unless otherwise specified in the topic standards, the methodology for calculating the key performance indicators is carried out in accordance with the requirements of the respective topic standard.

Information on the External Validation of Key Performance Indicators Published in the Report

All key performance indicators contained in this report are audited by KPMG Austria GmbH, an independent auditing firm.

The Scope 1 emissions of the European paper-producing sites subject to the European Emissions Trading System were also audited by the respective competent authorities. For those delfortgroup sites that are ISO 50001 certified, an audit of the energy data was conducted as part of the annual external audits. The key figures under E4-4 regarding FSC™ and/or PEFC certified wood and pulp volumes were verified through random sampling as part of corresponding external FSC™ and/or PEFC audits.

No additional external validation was performed for the other disclosed key figures.

BP-2 – Disclosures in Relation to Specific Circumstances

Time Horizons

The time horizons for reporting comply with ESRS guidelines; delfortgroup therefore defines the following reporting periods:

- **Short-term time horizon:** reporting period up to one year
- **Medium-term time horizon:** from the end of the short-term reporting period up to five years
- **Long-term time horizon:** more than five years.

Time horizons of the strategy: By embedding sustainability into the corporate strategy, the target horizon of the sustainability strategy has been extended to cover the coming years. delfortgroup's sustainability goals have been adjusted accordingly. Details on delfortgroup's sustainability strategy can be found in the chapter **SBM-1** – Strategy, Business Model, and Value Chain.

Sources of Estimation and Outcome Uncertainty

When providing forward-looking information, it was noted that such information is subject to uncertainties. To ensure the accuracy of sustainability reporting, primary data was used where available. If such data was not available, secondary data (primarily emissions databases) and well-founded estimates were used, as in

- E1 (estimate of avoided CO_2-emissions)
- E1-6 (calculation of specific emissions from the value chain)
- E5-4 and E5-5 (resource inflow and outflow regarding the weight of certain materials and the recyclable content)
- S1-13 (calculation or estimation of training hours, for which only limited evaluation methods exist).

Information on measurement uncertainties and assumptions is provided in the respective topic-specific sections.

Phase-In Provision (BP-2 17)

Based on the transitional provisions provided for under the "Quick-Fix Amendment," delfortgroup is omitting disclosure in accordance with ESRS S2 – Workers in the Value Chain for the first reporting period.

delfortgroup recognizes workers in the value chain as an important group of affected stakeholders. The protection of their rights and respect for human rights are central guiding principles of the corporate strategy. As part of the double materiality analysis, the sub-topic "Working conditions in connection with ESRS S2 Workers in the Value Chain" was classified as material, and potential negative impacts were identified.

delfortgroup already takes these material aspects into account within its business model and strategy, in particular through the application of its framework for responsible sourcing (including the Code of Conduct for Suppliers), as well as supplier evaluations and audits of selected suppliers. In the area of wood pulp procurement, delfortgroup also relies on FSC™ and PEFC-CoC-certifications to support compliance with key labor and human rights standards in its supply chain management. These also help minimize risks related to child labor, forced labor, and poor working conditions while promoting transparency and traceability throughout the value chain.

Specific goals regarding workers in the value chain are currently under development. Existing concepts and actions include, among other things, minimum requirements for suppliers regarding labor and human rights, contractual obligations, and initial structured audit and monitoring approaches. The systematic collection of quantitative metrics along the upstream value chain has not yet been fully implemented and will be gradually expanded in future reporting periods. delfortgroup plans to successively expand its disclosures regarding ESRS S2 as part of the further development of its due diligence processes and data systems. Further information on this can be found in Chapter **G1**.

Furthermore, the ESRS S4 standard, Consumers and End Users, has not yet been disclosed in the current reporting period. Nevertheless, the relevant aspects of this topic area were assessed as part of the double materiality analysis. In this process, the subtopic "Personal safety of consumers and/or end users – health and safety" was identified as material, as potential negative impacts cannot be entirely ruled out.

Specialty papers manufactured by delfortgroup are frequently used in the food packaging, pharmaceutical, and consumer goods sectors (tobacco industry) and must therefore meet strict quality requirements and regulatory standards. Compliance with these regulations is of central importance to the company, as quality deviations could potentially compromise product safety and thereby endanger the health of consumers and end users.

The Group-wide Environmental Policy identifies consumer health and safety in connection with the use of our products as a key issue. The introduction of a separate, Group-wide policy specifically addressing this area is planned for 2026.

All delfortgroup production sites have an ISO 9001-certified quality management system. To ensure regulatory compliance, delfortgroup has additionally implemented a management system for food safety and packaging materials, along with corresponding hygiene guidelines, at the relevant sites. This also includes local guidelines and corresponding measures. A specialized team of regulatory experts continuously monitors regulatory developments at the national and international levels, assesses their impacts, potential risks and opportunities, and actively participates in national and European expert committees (e.g., national paper associations, CEPI). Regular, structured meetings and, where necessary, ad hoc meetings ensure that key regulatory information is communicated to the relevant business units and, via the Head of Corporate Regulatory & Sustainability/ESG, promptly to the Executive Board.

A Group-wide target or corresponding key performance indicators have not yet been defined. However, quality-related key performance indicators and any deviations are collected and monitored individually on a site-by-site basis.

Governance

GOV 1 -The Role of the Administrative, Management, and Supervisory Bodies (incl. G1-GOV 1)

delfort has a dualistic management system consisting of the Supervisory Board and the Executive Board, with the Executive Board serving as the highest management body. The bodies are clearly separated from one another in terms of their composition and functions and perform their duties independently. As a family-owned company, the owners prioritize a management structure based on the long-term appointment of responsible individuals and the establishment of trusting relationships between the highest management bodies.

The Supervisory Board

The members of the Supervisory Board have in-depth knowledge of the sector in which the Group operates. The Supervisory Board consists of Dr. Norbert Nagele (Chairman of the Supervisory Board), Mr. Lothar Trierenberg, Mr. Stephan Trierenberg, Dr. Karlheinz Kux, Mr. Andreas Hieslmair, and Mr. Bernhard Ralser. It consists of four shareholder representatives and two members of delfortgroup's Works Council, with the latter serving as employee representatives. Thus, the percentage of independent Supervisory Board members is 33.33 percent. None of the Supervisory Board members holds a management position within delfortgroup. None of the Supervisory Board members is female (0%). The Chairman of the Supervisory Board possesses extensive professional experience and expertise in industry and business due to his many years of practice as a lawyer. The shareholder representatives have been on the Supervisory Board since its establishment, and are therefore very familiar with the industry and the geographical locations of delfortgroup. The two employee representatives contribute valuable insights into the employees' perspective through their long-standing service with the company and their active role in the European Works Council. The Supervisory Board continuously assesses the suitability of the individual members of the Executive Board and appoints them as needed and in accordance with the terms of their contracts.

In determining the composition and appointment of Executive Board members, the Supervisory Board ensures that they possess the knowledge, skills, and professional experience necessary for the proper performance of their duties, such as in the management and leadership of an international company, in understanding the company's core business areas, in research and development, finance, controlling/risk management, human resources, as well as in governance and compliance.

During regular Supervisory Board meetings, the Executive Board informs the Supervisory Board about strategically relevant aspects of sustainability as well as their impacts, risks, and opportunities. The Supervisory Board, in turn, reports to the Annual General Meeting in accordance with § 96 Austrian Stock Corporation Act.

The Supervisory Board monitors and evaluates the performance of the Executive Board. Supervisory Board meetings are held at least four times a year and serve to coordinate strategic and operational tasks and to monitor performance against targets.

Executive and Non-executive Members

Number of members in management	0
Number of members representing employees	2
Number of members representing shareholders	4
Total	**6**

The Board of Directors

The Executive Board consists of Dr. Martin Zahlbruckner (Chairman of the Executive Board/CEO, since 2006), Ilkka Saarinen, MSc (CFO, since 2024), and Hannes Kinast, DI (COO, since 2024), and is thus composed entirely of male members. All members are executive officers, independent, not employee representatives, and politically independent. The Executive Board is not assigned to any specific business unit or division. It manages the company under its own responsibility and is accountable for the company's strategic direction, sustainable development, and operational management. This includes integrating sustainability into the corporate strategy and deriving corresponding actions, goals, and priorities, as well as monitoring the implementation of policies and procedures designed to manage material impacts, risks, and opportunities.

Responsibilities of the Executive Board Regarding Impacts, Risks, and Opportunities

Sustainability is a central strategic focus for delfortgroup and its owners. Business activities are geared toward making a positive contribution to people and the environment in addition to ensuring economic viability.

Effective sustainability management is ensured through clearly defined roles and responsibilities throughout the entire organization. The Executive Board monitors management performance and ensures the identification, assessment, management, and control of risks, as well as the consideration of opportunities. This includes the existence of an effective risk management system that identifies and accounts for not only financial but also sustainability-related risks and opportunities. It creates a work environment that responds to changes at an early stage and fosters long-term innovations with a focus on sustainability.

Progress is continuously monitored using key performance indicators (KPIs), regularly reviewed, and transparently presented in reports. Coordination is managed by the Group holding company, which continuously develops the sustainability agenda in close coordination with the individual operating companies and strategic business areas. Furthermore, in 2026, the Executive Board was internally briefed on key sustainability issues as well as on the identified impacts, risks, and opportunities (IROs). Specific, formally defined control mechanisms for managing individual identified IROs do not yet exist. Management currently takes place through existing governance, risk, and management processes. Based on the results of the double materiality analysis, delfortgroup plans to gradually develop targeted procedures and controls for material IROs in the coming reporting periods and integrate them into the existing systems.

The Sustainability Organization

delfortgroup's sustainability organization is structured as follows:

The Head of Corporate Regulatory & Sustainability/ESG reports directly to the Executive Board and coordinates and manages the Group's sustainability resources to advance and implement delfortgroup's ESG strategy. There is regular communication with the Executive Board to report on progress regarding sustainability issues.

The **Corporate CSR Committee** comprises the department heads of the HR, Finance, Procurement, Occupational Safety, Energy & Climate Protection, Legal, IT, Corporate Manufacturing and Technical Affairs departments as well as Marketing. The respective departments are responsible for implementing the sustainability strategy within their own areas of responsibility. When necessary, Group-wide requirements are established, guidelines are created, and necessary initiatives are launched and implemented in coordination with the Head of Corporate Regulatory & Sustainability/ESG, the Executive Board, and local management teams.

The **Managing Directors** of the operational sites are closely coordinated with and involved in the Group holding company's specialist department and the Executive Board, particularly regarding the development of decarbonization measures. Subsequently, together with their teams, they continue to implement delfortgroup's sustainability program, take the appropriate actions for their sites, and bear responsibility for their implementation.

The **SBA Directors (Strategic Business Areas)** have specific sustainability goals for their respective business areas, are responsible for supporting and integrating the CSR strategy within their respective SBAs, and drive the development of sustainable products. They are in direct contact with delfortgroup's customers and thus receive important feedback and insights that also contribute to the further development of the product range.

The SBAs are supported by the **CSR Business Team.** The team is composed of managers from all strategic business units and serves as the interface between the company, the clients, and the SBAs and the Head of Corporate Regulatory & Sustainability/ESG. The team maintains regular contact with clients to gather information on how delfortgroup can support them in achieving their sustainability goals. This also generates market insights regarding sustainability, which are incorporated into delfortgroup's sustainability strategy.

delfortgroup's Executive Board is regularly informed about material sustainability risks in a structured way. This is achieved through several established mechanisms:

External Information Channels

Board members are active in leading industry-specific organizations such as Austropapier and CEPI, thereby gaining early insights into regulatory developments as well as current risk and industry trends.

Technical Expertise

The Head of Corporate Regulatory & Sustainability/ESG, who reports directly to the COO, is represented on several expert committees and working groups within Austropapier and CEPI. There, environmental, social, and legal risk issues are identified and assessed. Webinars and external expert information serve as additional input. The findings are incorporated into the internal risk assessment and are regularly coordinated with the COO and ultimately the entire Executive Board.

Internal Coordination Processes

- Environmental and climate risks are systematically analyzed by the ESG and Corporate Manufacturing and Technical Affairs departments and discussed in regular meetings with the COO and the Head of Corporate & Sustainability/ESG.
- Supply chain risks are identified by the Head of Corporate Procurement Fiber Materials and the Head of Corporate Procurement Non-Fiber Materials and assessed together with the CFO as the responsible board member, and the Head of Corporate & Sustainability/ESG.

Risk Committee

The Risk Committee, which meets monthly under the leadership of the CFO, addresses, among other things, energy price and supply risks as well as other relevant sustainability issues.

Skills and Expertise of the Management and Supervisory Bodies in Sustainability Matters

The members of delfort's Executive Board possess extensive knowledge of corporate management as well as many years of industry experience in the paper industry. In addition, through their diverse professional networks, industry initiatives, and involvement in committees and associations, they possess in-depth insights into related industries relevant to the company. Their specific areas of expertise include, among others, law, finance, sales and global markets, sustainability, the environment, production and technology, products and product innovation, procurement, and human resources management.

All members of the Executive Board are active in industry associations such as the Association of the Austrian Paper Industry (Austropapier), the Austrian Association of Pulp and Paper Chemists and Technicians (ÖZEPA), the Confederation of European Paper Industries (CEPI), the Federation of Austrian Industries, and the Paper Industry Association within the Austrian and Upper Austrian Chambers of Commerce. They regularly participate in topic-specific events and discussion panels and are members of expert forums and working groups. This facilitates a regular exchange with industry experts to deepen sustainability expertise and best practices. The members of the Supervisory Board and Executive Board also make targeted use of external events and platforms to gain access to relevant experts and current topics.

delfortgroup benefits from the important insights and experience gained through these activities. Sound technical expertise and continual updates on current developments form the foundation for effective monitoring and targeted management of sustainability issues, as well as the associated impacts, risks, and opportunities.

These measures ensure that the Executive Board and the Supervisory Board possess the necessary skills and expertise to effectively oversee sustainability aspects and assess the related impacts, opportunities, and risks.

GOV-2 – Information provided to and Sustainability Matters addressed by the Undertaking's Administrative, Management and Supervisory Bodies

The Regulatory & Sustainability/ESG department is responsible for the strategic management of sustainability issues and coordinates delfortgroup's central sustainability tasks. It reports to the responsible member of the Executive Board, the COO, or to the entire Executive Board. delfortgroup's Executive Board regularly monitors key risks and opportunities to take their impact on corporate governance and strategy into account. For risk management, delfortgroup has a Risk Committee that meets at least 12 times a year to address topics such as energy and pulp prices as well as interest rate and currency risks. This process, which will be further developed in the future, ensures that all relevant material impacts, risks, and opportunities are systematically assessed and monitored.

The members of the Supervisory Board are informed by the Executive Board at least four times a year during Supervisory Board meetings about material impacts, risks, and opportunities, as well as the implementation of due diligence in the area of sustainability. In addition, general reporting takes place in the Audit Committee, which is not specifically focused on sustainability issues. The chapter **SBM-3** – Material Impacts, Risks, and Opportunities and their interaction with Strategy and Business Model contains a list of the material impacts, risks, and opportunities that the Executive Board addressed in their entirety during the reporting period.

GOV-4 – Statement on Due Diligence

The table below shows in which sections of the Sustainability Report the core elements of due diligence are presented.

Key aspects of due diligence	Incorporation in the Sustainability Report
Integration of due diligence into governance, strategy, and business model	▪ GOV 1 - The Role of the Administrative, Management, and Supervisory Bodies ▪ GOV-2 – Information and Sustainability Aspects addressed by the Undertaking's Administrative, Management, and Supervisory Bodies ▪ GOV-5 – Risk Management and Internal Controls for Sustainability Reporting ▪ SBM-3 – Significant Impacts, Risks, and Opportunities and their Interaction with Strategy and Business model
Involvement of affected stakeholders in all key steps of due diligence	▪ SBM-2 – Stakeholder Interests and Perspectives ▪ IRO-1 – Description of the Process to identify and assess Material Impacts, Risks, and Opportunities
Identification and assessment of adverse impacts	▪ In the respective chapters (E1, E2, E3, E4, E5, S1, G1), the sections "Management of Impacts, Risks, and Opportunities"
Actions to address these adverse impacts	▪ In the respective chapters (E1, E2, E3, E4, E5, S1, G1) the sections "Management of Impacts, Risks, and Opportunities"
Tracking the effectiveness of these efforts and communication	▪ In the respective chapters (E1, E2, E3, E4, E5, S1, G1) "Key Performance Indicators and Targets"

GOV-5 – Risk Management and Internal Controls over Sustainability Reporting

Risk Management Process

To fully capture the company's impacts on the environment and society (inside-out) and on the company itself (outside-in), delfortgroup employs a systematic risk management approach to protect the Group and its business partners. The Executive Board, together with the managing directors of the operating sites, assumes key management and control functions within the framework of a Group-wide centralized management system. They ensure that risks are managed within specific tolerance thresholds and indicators and monitor that risks remain within the defined limits. Within the risk management approach, a distinction is made between a narrow framework for covering operational risks and a broad framework for covering strategic risks. The timely identification, assessment, and response to these risks, as well as proactive measures to minimize risk, are essential management activities.

Risk management is based on a uniform, Group-wide reporting system that is conducted monthly for operational risks. For strategic risks, delfort conducts risk assessments at least once a year to evaluate delfortgroup's risk landscape from a 360-degree perspective beyond operational risk management and, where necessary, to take appropriate measures. These measures may include the introduction of necessary and appropriate strategies, standards, guidelines, or business continuity plans, or the appointment of new risk committees for specific risk areas. The Executive Board continually monitors the development of laws, ordinances, and regulations in the countries where delfortgroup operates.

Risks in Sustainability Reporting

Sustainability reporting carries the risk of inaccurate or incomplete information, for example due to human error or insufficient data.

To minimize these risks, delfortgroup has implemented comprehensive control mechanisms:

- The team members responsible for the projects review the requirements for sustainability reporting. A dual-review process is in place at the locations for reporting relevant key performance indicators.
- The content is proofread by subject matter experts from the Regulatory & Sustainability/ESG and Finance departments (dual-review principle) and approved by the Executive Board.
- In addition, the sustainability reporting undergoes a limited assurance review by an auditor.

Furthermore, internal control mechanisms have been established to mitigate risks in sustainability reporting. These mechanisms focus in particular on the completeness, plausibility, and traceability of the reported data. Responsibility for data provision is clearly defined, and the collected information is verified by ESG, finance, and controlling functions through plausibility and completeness checks. Anomalies are documented, corrected, and communicated. With the planned introduction of supporting IT systems, controls are to be further strengthened in the future through system-based checks, access restrictions, and audit trails.

In addition, a regular review of the materiality analysis will be conducted in the future and expanded to include topics such as S2 and S4. Based on the assessment results, changes in focus may occur, which in turn will also influence reporting and necessitate adjustments to internal controls, process descriptions, and procedures within the sustainability reporting process. The results and changes are reported to the Executive Board and, in the case of significant changes, to the Supervisory Board during its regular meetings.

This multi-tiered information architecture ensures that the Executive Board always has an up-to-date overview of existing and potential sustainability risks and can make informed decisions.

At the same time, delfortgroup is continually driving forward improvements in transparency, efficiency, and risk management within the supply chain. To further professionalize these efforts, the decision was made to introduce a specialized software solution that enables comprehensive risk analysis as part of the supplier onboarding process. Existing suppliers are being gradually migrated into the system to ensure that risk assessments are based on current information, documents, and contacts. For new suppliers, an optimized process is being defined to ensure an early and thorough risk assessment.

SBM-1 – Strategy, Business Model, and Value Chain

Sustainability Strategy

delfortgroup pursues a comprehensive sustainability strategy that is anchored in the Group's strategy and based on responsible conduct and clear principles: ethical business practices, respect for labor and human rights, promotion of the circular economy, reduction of greenhouse gas emissions and environmental impacts, and strengthening of innovation. These principles are closely linked to the United Nations Sustainable Development Goals (UN SDGs), particularly Goals 6, 7, 8, 9, 10, 12, 13, and 15, as well as the ten principles of the UN Global Compact, to which delfort has committed.

In the environmental area, the focus is on decarbonization and the associated transformation of the company's own production processes. To achieve these goals, the company is committed to increasing energy efficiency, utilizing renewable or CO_2-free energy, electrification, on-site energy generation, and innovative technologies. These measures ensure that the reduction targets for Scope 1 and 2 can be met. Furthermore, efficient and responsible water management is a central aspect of the sustainability strategy. This is to be achieved through more efficient or partially closed water cycles, increased water reuse, and improved wastewater treatment systems.

One of the greatest challenges for delfortgroup is also ensuring a sustainable, decarbonized, and competitive energy supply. To address geopolitical uncertainties and regulatory changes, the company seeks long-term partnerships with energy suppliers and relies, among other things, on Power Purchase Agreements (PPAs).

In addition, delfortgroup places great emphasis on proactive environmental and risk assessment to identify potential impacts early on and take targeted countermeasures.

Another key component of the sustainability strategy is delfortgroup's workforce. The promotion of a safety-conscious corporate culture, as well as diversity and inclusion, is supported by Group-wide initiatives and training programs.

The company also takes a clear sustainability approach to procurement: raw materials and packaging are selected based on strict environmental and ethical criteria. Comprehensive supplier management and international certification standards for wood pulp, such as FSC™ and/or PEFC, ensure responsible material procurement.

By developing high-performance specialty papers, delfortgroup also specifically targets market segments that demand particularly functional and lightweight paper solutions with low basis weight or fiber-based materials derived from renewable raw materials. The specific requirements of these segments are met through in-depth scientific and regulatory expertise as well as innovative technologies. This supports customers in maintaining and further developing their excellence and achieving their sustainability goals.

In this context, customization is key to success. A deep understanding of customer needs, complex market conditions, and technical requirements enables tailored solutions that create clear competitive advantages. The optimal combination of raw materials, coatings, and finishing represents a core competency of delfortgroup. To accelerate development processes, all locations have access to state-of-the-art research and development departments. Fully equipped laboratories, prototyping, and pilot plants enable rapid testing with small production volumes, ensuring that innovative products reach market readiness quickly.

Diverse teams with a broad range of expertise and experience drive this innovative strength and foster a strong customer-oriented service culture. Particular emphasis is placed on ensuring that all employees understand the value of their work and can actively contribute to the company's success.

Transparency and continual improvement form the foundation of the entire sustainability strategy. Regular reporting, external assessments, and the integration of innovative technologies, as well as training and education, ensure the further development and embedding of sustainable practices throughout the company.

In this context, delfortgroup also aligns itself with internationally recognized ratings such as CDP and EcoVadis. In the reporting year, it received EcoVadis Platinum status for the fourth consecutive year for its excellent sustainability management - a distinction achieved by only 1% of the companies evaluated. In the CDP assessment, environmental transparency and performance in all three categories, climate change, forests, and water security, were awarded the highest rating of "A" – Leadership. Regular reporting and participation in independent ratings provide an externally verifiable assessment of sustainability management and progress that is transparent and serves as the basis for future sustainability decisions.

Products, Key Markets, and Customer Groups

delfortgroup has established itself as a reliable partner for clients across various industries and serves a wide range of markets and customer groups worldwide, particularly in the consumer goods sector (primarily the food and tobacco industries) and the pharmaceutical industry. The most significant markets include Europe, Asia, and America. Depending on the product group, the main customers are either major brand owners, manufacturers of consumer goods (including tobacco products), publishers, or converting companies (converters/printers).

delfortgroup's main product groups are as follows:

FOOD & NON-FOOD

flexible packaging papers, baking & cooking papers

TOBACCO

tobacco papers, innerliner, on/inserts, printed solutions

LABELS

release base & label papers

LEAFLETS

leaflet, on/inserts papers

PRINT & PUBLISHING

catalogue, literature, sketching papers

INSULATION

energy transmission & storage papers

Food & Consumer Goods

- Fiber-based packaging solutions for the food industry with barrier-properties that meet strict regulatory and environmental requirements and support customers' sustainability goals.
- Sustainable, functional, and aesthetic packaging solutions for the consumer goods industry.

Flexible Packaging

- Printing and processing of flexible packaging at multiple delfortgroup-locations.

Tobacco Industry

- High-quality cigarette and specialty papers and printed products that comply with strict regulatory requirements.

Labels

- Label papers and release base papers.

Pharmaceutical Industry

- Customized, ultra-thin package inserts with high opacity to ensure the legibility of information.

Publishing

- Very lightweight papers for printing publications and magazines.

Technical Applications

- Technical papers, e.g., battery separator papers and insulation papers for capacitors and transformers.

Furthermore, innovation is an integral part of the Group. delfortgroup works closely with research institutions and universities to develop new solutions and advance sustainability in the paper industry. The Group's state-of-the-art laboratories and pilot plants enable rapid prototype development and thus the swift provision of high-performance specialty papers for a wide range of applications. delfortgroup is also an active participant in the 4evergreen alliance, a cross-industry European initiative aimed at increasing the recyclability and sustainability of fiber-based packaging.

By reducing the basis weight of its specialty paper solutions, delfortgroup contributes to reducing raw material consumption, transport weight, and waste, thereby promoting more efficient resource use and the circular economy.

No significant new markets and/or customer groups were entered during the 2025 reporting year.

The number of employees by geographic region is broken down as follows:

Europe	2,639
Americas	255
Asia	400
Total	**3,294**

Sustainability Goals

delfortgroup's sustainability goals are directly derived from the company-wide strategy and reflect the Group's key areas of focus. Their implementation is managed and coordinated across the Group by the Group holding company in collaboration with the operational sites. Details on the specific goals can be found in the respective topic standards.

Across all ESG dimensions, the company aims to reduce its environmental impact, use energy and resources efficiently, and design products with a circular economy approach. In the social area, the focus is on occupational safety, health, diversity, and employee development, as well as a responsible supply chain that complies with human rights standards. In corporate governance, delfortgroup prioritizes financial stability, effective risk management, and responsible, long-term business practices that promote innovation and sustainable growth.

Business Model

delfortgroup's business model is based on the production of specialty papers and fiber-based materials for various applications, such as thin print papers for medical package leaflets and literature, label/release base papers, papers for the tobacco industry, baking papers, and packaging papers. Particularly in the food-packaging sector, the company develops recyclable and compostable barrier papers that meet strict food safety regulatory requirements. Through continual investment in research and development, the company produces state-of-the-art packaging papers with excellent barrier properties, high transparency, and optimal recyclability.

The vast majority of delfortgroup's specialty paper solutions have very low basis weight. This allows for a significant reduction in raw material usage, which results in considerable benefits for the various stakeholders. Customers benefit from innovative, fiber-based paper and printing solutions produced from renewable raw materials that not only meet legal and regulatory requirements but also offer environmental and economic advantages. Financial and business partners, in turn, can rely on the company's financial stability and strength, as it has a strong equity ratio, is debt-free, and maintains a healthy liquidity position. Additionally, delfortgroup continually invests in its production facilities and sustainable technologies to ensure long-term growth. This also yields positive effects for other stakeholders, such as employees and other external stakeholders. By linking economic success with sustainable innovation, delfortgroup makes a tangible contribution to customers, partners, the environment and society.

delfortgroup's upstream value chain is globally oriented and encompasses a wide range of economic actors. The company collaborates with suppliers from Europe, Asia, the Americas, and Africa, with over 90% of them based in Europe. Supplier management is based on standardized processes and a strict framework to ensure transparency, risk minimization, and a trusting partnership. Purchased goods include raw materials (particularly wood pulp), chemicals, and packaging materials, as well as technical materials such as spare parts, plant components, and maintenance materials. In addition, energy is procured as a key production factor. Purchased services primarily include transportation and logistics services, consulting services, and IT services, as well as insurance and services related to maintenance, repair, and plant construction.

To ensure quality and compliance with environmental and social standards, Tier-1 suppliers are regularly evaluated. Audits are also conducted at selected suppliers. In addition to criteria such as price, quality, capacity, certifications, creditworthiness, and logistics infrastructure, environmental and social standards are also taken into account. Furthermore, the ongoing implementation of a sofware-supported due diligence system will enable a structured and systematic assessment of relevant sustainability-related supply chain risks in the future (see also G1-2). Particularly for suppliers from high-risk countries, further in-depth analyses and checks, such as sanctions checks, are conducted.

Regarding the downstream value chain, delfortgroup, with its 13 production sites and 7 sales offices worldwide, supplies over 1,600 customers across various industries. Key industry players include international brand manufacturers from the food, tobacco, and pharmaceutical industries, publishers, and manufacturers of packaging and printed products. The sales markets are diverse, with a strong presence in Europe and North America. This strategically positions delfortgroup to offer innovative specialty paper solutions with a sustainable focus along the entire value chain. Long-term partnerships with suppliers, efficient production processes, and a high-performing sales structure form the foundation for this.

The double materiality analysis ("DMA") was developed in collaboration with various internal and external stakeholders. At the same time, delfortgroup views the DMA as a dynamic process: In light of future regulatory developments, market changes, new insights, and the introduction of the digital supplier due diligence system, the materiality analysis is regularly reviewed and refined to ensure its relevance and validity in the long term.

In 2025, delfortgroup achieved consolidated revenue of EUR 1.202 billion. Despite challenges such as highly volatile and rising raw material and energy costs, as well as changing market conditions, the company was able to maintain its financial stability. The equity ratio remains stable at 81%, while strategic investments totaling EUR 61 million were made in production facilities and infrastructure, among other things, to reduce emissions.

SBM-2 – Interests and Views of Stakeholders

Stakeholder engagement plays a central role in the company's sustainability strategy. Stakeholders are defined as individuals or organizations that are directly or indirectly affected by delfortgroup's activities or can influence them. The most important stakeholder groups and the nature of communication and engagement are listed in the overview below.

Stakeholders	Channel (Method of Contact)
Owners	▪ Supervisory Board ▪ Strategy meetings ▪ Ad hoc meetings
Own employees	▪ Performance reviews ▪ Regular discussions with all employees ▪ Collaboration with employee representatives and complaint procedures ▪ Safety Awareness Talks ▪ delfort insights (management information) ▪ Employee events ▪ Training, e.g., on occupational safety, business ethics, and sustainability
Customers	▪ Regular in-person meetings ▪ Trade shows and conferences ▪ Customer satisfaction surveys ▪ Collaboration on the development of new products and solutions ▪ Customer newsletters Discussions on sustainability strategies and goals
Suppliers and employees in the supply chain	▪ Commitment to delfortgroup's Supplier Code of Conduct and the associated criteria ▪ Ongoing collaboration and training ▪ Supplier audits and evaluations
Local communities	▪ Cooperation with local authorities ▪ Dialogue and collaboration through various communication channels and meetings ▪ Support for local community projects
Science and research	▪ Partnerships with universities and research institutions
Representation of interests in politics and business	▪ Meetings and events ▪ Engagement through industry associations
Industry and trade organizations	▪ Active participation in the development of industry practices and collaboration on joint projects ▪ Participation in expert groups

delfortgroup maintains a continual and structured dialogue with its key stakeholder groups at both the corporate and site levels, including customers. The goal is to gain a comprehensive understanding of external and internal expectations, as well as potential risks and opportunities along the entire value chain, and to consider diverse perspectives. At the same time, this dialogue fosters transparency, promotes mutual understanding, and enables the systematic integration of diverse expectations into corporate strategy. It supports the development of sustainable solutions, strengthens partnerships with companies and research institutions, and promotes future-proof business models.

The stakeholder interests identified as part of the double materiality analysis are closely linked to the strategic direction and business model of delfortgroup. Customer expectations for sustainable, safe, and innovative paper solutions, as well as regulatory and societal requirements along the supply chain, are specifically incorporated into the product and procurement strategy as well as into investment decisions.

The focus on specialty papers with high environmental and product safety standards, as well as the expansion of structured supplier relationships, reflect these interests and strengthen the long-term stability and competitiveness of the business model. This comprehensive integration ensures a close link between economic goals and environmental and social responsibility. The interests of key stakeholders are taken into account as part of due diligence and a comprehensive materiality analysis across the entire value chain.

Stakeholder feedback is also directly incorporated into risk management, where potential challenges are identified at an early stage. The sustainability strategy is regularly reviewed and adjusted. delfortgroup's Executive Board is regularly informed, through meetings and reports, about stakeholders' views and interests regarding sustainability-related impacts.

Information on S1 SBM-2

Respecting human rights and creating a safe and respectful work environment are two of delfortgroup's top priorities. delfortgroup's own workforce represents a key group of stakeholders. Open communication is fostered through flat hierarchies, structured performance reviews, surveys, cross-site working groups, and informational events. At locations where a works council has been established, there is a regular open exchange with company management and HR managers. Additionally, a whistleblower hotline is available to employees for anonymous reports.

Employee engagement enhances the quality of decision-making, increases motivation and satisfaction, fosters innovation and corporate culture, improves the implementation of decisions, and contributes to the early identification of potential risks. Employee feedback is taken into account during regular Executive Steering Meetings and is directly incorporated into the further development of strategy and the business model.

SBM-3 – Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business model

Environment

delfortgroup's business activities are both energy- and resource-intensive. The production of specialty papers requires large amounts of energy, water, and fiber raw materials, which leads to direct interactions with the environment and nature.

A significant portion of energy demand is still met by fossil fuels, resulting in fossil CO_2 emissions that contribute to climate change. At the same time, ongoing climate change can have a lasting impact on the operating environment. It is therefore crucial that delfortgroup takes measures to reduce emissions and adapt to climate-related risks. The transition to lower-emission technologies for decarbonization requires costly CapEx measures as well as the use of renewable and/or CO_2-free energy sources. The latter, along with rising costs for CO_2 emission allowances, can have a significant impact on operating costs (OpEx). Physical climate risks caused by climate change, such as changes in raw material availability or weather-related production interruptions, can also increase future procurement, operating, and maintenance costs. Overall, these factors influence delfortgroup's future financial and investment planning and are continually monitored as part of risk management.

Air emissions generated by delfortgroup's production processes may contribute to local air quality degradation despite compliance with regulatory limits set by official authorities. Wastewater generated during the production process is treated in accordance with statutory limits and applicable technical requirements. However, in the event of human error or technical malfunctions, there is a risk of unintended contamination that could negatively impact water quality. Accordingly, to minimize risk, delfortgroup relies on careful process controls, monitoring of emission parameters, and continual improvement measures.

Paper production also requires the withdrawal of large quantities of water from surface water bodies and groundwater reservoirs. Although only a small proportion, about 5–7% of the water withdrawn is actually consumed (remaining in the product as residual moisture or evaporating during the process), and the remaining water is returned to the environment after thorough cleaning and treatment where necessary, water withdrawal can still have negative local impacts. Water is therefore considered a critical resource, and responsible management is pursued throughout the value chain.

Currently, the majority of sites are exposed to low-to-moderate water risks only. None of the paper-producing sites are located in areas with high or very high water stress. The reliance on sustainably sourced wood fibers as the primary raw material makes clear environmental standards and responsible raw material procurement essential. Therefore, the company consistently relies on certified supply chains (e.g., FSC™ and/or PEFC). In addition, the procurement strategy is continually reviewed and adapted to changing market and environmental conditions to increase resilience against uncertainties such as price fluctuations or shortages of certified pulp.

Social

Social factors are also essential for the company's long-term success, particularly the availability of qualified employees, safe working conditions, and an attractive work environment. Workplace safety is of the utmost importance and is the top priority. Furthermore, employee satisfaction, opportunities for professional development, and long-term commitment to the company are important.

A key risk concerns ensuring a stable and competitive workforce structure; therefore, the focus is on recruiting and retaining qualified skilled workers in the long term, as well as on structured succession planning to secure knowledge and individual development opportunities.

Given the need for continuous production operations, particular attention is paid to occupational safety and health, particularly in production-related activities and shift work, where elevated health and safety risks have been identified. To prevent workplace accidents and maintain physical and mental health, comprehensive occupational safety measures are in place, along with a holistic health promotion program that extends to the entire workforce.

At delfortgroup, the traditionally male-dominated workforce in the paper and printing industry is also evident, particularly due to the requirement for continuous shift work. The number of female applicants is correspondingly low, especially for production and engineering positions. To counteract potential negative impacts, delfortgroup promotes diversity and equal opportunity.

There are no identifiable risks regarding potential incidents related to human rights violations, forced labor, or child labor.

The assessment of the company's significant impacts, as well as opportunities and risks, includes all members of the company's workforce. This consists primarily of direct employees, along with a small proportion of self-employed individuals and workers provided by third-party companies, who account for less than 5% of the total workforce. With the exception of health risks associated with production operations, no significant differences were identified between individual groups of people with regard to opportunities and risks, so the results apply to the entire in-house workforce.

The key risks and opportunities arising from the impacts and dependencies related to the company's own workforce are directly linked to the corporate strategy and business models. They influence not only short-term operational decisions but also the long-term strategic direction. By regularly evaluating and adapting its strategy, delfortgroup ensures that it responds appropriately to the changing needs of its workforce while simultaneously achieving its corporate goals.

The strategy of creating stable, long-term jobs is reflected in high employee retention, fair working conditions tailored to different life stages, effective communication, and structured succession planning. The positive effects and related measures encompass the entire workforce.

Resilience

delfortgroup's strategy and business model are designed to resiliently manage significant impacts, risks, and opportunities over the long term. The resilience of the strategy is based on a solid equity base, strong liquidity, and a business structure capable of responding flexibly to market changes. Through systematic risk management, potential challenges are identified early on and their financial and operational impacts assessed. Based on these findings, strategic measures are developed to ensure that delfortgroup remains competitive even under changing regulatory, environmental, or market conditions.The analysis of resilience considers the time horizons defined in ESRS 1:

- **Short term:** Focus on increasing operational efficiency, optimizing supply chains, and adapting to short-term market changes.
- **Medium term:** Implementation of strategic investments in sustainable products, digitalization, and production capacities to strengthen the market position.
- **Long term:** Focus on the circular economy, maximizing the reduction of greenhouse gas emissions, and innovations to ensure competitiveness in a changing market and regulatory landscape.

Quantitative analyses are based on financial metrics such as earnings before interest and taxes (EBIT), net working capital (NWC), and the equity ratio. These indicators show that delfortgroup is financially sound and capable of successfully navigating both short-term and long-term challenges.

No additional material impacts, risks or opportunities beyond the ESRS disclosure requirements were identified.

The following table shows the material impacts, risks, and opportunities identified for topics E1–E5, S1, S2, S4, and G1, along with their explanations.

Topic	IRO	Description	Impact, Risk, or Opportunity (IRO)	Time Horizon	Value chain
E1 – Climate Protection					
Climate Change mitigation	1	Greenhouse gas emissions from delfortgroup's production sites (Scope 1 and 2) as well as in the upstream and downstream value chain (Scope 3) contribute to climate change.	Negative impact	Short, medium, and long term	Own business activities, upstream and downstream value chain
Climate Change adaptation	2	Climate change is causing an increase in physical risks, such as extreme weather events (including heat waves, storms, heavy rain and flooding, and droughts), which, in extreme cases, can lead to production losses or the need to adapt production processes and infrastructure. In the supply chain, for example, production losses at pulp suppliers due to extreme weather events can lead to price increases.	Risk	Short, medium, and long term	Own business operations, upstream value chain
	3	Adapting to climate change also entails transitional risks, such as higher prices for emission allowances and the costs of transitioning to lower-emission technologies.	Risk	Short, medium, and long term	Own business activities
Energy	4	The partial use of non-renewable energy sources (particularly gas for heat generation) in production processes results in greenhouse gas emissions.	Negative impact	Short, medium, and long term	Own business activities
E2 - Environmental pollution					
Air pollution	5	In addition to CO_2, delfortgroup's production processes generate other emissions (e.g., nitrogen oxides) that can have a negative impact on air quality.	Negative impact	Short, medium, and long term	Own business activities
Water pollution	6	delfortgroup's production processes generate wastewater, which is treated in accordance with strict technical and regulatory standards. However, in the event of human error or technical malfunctions, there is a risk of unintended contamination that could impair water quality.	Potential negative impact	Short, medium, and long term	Own business activities
E3 – Water and marine resources					
Water withdrawal	7	The production of paper and pulp requires the withdrawal of large volumes of water from surface water bodies and groundwater reservoirs. However, actual water consumption in paper production is low, amounting to approximately 5–7% of the water withdrawn, which remains in the product or evaporates. The remaining water is returned to the environment, after appropriate treatment where necessary.	Negative impact	Short, medium, and long term	Own business activities, upstream value chain
E4 – Biodiversity and Ecosystems					
Climate change as a cause of biodiversity loss	8	Greenhouse gas emissions from delfortgroup's production sites as well as in the upstream and downstream value chain contribute to climate change and, consequently, to biodiversity loss.	Negative impact	Short, medium, and long term	Own business activities, upstream and downstream value chain
Direct exploitation as a cause of biodiversity loss	9	Since delfortgroup does not own any forests of its own and purchases all of its wood and pulp, forest use takes place entirely in the upstream supply chain. Despite the strictest criteria for sustainable forestry including FSCTM/PEFC-certified suppliers and certified wood pulp, the associated logging activities can potentially contribute to the impairment or loss of biodiversity.	Potential negative impact	Short, medium, and long term	Upstream value chain

Topic	IRO	Description	Impact, Risk, or Opportunity (IRO)	Time Horizon	Value chain
E5 – Resource Use and Circular Economy					
Resource inflows	10	In its production processes, delfortgroup uses a high proportion of renewable resources such as wood pulp and starch, as well as wood-based packaging materials, and is strongly focused on recyclable, bio-based materials. Wood pulp is sourced exclusively from FSCTM and/or PEFC-certified suppliers to ensure sustainable forest management.	Positive impact	Short, medium, and long term	Own business activities
Resource outflows	11	As a manufacturer of highly functional specialty papers, delfortgroup places great emphasis on responsible product design and recyclability and offers paper- and fiber-based alternatives to plastic materials. A key business segment is the production of recyclable and/or compostable specialty paper solutions for packaging, particularly for the food industry. The rising demand for paper solutions made from renewable raw materials will continue to present significant growth opportunities in the future.	Positive impact, opportunity	Short, medium, and long term	Own business activities
S1 – Own Workforce					
Working conditions – secure employment Fair compensation	12	delfortgroup's strategy is geared toward sustainable growth. In doing so, special emphasis is placed on maintaining stable, long-term jobs. Fair, market-competitive compensation and personalized benefits also have a positive impact on employee retention and facilitate the recruitment of qualified personnel.	Positive impact	Short, medium, and long term	Own business activities
	13	By developing innovative and sustainable products, delfortgroup positions itself as an attractive employer for qualified employees. Low employee turnover strengthens organizational stability, enables the long-term retention of expertise within the company, and reduces costs for recruitment and training.	Opportunity	Short, medium, and long term	Own business activities
	14	Maintaining wage levels, particularly in high-wage countries, leads to rising costs.	Risk	Short and medium term	Own business activities
	15	At some locations, there is a risk that, because of demographic change and a declining willingness to work shifts, there will not be enough qualified workers available in the future. This can lead to understaffing, production constraints, and rising costs for recruitment, wages, and training measures.	Risk	Medium and long term	Own business activities
Working conditions – Working hours Work-life balance	16	A special focus on work schedules and shift models that offer the greatest possible flexibility and take into account individual, life-stage-related factors contributes to employee retention, increased motivation and productivity, better health, and, furthermore, the best possible work-life balance. Flexible working conditions make it easier for parents to return to work after taking time off for childcare or parental leave.	Positive impact	Short, medium, and long term	Own business activities
Working conditions – Social dialogue Freedom of association, Existence of works councils and rights of employees to information, consultation, and participation	17	The active involvement of employee representatives and social dialogue lead to effective communication and a good flow of information, enabling problems to be identified and resolved at an early stage. Open communication, through the involvement of employees, contributes to increased satisfaction and motivation and fosters better understanding and mutual trust. Taking different opinions and ideas into account leads to the best solutions.	Positive impact	Short, medium, and long term	Own business activities

Topic	IRO	Description	Impact, Risk, or Opportunity (IRO)	Time Horizon	Value chain
Working conditions – health and safety	18	The continual improvement of ergonomic workstations and the implementation of comprehensive health and safety programs, such as "Think Healthy," lead to a safe and health-promoting work environment. This reduces work-related hazards, enhances employee well-being, and improves health awareness in the long term.	Positive impact	Short, medium, and long term	Own business activities
	19	Despite comprehensive preventive safety measures and training programs, workplace accidents and near-misses continue to occur. Additionally, the impact of shift work and other potential physical or psychological stresses in the workplace could pose a risk to employee health.	Negative impact	Short, medium, and long term	Own business activities
Equal treatment and equal opportunities for all - training and skills development	20	Investing in employee training and development contributes positively to maintaining competitiveness and productivity and influences the company's innovative potential. At the same time, acquiring in-depth or new skills enables employees to respond to changing requirements and secure their long-term employability. Focusing on the development of the company's own employees can lead to reduced dependence on the job market (skills shortage) and thus lower costs associated with recruitment, onboarding, and lost productivity.	Opportunity	Short term	Own business activities
Equal treatment and equal opportunities for all – diversity	21	The paper industry has traditionally been male dominated, a trend that is also reflected in the gender distribution at delfortgroup. To prevent potential negative effects such as the discrimination of certain groups of people, the risk of harassment, and impacts on mental health and productivity, special attention is paid to increasing diversity, both in terms of gender distribution and in terms of origin, age, and other diversity characteristics.	Negative impact	Short and medium term	Own business activities
S2 – Workers in the Value Chain					
Working conditions, other employment-related rights	22	delfortgroup works with a large number of suppliers, which means that audits of working conditions and compliance with human and labor rights can currently only be conducted on a risk-based and sample basis. Suppliers classified as significant based on their revenue are contractually obligated to comply with these standards through the Supplier Code of Conduct. Since the vast majority of suppliers are based in Europe, the risk is generally lower; however, complete control over all business partners cannot be guaranteed. Consequently, a residual risk of potential violations within the upstream value chain remains.	Potential negative impact	Short, medium, and long term	Upstream value chain
S4 – Consumers and end users					
Personal safety of consumers and/or end users – Health and safety	23	Specialty papers manufactured by delfortgroup are frequently used in the food packaging, tobacco, pharmaceutical, and consumer goods sectors and must comply with strict regulatory requirements. Quality deviations could potentially compromise product safety and thereby endanger the health of consumers and end users.	Potential negative impact	Short term	Downstream value chain

Topic	IRO	Description	Impact, Risk, or Opportunity (IRO)	Time Horizon	Value chain
G1 - Business Conduct					
Corporate culture	24	delfortgroup's corporate culture is based on clear work instructions and values put into practice. Through regular training sessions, workshops, and internal communication, core values and guiding principles are actively promoted and embedded in daily work. This not only strengthens the understanding and application of these principles but also builds employees' confidence to actively advocate for ethical behavior, both internally and with external partners along the value chain. Employees are aware of reporting channels for concerns or complaints, which fosters a strong sense of security and belonging.	Positive impact	Short, medium, and long term	Own business activities
	25	A strong, values-based corporate culture not only fosters employees' identification with delfortgroup and strengthens a sense of responsibility at all levels but also contributes to economic success. A strong culture of integrity, openness, and collaboration reduces staff turnover, lowers recruitment and onboarding costs, and simultaneously boosts motivation and productivity. In the long term, this leads to greater innovation, more stable supplier and customer relationships and thus to improved financial performance and a sustainably strengthened competitive position.	Opportunity	Short, medium, and long term	Own business activities, upstream and downstream value chain
Protection of Whistle Blowers	26	delfortgroup not only meets the legal requirements for establishing a whistleblower hotline but also goes beyond them. Besides the hotline, employees have access to additional reporting channels such as email, telephone, written reports, or direct contact options with the legal department. This ensures maximum flexibility and confidentiality and provides employees with low-threshold access to safely and confidentially report potential misconduct or violations of the Code of Conduct. This expanded system strengthens the culture of transparency and integrity within delfortgroup and provides an added layer of security beyond legal requirements.	Positive impact	Short, medium, and long term	Own business activities
Relationships with suppliers including payment practices	27	delfortgroup not only ensures timely compliance with agreed-upon payment terms but, in certain cases, deliberately goes beyond them. For example, during economically challenging times, early payments are made to support suppliers' liquidity and planning security. This practice fosters the stability of business relationships and contributes to the resilience of the entire supply chain.	Positive impact	Short, medium, and long term	Upstream value chain
	28	delfortgroup maintains long-term, reliable partnerships with its suppliers. This stable collaboration is based on mutual trust and responsible payment practices. Even in challenging times, it ensures a high level of supply security throughout the supply chain.	Opportunity	Short, medium, and long term	Upstream value chain
Corruption and bribery	29	Despite regular training and clear rules of conduct for the prevention and detection of corruption, a certain residual risk of compliance violations remains.	Risk	Short, medium, and long term	Own business activities

Current Financial Effects

In the E1 area, rising costs for CO_2 certificates under the EU Emissions Trading System (ETS) as well as significant CapEx investments for decarbonization measures, such as the electrification of processes, energy efficiency measures, and in-house energy generation, and OpEx for the procurement of renewable and/or CO_2-free energy are to be expected.

In the areas of E2–E5 as well as S1 and G1, no significant financial effects were identified regarding either the assets or the business model of delfortgroup. The review is conducted regularly as part of the internal impairment testing process within the annual financial reporting process in accordance with the principle of prudence under the Austrian Commercial Code (UGB). In this process, existing assets are tested for impairment and adjusted accordingly if there are any indications of impairment. This review constitutes an established routine process and ensures that potential environmental impacts are taken into account.

IRO-1 – Description of the Process to Identify and Assess Material Impacts, Risks and Opportunities

In spring 2023, delfortgroup began the process of double materiality analysis with external support, based on the requirements of the CSRD and ESRS. The process lasted approximately one year and was completed in fall 2024.

In accordance with the principles of double materiality, the Group's positive and negative impacts, as well as opportunities and risks, in the areas of environment, social, and governance were examined and then assessed. The concept of double materiality takes into account both the company's impact on society and the environment (inside-out or impact materiality) and the financial impact of sustainability issues on the company itself (outside-in or financial materiality). The current version of the ESRS (in particular ESRS 1 Appendix A) defines the topics to be examined through what is known as a "long list."

In the first step, the project managers nominated experts in the areas of environment, social, and governance for an initial workshop. The aim of this workshop was to conduct an impact analysis on the topics specified in the long list. During this assessment, potential and actual positive or negative impacts of delfortgroup's business activities on people and the environment were examined. If a topic was identified as relevant, the respective aspects or touchpoints were documented. In cases where no impact was identified, a corresponding justification was also recorded.

Following this initial step, a benchmarking analysis was conducted within the industry as well as across the upstream and downstream value chains. The goal was to verify the company's own results for coherence and consistency within the industry context and within the value chain. This process yielded the final list of relevant topics, which underwent further in-depth evaluation. This initial result of the materiality analysis was presented to the Executive Board, discussed collectively, and approved by the Board.

To determine the double materiality of the topics identified in the long list, separate workshops were then conducted on the topics of governance, social, and the environment. The workshop participants were nominated in consultation with the Executive Board, based on their expertise and areas of responsibility, with employees from the operational sites also involved. The facilitation and guidance for conducting the assessment were again provided by an external consultant, who also developed the assessment framework in accordance with ESRS guidelines. The results were re-evaluated for the 2025 fiscal year. In doing so, general insights regarding the categorization of topics and the formulation of IROs were taken into account.

Assessment Methodology

Assessment of Actual and Potential Impacts

To assess the materiality of potential and actual positive and negative impacts arising from delfortgroup's own business activities as well as from its business relationships, the first step was to determine whether the impacts were direct or indirect, where in the value chain they occurred, and over what time horizon (short, medium, or long term). The criteria of extent, scope, and remediability of the impacts were then assessed on a 5-point scale, with 1 representing minimal impacts and 5 representing catastrophic impacts. For actual negative impacts, remediability and potential impacts on human rights were assessed; for potential negative impacts, the likelihood of occurrence was also assessed. Further details on the involvement of stakeholders can be found in the detailed information on E1-E5 IRO-1 and in Chapter S1.

Assessment of the Financial Materiality of Risks and Opportunities

In a second step, financial materiality was then assessed separately for risks and opportunities on a 4-point rating scale based on the criteria of resource reusability/availability, impacts on business relationships, and other factors that may influence future cash flow. Here, too, the time horizon (short, medium, or long term) and the probability of occurrence were assessed.

Subsequently, the relationships between identified impacts, risks, and opportunities were systematically examined. This involved analyzing the extent to which certain impacts such as those arising from the company's own business activities or the upstream value chain could entail potential risks or opportunities for the business model. For risks and opportunities classified as relevant, a qualitative assessment was then conducted, taking into account, among other factors, the probability of occurrence as well as the potential extent of the financial and strategic impacts.

Internal key performance indicators and expert assessments were primarily used to identify and evaluate the material impacts, risks, and opportunities. The main data sources were internal company information from the areas of energy, water, procurement, and human resources, as well as existing risk management data. The relevant IROs were evaluated based on this internal data and the assessments of the participating experts. The scope of the analysis encompassed delfortgroup's own business activities as well as selected parts of the upstream and downstream value chain. Building on the results of the materiality analysis, in-depth analyses such as water risk analysis were conducted to further substantiate and refine the identified risks.

The evaluation scheme and categorization used were based on a proposal from the external experts. Based on this categorization, a metric was calculated for each issue following the evaluation, describing the materiality of the respective issue. The results were discussed, compared with external benchmarks, and presented to selected external stakeholders.

At the end of each workshop, the results underwent an initial analysis to ensure that the assessment of the topics in terms of magnitude and likelihood of occurrence was consistent and transparent. Finally, a threshold of 0.67 was established in consultation with the Executive Board and the external experts. For the assessment, a scoring system was used to rate the likelihood of impact on a scale of 1 to 5. Financial materiality was assessed on a separate scale from 1 to 4. To ensure consistent comparability between the two dimensions, both scales were subsequently converted to percentages and normalized to a uniform scale from 0 to 1. As soon as an issue exceeds the threshold in at least one area (positive or negative impact, or financial risk or opportunity), it is considered material.

At the conclusion of the process, all topics were visualized in a materiality matrix and subsequently presented to internal stakeholders such as the Executive Board, managers, and employees. These results were then subjected to a critical review.

Operational sustainability risks are incorporated into regular risk reporting, while strategic sustainability risks and opportunities are assessed as part of risk evaluations conducted at least annually. The results of these assessments are used to refine delfortgroup's overall risk profile and are incorporated into management decisions, the development of measures, and the further refinement of strategies, guidelines, and internal control systems. The Executive Board is involved in this process. Key findings from the materiality analysis and sustainability risk management are reported to the Executive Board and, in the event of significant changes, also communicated to the Supervisory Board.

A key focus will be the regular review of the results of the materiality analysis. The process is currently being established, as rating agencies' and customer requirements are evolving rapidly and continue to further refine the topics.The input received is channeled through the Head of Corporate Regulatory & Sustainability/ESG at delfort and prepared for further evaluation or processing by the Executive Board. In this way, the processes for identifying and evaluating IROs are specifically used to assess the overall risk profile and to further develop the Group-wide risk management procedures.

A comparison of the results of the double materiality analysis with the key topics addressed in previous sustainability reports shows that the existing topics remain relevant but are being expanded due to the extensive requirements of the ESRS. There are significant expansions in reporting, particularly in the environmental area, especially with regard to pollution, circular economy, and biodiversity.

The findings from the materiality analysis were aligned with existing sustainability goals and incorporated into the goal-setting process for establishing additional medium- and long-term sustainability goals, thereby contributing to the ongoing adaptation of the strategy in a broader sense.

Disclosures on E1 IRO-1

To ensure the resilience of its strategy and business model to the impacts of climate change, delfortgroup conducted a qualitative analysis of climate-related physical and transitional risks in 2024. The guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD) and the Science Based Targets initiative (SBTi), as well as scenarios from international reference sources such as the Intergovernmental Panel on Climate Change (IPCC), were used as a basis, and corresponding assumptions for delfortgroup and its locations were made based on these documents.

For the qualitative analysis, the assumptions in the IPCC report regarding the following two climate scenarios were primarily used:

- **a low-emission scenario** based on the IPCC 1.5°C pathway (SSP1-1.9), which describes an orderly, policy-driven transition to a low-carbon economy in line with the Paris Agreement
- **a high-emission scenario** in accordance with the IPCC 4.3°C pathway (SSP5-8.5), which depicts a scenario of delayed or insufficient climate protection measures ("Hot-House World").

In the 1.5°C scenario, delfortgroup assumes a structured transformation characterized by rising CO_2 prices, stricter regulation, and growing demand for sustainable products.

Operationally and technologically, this involves a gradual shift in the energy mix, particularly through the increased use of renewable energy (e.g., biomass, photovoltaics), the electrification of heating and production processes, energy efficiency measures, smart energy monitoring, and the conclusion of Power Purchase Agreements (PPAs). These assumptions were incorporated into the decarbonization roadmap. As a result, delfortgroup expects a significant reduction in dependence on fossil fuels such as natural gas by 2030.

The climate risk analysis is regularly updated with new scientific findings and regulatory developments and is intended to be further refined in the future using databases.

The analysis covers the 13 production sites, with a particular focus on energy-intensive processes as well as key parts of the upstream value chain, especially purchased goods and services, their transport and distribution, and energy-related activities. No significant exclusions were made.

Particular attention was paid to the analysis of water-related risks, as paper production is heavily dependent on an adequate water supply and numerous climate-related risks are closely linked to water. For its assessment, delfortgroup uses the "WRI Aqueduct" and the "WWF Water Risk Filter," which analyze not only physical risks but also regulatory and reputational risks, and operate based on the geographic location of the sites as well as other company-specific data.

The analysis results regarding physical risks (e.g., water stress/availability, drought, flooding, heavy rainfall) were re-evaluated for each site based on the respective water demand, specific local conditions, and, where necessary, in collaboration with local management and using insurance reports.

According to WRI Aqueduct and the WWF Water Risk Filter, four delfortgroup sites are located in regions with high to very high water stress: Bulgaria (Flexprint), Mexico (Mundet Mexico), the U.S. (Mundet Roslyn Converters), and China (Benkert China). Since these are exclusively printing sites with low or very low water consumption, the actual risk is therefore assessed as low from today's perspective in the short, medium, and long term.

Scenario analyses by the WWF Water Risk Filter for 2030 and 2050 indicate that certain sites may face increased risks in the future, particularly in the event of ongoing climate change and unfavorable regulatory conditions.

In the upstream supply chain, an initial analysis of key suppliers in the pulp and chemicals sectors was conducted; however, due to limited data availability, only regional physical, regulatory, and reputational risks could be identified, but not specific site-related operational risks.

Disclosures Regarding E2 IRO-1

The material impacts, risks, and opportunities related to the topic of environmental pollution were identified and assessed as part of the double materiality analysis. In particular, the experience and expertise of internal stakeholders who are familiar with environmental management systems, site-specific environmental impacts, and applicable regulatory requirements – or who are responsible for compliance with local laws and regulatory requirements – were taken into account. Air and water emissions from delfortgroup's operational sites are regulated through official permits and regulatory requirements, with the respective permissible limits having been established by the competent authorities during the permitting process. No additional separate consultation with affected communities was conducted as part of the double materiality analysis.

While air emissions are relevant for all delfortgroup sites, the issue of water pollution is material only for the paper-producing sites, as their production processes generate wastewater that must be treated appropriately before being discharged back into the environment.

The printing sites, on the other hand, use water exclusively for hygiene and cleaning purposes; the resulting wastewater is fully discharged via municipal wastewater treatment plants. As an exception, one printing site also uses water for the cooling of buildings and operates its own wastewater treatment plant, where water used for hygiene and cleaning purposes is treated before being released back into the environment.

Information on E3 IRO-1

As part of the double materiality analysis, delfortgroup's sites were once again comprehensively assessed by internal experts with regard to their water requirements as well as their water-related impacts, risks, and opportunities. The relevance of the issue to external stakeholders, particularly customers and non-governmental organizations, was also incorporated into the assessment. Any water withdrawal rights for the operational sites, including applicable limits, are regulated by existing official permits; a separate consultation with affected communities was not conducted as part of the double materiality analysis.

Potential negative environmental impacts resulting from wastewater generated during paper production were assessed in connection with the topic "Environmental Pollution" (water pollution). Further information on this can be found under E2 IRO-1 and in Topic Standard E2.

To identify specific site-related water risks, a water risk analysis was conducted using the WWF Water Risk Filter and the WRI Aqueduct. Further details can be found under E1 IRO-1.

Information on E4 IRO-1

With regard to biodiversity, two topics were identified as material in consultation with internal stakeholders: climate change and the production of wood pulp in the upstream value chain. The relevance of the topic to external stakeholders, particularly customers, was also taken into account.

Since delfortgroup, as a non-integrated company, purchases only finished wood pulp and is therefore not directly involved in timber harvesting, there is currently no engagement with potentially affected local communities. In its procurement process, however, delfortgroup adheres to the strictest sustainability criteria and sources wood pulp exclusively from FSC™ and/or PEFC-certified suppliers as well as from certified or controlled sources. This ensures that wood pulp suppliers safeguard or take into account the interests of affected communities. However, potential negative impacts on biodiversity resulting from timber harvesting activities in the supply chain cannot be completely ruled out.

CO_2 emissions are a key driver of climate change and have negative impacts on ecological systems and biodiversity. These emissions arise both at delfortgroup's production sites and along the upstream and downstream supply chain.

To better understand the potential impacts of forest management and timber harvesting activities, an in-depth exchange took place with suppliers. To this end, internal experts from Purchasing, Sustainability, and Engineering visited a supplier site in fall 2024 to inspect and evaluate the measures being implemented on-site.

The assessment did not identify any significant transitional or physical risks or opportunities related to biodiversity.

Information on E5 IRO-1

Potential or actual impacts, as well as risks and opportunities related to resource use and the circular economy, were analyzed within delfortgroup's own business operations and along the value chain. Internal stakeholders from the areas of sustainability, procurement, engineering, energy, sales, and product development were involved in this process, and they also incorporated the views, requirements, and interests of external stakeholders, particularly customers. A separate consultation with affected communities was not conducted; for information on wood pulp procurement, see E4 IRO-1 above.

In the area of "resource inflow," the purchased raw materials were analyzed, with a particular focus on the proportion of renewable raw materials and wood-based packaging. Special attention was paid to the topics of resource inflow and consumption of purchased raw materials, particularly the proportion of renewable raw materials (such as wood pulp and starch).

The use of energy as a resource is addressed in Chapter E1.

Regarding "resource outflow," the focus was on responsible product design and the circularity of delfortgroup products, particularly recyclability, but also compostability and the suitability of high-performance papers as substitutes for fossil-based materials.

Information on G1 IRO-1

To systematically assess impacts, risks, and opportunities in the area of governance, several relevant criteria were applied, relating to location, activities, sector, and structural and organizational characteristics. Concrete measures and tools are in place to minimize risk, including the delfort Code of Conduct, which is binding for all employees, an open culture of error reporting, regular training, and the clear establishment of behavioral guidelines and reporting channels. Despite these precautions, delfortgroup acknowledges that a residual risk of governance-related challenges cannot be completely ruled out. The risk identification procedures are therefore regularly reviewed and adjusted as needed to account for current developments.

IRO-2 – Disclosure Requirements in ESRS Covered by the Undertaking's Sustainability Statement

As part of a thorough materiality assessment of potential impacts, risks, and opportunities, delfortgroup has concluded that the topic area S3 (Affected Communities) is currently not materially relevant to the company. The company-specific analysis shows that there are no significant overlaps between the company's activities and these risk areas. Accordingly, this topic area was not included in the current report.

To ensure comprehensive reporting, the data points were derived based on the double materiality analysis, and their relevance was assessed by mapping them to the identified material impacts, risks, and opportunities (IROs). The process also evaluated the extent to which transition provisions are being utilized and which data points are still excluded from the scope of reporting and auditing for the fiscal year (see ESRS 2 BP-2). E4 – Biodiversity and Ecosystems, E3 – Water and Marine Resources, and E2-4 – Air, Water, and Soil Pollution were supplemented with company-specific disclosures. The following table lists the disclosures covered in the Sustainability Report.

Table of Contents – ESRS Data Points

List of Data Points in General and Topic-specific Standards arising from other EU Legislation

Disclosure requirement and associated data point	Material	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Act Reference
ESRS 2 GOV-1 Board's gender diversity, paragraph 21(d)	yes	Indicator No. 13 in Appendix 1, Table 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II	
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21(e)	yes			Commission Delegated Regulation (EU) 2020/1816, Annex I	
ESRS 2 GOV-4 Statement on Due Diligence, paragraph 30	yes	Indicator No. 10 in Annex 1, Table 3			
ESRS 2 SBM-1 Participation in Activities Related to Fossil Fuels, paragraph 40(d)(i)	yes	Indicator No. 4, Table 1 in Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6), Table 1: Qualitative information on environmental risks, and Table 2: Qualitative information on social risks	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40(d)(ii)	yes	Indicator No. 9 in Annex 1, Table 2		Commission Delegated Regulation (EU) 2020/1816, Annex I	
ESRS 2 SBM-1 Involvment in activities related to controversial weapons, paragraph 40(d)(iii)	no	Indicator No. 14 in Annex 1, Table 1		Delegated Regulation (EU) 2020/1818 (7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco, paragraph 40(d)(iv)	no			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	
ESRS E1-1 Transition Plan to reach climate neutrality by 2050, Paragraph 14	yes				Regulation (EU) 2021/1119, Article 2, Paragraph 1
ESRS E1-1Untertakings exempt from the Paris-aligned benchmarks, paragraph 16(g)	yes		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate Change Transition Risk: Credit Quality of Expo-sures by Sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2)	
ESRS E1-4 GHG Emission Reduction Targets, paragraph 34	yes	Indicator No. 4 in Annex 1, Table 2	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Climate Change Transi-tion Risk: Alignment Metrics	Delegated Regulation (EU) 2020/1818, Article 6	
ESRS E1-5 Energy consumption from fossil fuels disaggregated by sources (only high climate impact sectors) paragraph 38	yes	Indicator No. 5 in Appendix 1, Table 1, and Indicator No. 5 in Appendix 1, Table 2			

Disclosure requirement and associated data point	Material	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Act Reference
ESRS E1-5 Energy consumption and Mix, paragraph 37	yes	Indicator No. 5 in Appendix 1, Table 1			
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	yes	Indicator No. 6 in Annex 1, Table 1			
ESRS E1-6Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44, paragraph 44	yes	Indicators No. 1 and 2 in Annex 1, Table 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate Change Transition Risk: Credit Quality of Exposures by Sector, emissions, and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6, and Article 8(1)	
ESRS E1-6 Gross GHG emissions intensity, paragraphs53 to 55	yes	Indicator No. 3, Table 1 in Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book Climate Change Transition Risk: Alignment Ratios	Delegated Regulation (EU) 2020/1818, Article 8(1)	
ESRS E1-7 GHG removals and carbon credits, paragraph 56	yes (not within the scope of the report)				Regulation (EU) 2021/1119, Article 2(1)
ESRS E1-9Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	yes			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9	yes		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject tophysical risk		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	yes / Phase-in		Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Paragraph 34; Template 2: Banking Book – Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral		
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69	yes / Phase-in			Commission Delegated Regulation (EU) 2020/1818, Annex II	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water, and soil, paragraph 28	yes	Indicator No. 8 in Annex 1, Table 1 Indicator No. 2 in Annex 1, Table 2 Indicator No. 1 in Annex 1, Table 2 Indicator No. 3 in Annex 1, Table 2			

Disclosure requirement and associated data point	Material	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Act Reference
ESRS E3-1 Water and Marine Resources, paragraph 9	yes	Indicator No. 7 in Annex 1, Table 2			
ESRS E3-1 Dedicated policy paragraphparagraph 13	yes	Indicator No. 8 in Appendix 1, Table 2			
ESRS E3-1 Sustainable oceans and seas, paragraph 14	no	Indicator No. 12 in Annex 1, Table 2			
ESRS E3-4 Total volume of water recycled and reused, paragraph 28(c)	yes	Indicator No. 6.2 in Annex 1, Table 2			
ESRS E3-4 Total water consumption in m^3 per net revenue from own operations, paragraph 29	yes	Indicator No. 6.1 in Appendix 1, Table 2			
ESRS 2 – SBM-3 – E4, paragraph 16, letter a, subparagraph i	yes	Indicator No. 7 in Appendix 1, Table 1			
ESRS 2 – SBM-3 – E4, paragraph 16(b)	yes	Indicator No. 10 in Annex 1, Table 2			
ESRS 2 – SBM-3 – E4, paragraph 16(c)	yes	Indicator No. 14 in Annex 1, Table 2			
ESRS E4-2 Sustainable land / agriculture practices or policies, paragraph 24(b)	no	Indicator No. 11 in Annex 1, Table 2			
ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24(c)	no	Indicator No. 12 in Annex 1 Table 2			
ESRS E4-2Policies to address deforestation, paragraph 24(d)	yes	Indicator No. 15 in Annex 1 Table 2			
ESRS E5-5 Non-recycled waste, paragraph 37(d)	no	Indicator No. 13 in Annex 1 Table 2			
ESRS E5-5 Hazardous and Radioactive Waste, paragraph 39	no	Indicator No. 9 in Annex 1, Table 1			
ESRS 2 SBM3 – S1 Risk of forced labour, paragraph 14(f)	no	Indicator No. 13 in Annex I, Table 3			
ESRS 2 SBM3 – S1 Risk of Child Labor, Paragraph 14(g)	no	Indicator No. 12 in Annex I, Table 3			
ESRS S1-1 Human Rights Policy Commitments, paragraph 20	yes	Indicator No. 9 in Appendix I, Table 3 and Indicator, No. 11 in Annex I,			

Disclosure requirement and associated data point	Material	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Act Reference
ESRS S1-1Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, Paragraph 21	yes			Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-1 Procedures and Measures for preventing Trafficking in Human Beings, paragraph 22	yes	Indicator No. 11 in Annex I, Table 3			
ESRS S1-1 Workplace accdident prevention policy or management system, paragraph 23	yes	Indicator No. 1 in Annex I, Table 3			
ESRS S1-3 Grievance/Complaints handling mechanisms, paragraph 32(c)	yes	Indicator No. 5 in Annex I, Table 3			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88(b) and (c)	yes	Indicator No. 2 in Annex I, Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities, or illness, paragraph 88(e)	yes	Indicator No. 3 in Annex I, Table 3			
ESRS S1-16 Unadjusted gender pay gap, paragraph 97(a)	yes (not included in the report)	Indicator No. 12 in Annex I, Table 1		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive CEO pay ratio, paragraph 97(b)	yes (not within the scope of the report)	Indicator No. 8 in Annex I, Table 3			
ESRS S1-17 Incidents of discrimination, paragraph 103(a)	yes	Indicator No. 7 in Annex I, Table 3			
ESRS S1-17Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104(a)	yes	Indicator No. 10 in Annex I, Table 1, and Indicator No. 14 in Annex I, Table 3		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)	
ESRS 2 SBM3 – S2 Significant risk of child labor or forced labor in thevalue chain, paragraph 11(b)	yes / Phase-in	Indicators No. 12 and 13 in Annex I, Table 3			
ESRS S2-1 Human rights policy commitments, Paragraph 17	yes / Phase-in	Indicator No. 9 in Annex 1, Table 3, and Indicator No. 11 in Annex 1,			
ESRS S2-1 Policies related to value chain workers, paragraph 18	yes / Phase-in	Indicators No. 11 and 4 in Annex 1, Table 3			
ESRS S2-1 Non-respect or UNGP's on Business and Human Rights principles and OECD Guidelines, paragraph 1	yes / Phase-in	Indicator No. 10 in Annex 1, Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)	
ESRS S2-1Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8,, paragraph 19	yes / Phase-in			Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, Paragraph 36	yes / Phase-in	Indicator No. 14 in Annex 1 Table 3			

Disclosure requirement and associated data point	Material	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Act Reference
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles, and/or OECD Guidelines, paragraph 17	no	Indicator No. 10 in Appendix 1, Table 1		53,836 mm	
ESRS S3-4 Human rights issues and incidents, paragraph 36	no	Indicator No. 14 in Annex 1, Table 3			
ESRS S4-1 Policies related to consumers and end users, paragraph 16	yes / Phase-in	Indicator No. 9 in Annex 1, Table 3, and Indicator No. 11 in Annex 1, Table 1			
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 17	yes / Phase-in	Indicator No. 10 in Annex 1, Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)	
ESRS S4-4 Human rights issues and incidents, paragraph 35	yes / Phase-in	Indicator No. 14 in Annex 1, Table 3			
ESRS G1-1 United Nations Convention against Corruption, paragraph 10(b)	yes	Indicator No. 15 in Annex 1, Table 3			
ESRS G1-1 Protection of whistleblowers, paragraph 10(d)	yes	Indicator No. 6 in Annex 1, Table 3			
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24(a)	yes	Indicator No. 17 in Annex 1, Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24(b)	yes	Indicator No. 16 in Annex 1, Table 3			

environmental information

Environmental information

EU Taxonomy Reporting

General

The EU Taxonomy is an instrument of European sustainability regulation. It was introduced by Regulation (EU) 2020/852 and serves as a uniform classification system for assessing whether economic activities are considered environmentally sustainable. The focus is particularly on climate protection and other environmental objectives. The goal of the Taxonomy is to direct capital flows toward sustainable economic sectors and thus make an effective contribution to achieving the European Union's climate goals.

As part of the European Commission's Omnibus Initiative I of 2025, Delegated Regulation (EU) 2026/73, published in the Official Journal on January 8, 2026, also amended Delegated Regulation (EU) 2021/2178 regarding Article 8 of the EU Taxonomy Regulation (EU) 2020/852. This results in reductions in the scope of the reporting forms and, under certain conditions, simplifications in the assessment of covered economic activities. Disclosure of information in accordance with the EU Taxonomy Regulation (EU) 2020/852 in conjunction with (EU) 2021/2178 will take place as of December 31, 2025, in this version. Since uncertainties regarding the legal interpretation of parts of the provisions still exist, the legal interpretations of the European Commission, as published in its notices in the Official Journal, will be relied upon to the extent deemed appropriate.

The technical assessment criteria of the EU Taxonomy do not currently cover the core business of delfortgroup. The main activities focus on the production of specialty papers and paper-based packaging solutions. At present, these areas are not classified as economic activities within the meaning of the EU Taxonomy. Accordingly, only a small portion of revenue currently relates to economic activities covered by the EU-Taxonomy.

delfortgroup is closely monitoring further developments at the EU level and will adjust its reporting system accordingly as needed.

Identification of Activities

The EU Taxonomy identifies six overarching environmental objectives against which economic activities are assessed. These objectives include:

- (CCM) Climate Change Mitigation,
- (CCA) Climate Change Adaptation,
- (WTR) Water and Marine Resources,
- (CE) Circular Economy,
- (PPC) Pollution Prevention and Control, and
- (BIO) Biodiversity and ecosystems.

The EU Taxonomy requires reporting on the proportion of **revenue, capital expenditures (CapEx),** and **operating expenses (OpEx)** attributable to **taxonomy-eligible** or taxonomy-aligned activities. delfortgroup's economic activities have been classified according to their taxonomy eligibility based on the environmental objective to which they make the most significant contribution. An economic activity is considered taxonomy-aligned if it contributes significantly to an environmental objective, meets the applicable technical screening criteria, does not cause significant harm to any of the other environmental objectives (Do No Significant Harm – DNSH), and fulfills fundamental minimum social safeguards. Only if all criteria are fully met may this activity be reported as a taxonomy-aligned economic activity. In the reporting year, delfortgroup did not assess the Taxonomy-alignment of economic activities in relation to **revenue** and **OpEx,** as the calculated values for revenue and OpEx associated with taxonomy-eligible economic activities were each below the defined materiality threshold of 10% in accordance with Delegated Act (EU) 2026/73. A detailed explanation of the materiality threshold applied is provided in the following "Omnibus" chapter. For the **CapEx KPI,** the technical assessment criteria for the identified economic activities were analyzed. However, it cannot currently be confirmed with sufficient certainty that the requirements of the "Do No Significant Harm" principle and the minimum protection requirements are fully met.

For the assessment of taxonomy eligibility, a list of all potentially taxonomy-eligible economic activities was first compiled using the **EU Taxonomy Compass** tool. Based on the descriptions applicable to these activities, it was verified whether corresponding activities exist within delfortgroup. Relevant activities were identified and marked accordingly. Subsequently, the relevant experts from the respective business units assessed these activities for compliance with the activity descriptions and requirements defined in the taxonomy. External specialists were also involved in the process of assessing whether an economic activity should be classified as taxonomy-eligible or not. delfortgroup avoids any double-counting across multiple economic activities by allocating revenue, CapEx, and OpEx directly to the respective economic activity. Furthermore, all identified economic activities are assigned to only one environmental objective.

In the second step, revenue, capital expenditures (CapEx), and operating expenses (OpEx) were analyzed in detail. A detailed description of the methodology and results is provided in the following sections: **Revenue KPIs, CapEx KPIs,** and **OpEx KPIs.**

Revenue KPI

At the end of 2025, delfortgroup conducted an analysis of its total external revenue with regard to the EU Taxonomy. Revenue in 2025 amounted to **EUR 1.202,2 million** (revenue in the income statement, in the 2025 consolidated financial statements). It was determined that only a small portion of **0.36%** of total revenue is attributable to taxonomy-relevant economic activities, affecting the construction and real estate, water supply, and energy sectors.

The following economic activities were listed in column 14 of the reporting form as non-material activities:

- CCM 4.1 Electricity generation using photovoltaic technology
- CCM 4.5 Electricity generation from hydropower
- CCM 4.15 District heating/cooling distribution
- CCM 5.1 Construction, expansion, and operation of water extraction, treatment, and supply systems
- CCM 7.7 Acquisition of and ownership of buildings

delfortgroup records the largest share of these economic activities in activity CCM 4.15 District heating/cooling distribution, which reflects revenue from the sale of district heating. In second place is the economic activity CCM 4.5 Hydropower generation, which relates to revenue from the sale of electricity. The smallest share is represented by the activity CCM 7.7 Acquisition and ownership of buildings, followed by the leasing of company housing.

The share of non-core revenue activities in delfortgroup's total revenue (EUR 1,202.2 million) amounted to **0.36%** in the reporting year, or **EUR 4.3 million**. The low proportion of such revenue is primarily attributable to the fact that revenue from the core business, the production of specialty papers, classified under NACE category 17 is currently not covered by the EU taxonomy.

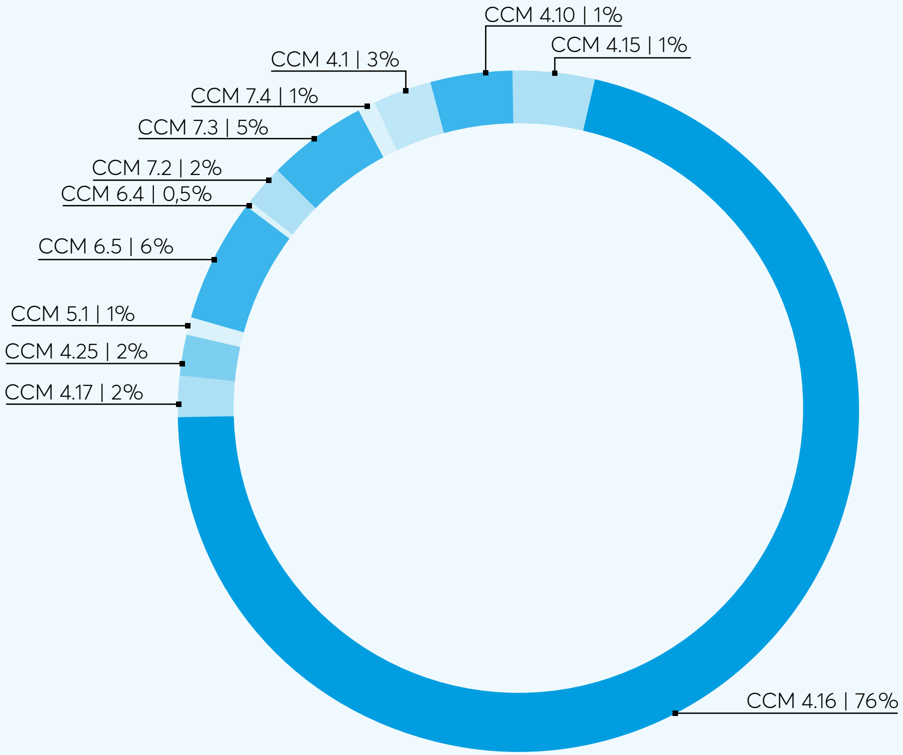
CapEx KPI

Capital expenditures (denominator) correspond to the additions to fixed assets reported in the consolidated statement of changes in fixed assets (Note 1 to the consolidated financial statements), with investments in financial instruments and advance payments excluded from the calculation of the denominator. The share of taxonomy-eligible investments (CapEx) in delfortgroup's total capital expenditures amounted to **12.2%** in the reporting year. This means that delfortgroup exceeded the defined materiality threshold of **10%** in **2025** and is generally required to conduct a alignment assessment of the relevant economic activities. However, because compliance with the DNSH criteria and minimum protection requirements cannot currently be fully verified, taxonomy alignment could not be achieved in the reporting year.

The largest share is accounted for by economic activity **CCM 4.16 "Installation, maintenance, and repair of renewable energy technologies".** The corresponding investment volume amounted to **EUR 5.4 million** in 2025, which corresponds to **9.3% of total investments.**

- Other contributions, which are included in column 14 of the report form, are attributable to the following:
- CCM 4.1 Electricity generation using photovoltaic technology
- CCM 4.10 Storage of electricity
- CCM 4.15 District heating/cooling distribution
- CCM 4.17 Cogeneration of heat/cool and power from solar energy
- CCM 4.25 Production of heat/cool using waste heat
- CCM 5.1 Construction, extension and operation of water collection, treatment and supply systems
- CCM 6.4 Operation of personal mobility devices, cycle logistics
- CCM 6.5 Transport by motorbikes, passenger cars, and light commercial vehicles
- CCM 7.2 Renovation of existing buildings
- CCM 7.3 Installation, maintenance, and repair of energy efficiency equipment
- CCM 7.4 Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

→ **Breakdown of the 9.3% taxonomy-eligible and 2.9% non-material economic activities**



These taxonomy-relevant economic activities totaled **EUR 7.0 million** in 2025, while total investments according to **the CapEx denominator** amounted to **EUR 57.7 million.**

OpEx KPI

The denominator for the OpEx KPI includes, according to the EU Taxonomy, a list of potentially relevant and non-capitalized operating expenses:

- Building renovation actions
- Maintenance and repair
- Short-term leasing
- Research and development costs
- Employee training costs
- Expenses for other direct actions to improve resource efficiency

Only direct costs are relevant; that is, no overhead costs such as depreciation.

The OpEx denominator, that is, the sum of relevant non-capitalized costs, amounts to approximately EUR 40.2 million in 2025. The 10% materiality threshold is thus approximately EUR 4 million. This threshold was not exceeded in the reporting year, which is why no alignment assessment in accordance with the EU Taxonomy Regulation was required for OpEx costs.

Composition of the denominator (full year 2025):

50.25.00 – Maintenance material costs	
50.30.00 – Service and maintenance contracts	
50.35.00 – Roller maintenance	
50.40.00 – IT costs for maintenance, license fees, and materials	
50.50.00 – IT costs for external consulting on IT infrastructure maintenance	
50.70.00 – Fleet maintenance	
50.80.00 – Other maintenance	
41.50.00 – Training and continuing education costs	
55.20.00 – Rent and leases	
Total	**40,247,553.69**

The share of non-material OpEx activities in delfortgroup's OpEx denominator (EUR 40.2 million) amounts to **4.5%** in the reporting year, or **EUR 1.8 million.** The largest contribution to this comes from economic activity CCM 4.5, electricity generation from hydropower.

The following additional economic activities were included in column 14 of the report form as non-material activities:

- CCM 4.15. District heating/cooling distribution
- CCM 4.17 Cogeneration of heat/cool and power from solar energy
- CCM 5.1 Construction, extension and operation of water collection, treatment, and supply
- CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles
- CCM 7.2 Renovation of existing buildings
- CCM 7.3 Installation, maintenance, and repair of energy efficient equipment
- CCM 7.7 Acquisition and ownership of buildings

Report Form I

Fiscal Year	**2025**														
KPI (1)	**Total (2)**	Proportion of taxonomy-eligible activities (3)	Taxonomy-aligned activities (4)	Proportion of taxonomy-aligned activities (5)	Breakdown of taxonomy-aligned activities by environmental objective						Proportion of enabling activities (12)	Proportion of transitional activities (13)	Unassessed non-material activities (14)	Taxonomy-aligned activities in the previous fiscal year (2024) (15)	Proportion of taxonomy-aligned activities in the previous fiscal year (2024) (16)
					Climate protection (6)	Climate change adaptation (7)	Water (8)	Circular economy (9)	Environmental pollution (10)	Biodiversity (11)					
Text	**EUR**	%	EUR	%	%	%	%	%	%	%	%	%	%	EUR	%
Revenue	**1.202.223.746**	**0,0%**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0,4%**	**-**	**-**
CapEx	**57.749.913**	**9,3%**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2,9%**	**-**	**-**
OpEx	**40.247.554**	**0,0%**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4,5%**	**-**	**-**

Report Form II CapEx

Reported KPI (CapEx)		**CapEx**											
Fiscal Year		2025											
Economic activities (1)	Code (2)	Taxonomy-eligible KPI (Proportion of taxonomy-eligible CapEx) (3)	Taxonomy-aligned KPI (monetary value of CapEx) (4)	Taxonomy-aligned KPI (Proportion of taxonomy-compliant CapEx) (5)	Environmental objective of taxonomy-aligned activities						Enabling activity (12)	Transitional activity (13)	Taxonomy-aligned share of taxonomy-eligible activities (14)
					Climate protection (6)	Climate change adaptation (7)	Water (8)	Circular economy (9)	Environmental pollution (10)	Biodiversity (11)			
Text		%	EUR	%	%	%	%	%	%	%	(E, if applicable)	(E, if applicable)	%
Installation and operation of electric heat pumps	CCM 4.16.	**9,3%**	**-**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**
Total alignment by objective					**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**			
Total KPI value (CapEx)		**9,3%**	**-**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**-**	**-**	**0,0%**

ESRS E1 Climate Change

Strategy

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

delfortgroup is firmly committed to addressing the challenges of climate change and aligns its strategy and actions with the goals of the Paris Agreement, particularly the limitation of global warming to 1.5°C. The company is not excluded from the EU Paris-aligned benchmarks.

To achieve this goal, the Executive Board adopted a company-wide plan to mitigate climate change ("Climate Transition Plan" or "CTP") in 2024. The Supervisory Board is informed about key issues during its regular meetings and at the strategic level.

The transition plan contains concrete measures and guidelines for the systematic reduction of greenhouse gas emissions within delfortgroup's own business operations as well as along the entire value chain.

As part of the transition plan, delfortgroup has committed to achieving net-zero emissions across the entire value chain by 2050 and has set corresponding science-based GHG emission reduction targets in accordance with the SBTI Net Zero Standard. These were successfully validated by the Science Based Targets Initiative (SBTi) in November 2025. Further details on the climate targets for Scopes 1, 2, and 3 are provided in Chapter E1-4.

A key element of the transition plan is the "decarbonization roadmap", which consolidates detailed site-specific plans into a Group-wide decarbonization plan through 2050. This plan also takes into account the need to maintain competitiveness and economic feasibility. The transition plan and the decarbonization roadmap are reviewed regularly to ensure they align with new technologies. New developments are evaluated both technically and economically and, if feasible, integrated into the plan.

The decarbonization roadmap is based on five key pillars ("decarbonization levers"), four of which relate to Scope 1 and Scope 2:

- Procurement of renewable and CO_2-free energy
- Renewable energy generation
- Electrification
- Improving energy efficiency
- The fifth lever involves the removal of unavoidable greenhouse gases (GHG removals).

These levers and the corresponding measures are described in more detail in Chapter E1-3.

The decarbonization of Scope 3 emissions is also part of the transition plan, with a particular focus on collaboration with stakeholders along the entire value chain.

For the Scope 3.1 category (purchased goods and services), the focus is spend-based, prioritizing those suppliers responsible for the majority of Scope 3.1 emissions. Another key measure is improving data quality by collecting primary emissions data from suppliers to enable more accurate calculations as well as better-informed management and decision-making.

Many of the key raw material, chemical, and packaging suppliers share the decarbonization goals or have set their own science-based targets in accordance with the SBTi. In the logistics sector, concrete emission reductions are expected through initiatives such as route optimization and the transition to electric vehicles.

The decarbonization roadmap takes into account capital expenditures (CapEx) and assesses the impact on operating expenses (OpEx) over short-, medium-, and long-term time horizons through 2050, both at site level and on a consolidated basis for the paper-producing sites, printing sites, and delfortgroup as a whole.

To achieve the climate targets, investments totaling approximately EUR 200 million in decarbonization projects are planned for the period from 2023 to 2033. Of this amount, more than EUR 50 million in investments have already been made between 2023 and 2025. The decarbonization roadmap and the transition plan are incorporated into the long-term financial planning to ensure that measures requiring investment are taken into account through at least 2033 – within the respective political and regulatory frameworks necessary for successful implementation from both economic and environmental perspectives.

Investments in decarbonization projects include, for example, the use of photovoltaic systems, the electrification of heat and steam generation through electric boilers and heat pumps, the installation of biomass boilers, and improvements in energy efficiency. This reduces dependence on fossil fuels and increases the share of renewable and CO_2-free electricity. In addition, this can reduce the locked-in emissions of delfortgroup's current infrastructure, as it was originally designed for the use of fossil fuels such as natural gas, particularly in steam and heat generation plants.

In recent years, the boiler systems at the European paper-producing sites have already been retrofitted to allow for potential operation with biogenic liquid fuels. This enables the transformation to be accelerated, although economic constraints such as high costs, limited availability, and the necessary infrastructure for storage and logistics play a role. As a compensatory measure, delfortgroup has already invested in three electric boilers, and a fourth is currently under construction.

Since the base year 2023, delfortgroup has reduced its Scope 1 & 2 emissions by 15.2%, significantly exceeding the SBTi target path.

Impact, Risk, and Opportunity management

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

delfortgroup reviews its policies and guidelines annually to ensure they are based on the latest scientific, regulatory, market-related, and business developments. The following policies form the central framework for climate protection and the promotion of sustainable business activities.

With the introduction of the **"delfort Climate Care Program"** in 2019, the company laid the foundation for its long-term **net-zero strategy.** As part of this program, a roadmap with priority action areas was defined, with the **goal of achieving net-zero emissions across the entire value chain by 2050.** Details are provided in Chapter E1-3.

Climate Change Policy (IRO 1, 2, 3, 4)

The Climate Change Policy contains a clear commitment to the net-zero target in accordance with the criteria of the Science Based Targets initiative (SBTi) and defines high-level guidelines and key measures for achieving the target, which are categorized into five "decarbonization levers". Another key measure is collaboration and open dialogue with customers, suppliers, and other stakeholders. In addition, the policy defines the key performance indicators (KPIs) that delfortgroup reports on annually in connection with its established goals for emissions reduction and energy efficiency. The ultimate responsibility for compliance with the "Climate Change Policy" lies with delfortgroup's Executive Board. The Head of Corporate CapEx & Maintenance, in collaboration with the respective managing directors, is responsible for operational implementation at delfortgroup locations.

The Climate Change Policy is implemented at the sites as part of the ISO 14001 and ISO 50001 management systems. It applies to all delfortgroup sites, employees, and business partners.

Code of Conduct (IRO 1, 2, 3, 4)

delfortgroup's Code of Conduct establishes the binding rules of conduct for delfortgroup's business activities and describes, among other things, the commitment to reducing the environmental impact of products and activities as well as the sustainable and responsible use of resources. It is supplemented by delfortgroup's Environmental Policy (see E4-1), which also provides for the implementation of circular economy principles and the promotion of recycling and reuse. Ultimate responsibility for compliance with the Code of Conduct lies with delfortgroup's Executive Board. The Head of Corporate Legal, in collaboration with the respective managing directors, is responsible for operational implementation at delfortgroup locations. Further information on the Code of Conduct can be found in Chapter G1-1.

Supplier Code of Conduct (IRO 1)

delfortgroup's Supplier Code of Conduct defines the minimum requirements for business partners in the upstream supply chain. In addition to fundamental topics such as compliance with legal regulations, human and labor rights, and occupational health and safety, the Code also includes comprehensive environmental requirements. Suppliers are obligated to comply with international environmental standards, minimize environmental pollution, and implement continual improvements in environmental protection and the management of air emissions. Ultimate responsibility lies with delfortgroup's Executive Board. The Head of Corporate Procurement Fiber Materials and the Head of Corporate Procurement Non-Fiber Materials are responsible for operational implementation in collaboration with the managing directors of the sites and the purchasing departments.

Further information on the Supplier Code of Conduct can be found in Chapter G1-1.

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

To achieve the climate protection goals listed under E1-4, delfortgroup relies on five interlinked decarbonization levers. Four of these levers relate to Scope 1 and 2, with the following assumptions made regarding CO_2 reduction potential:

- Procurement of renewable and CO_2-free energy (30%)
- Renewable energy generation (15%)
- Electrification (45%)
- Increasing energy efficiency (10%)

The percentages refer to the total Scope 1 & 2 value. The fifth lever is the removal of greenhouse gases, which primarily concerns unavoidable emissions, which, according to SBTi, may not exceed 10% of total emissions. This applies in particular to the value chain. In the area of Scope 3 emissions from purchased goods and services as well as upstream and downstream transportation, the company collaborates with its suppliers.

In 2025, the Group's capital expenditures totaled EUR 61.3 million, of which EUR 1.74 million was allocated to climate-related topics. Taxonomy-related capital and operating expenditures are listed in the "Taxonomy" section.

The decarbonization levers and measures are explained in more detail below.

Procurement of renewable and CO_2-free energy (IRO 1, 3, 4, 8)

A central component of delfortgroup's decarbonization strategy is the transition to renewable and CO_2-free energy sources. Since delfortgroup does not produce wood pulp and therefore does not have the internal bioenergy generation typical for the paper industry, the company has so far relied on other energy sources, particularly natural gas. To reduce dependence on fossil fuels, the procurement of renewable and CO_2-free electricity is being continually expanded. In the reporting year, this applied to the Tervakoski, OP Papírna, Wattens Vietnam and Deutsche Benkert sites.

Renewable Energy Generation (IRO 1, 3, 4, 8)

Another key component of the decarbonization roadmap is increasing the share of self-generated renewable energy. During the reporting year, work began on expanding the existing photovoltaic system at the Wattens Vietnam site, which offers an additional CO_2 reduction potential of approximately 260 tons. At the Feurstein, OP Papírna, and Deutsche Benkert GmbH sites, the evaluation of photovoltaic projects was initiated.

In addition, the evaluation of biomass use began at the Wattens Vietnam, Dunafin, and Feurstein sites. A dedicated management function was established for the strategic development of the "renewable energy" area.

Electrification (IRO 1, 3, 4, 8)

As part of its decarbonization strategy, delfortgroup is focusing on the electrification of suitable processes, particularly through the use of electric steam generation systems.

A major milestone and flagship project on the path to net-zero emissions was implemented at the Tervakoski site (Finland). An electrode boiler was initially commissioned at the end of 2023 and further optimized in 2024. In the reporting year, as the final step of the site's energy supply decarbonization project, the world's largest steam-generating heat pump was commissioned, which utilizes industrial waste heat for steam generation. The large heat pump (LHP), in conjunction with a mechanical vapor recompression (MVR) system, enables the generation of high-temperature steam without CO_2 emissions. The system recovers low-grade waste heat from the industrial process and upgrades it using CO_2-free electricity. The project demonstrates the concrete potential of CO_2-free heating technologies as a replacement for fossil fuel boilers in demanding industrial applications that require steam at temperatures above 150°C. With a total investment of over EUR 50 million, energy consumption was reduced, the use of fossil fuels was avoided, and the site was enabled to achieve zero emissions (Scope 1 & 2). This makes a significant contribution to achieving net-zero emissions along the entire value chain.

Electrification projects are currently being evaluated at other sites or are already in the planning phase. In the reporting year, a total of four electrification projects with a total CO_2 savings potential of 29,500 t were completed (including the large heat pump described above, along with an electric boiler, as well as a second electric boiler at the OP Papírna site).

Increasing Energy Efficiency (IRO 1, 4, 8)

Another key component of delfortgroup's climate and decarbonization strategy is the continual modernization of production facilities and the optimization of operational processes. In doing so, the company relies on the latest technologies, proven methods, and standardized processes to reduce energy consumption.

Another important tool is the "Real Time Action" method, which uses appropriate control systems to monitor and analyze production processes in real time. In addition, a preventive maintenance system is in place for the early detection of efficiency losses. Regular cross-site collaboration further promotes the exchange of best practices regarding energy-efficient processes and projects.

In 2025, a total of 22 energy efficiency projects with an overall CO_2 savings potential of 2,300 t were completed.

Removal of unavoidable greenhouse gases (IRO 1, 8)

delfortgroup views the long-term need for greenhouse gas removal as another strategic lever for decarbonization, particularly with regard to hard-to-abate Scope 3 emissions, but also, where applicable, from its own processes. To achieve its own net-zero targets, the company is currently exploring and evaluating options for carbon sequestration and capture. This is intended to offset those emissions that cannot be directly avoided through the above-mentioned measures in accordance with the SBTi Net Zero Standard. At the same time, both the legal framework for the use of such technologies and their technical availability are currently unclear or limited. Therefore, technological and regulatory developments are being monitored in order to implement appropriate measures as soon as reliable framework conditions and mature technologies are available.

Scope 3 emissions related to purchased goods and services as well as transportation (IRO 1, 8)

To reduce emissions from purchased goods and services as well as transportation in particular, delfortgroup actively collaborates with suppliers. Priority is given to those suppliers responsible for the majority of Scope 3.1 emissions. Many key suppliers of raw materials, chemicals, and packaging have set their own science-based targets in line with the Science Based Targets initiative (SBTi). This measure aims to achieve the majority of the emissions reduction by 2033 in the Scope 3 categories covered by delfortgroup's short-term SBTi emissions reduction target (see E1-4) – a total reduction of 32.5%. A key focus remains on improving data quality by collecting primary emissions data from suppliers to enable more accurate and informed decisions.

Metrics and Targets

Disclosure Requirement E1-4 – Targets Related to Climate Change Mitigation and Adaptation

Emissions reduction targets (IRO 1, 2, 3, 4)

In 2023, delfortgroup formally joined the Science Based Targets initiative (SBTi), thereby committing to set science-based targets for emissions reduction, and specifically to achieve net-zero emissions across the entire value chain by 2050 in accordance with the SBTi guidelines and aligned with the 1.5°C target of the Paris Agreement. This goal is also included in the "Climate Change Policy" and the climate transition plan and contributes to UN Sustainable Development Goals 7, 9, and 13.

Subsequently, delfortgroup defined short- and long-term absolute reduction targets for Scope 1, Scope 2, and Scope 3 emissions.

The targets were established by an internal team of energy and technology experts in accordance with the applicable SBTi guidelines and using IPCC climate scenarios (1.5°C and 2°C) to derive an appropriate catalog of measures. The year 2023 was selected as the base year for net-zero emissions, as this year does not exhibit any significant deviations or anomalies. The greenhouse gas inventory was also compared with previous years. The targets were validated by the Science Based Targets initiative on November 6, 2025.

Any update to the base year will be carried out in accordance with the guidelines of the Science Based Targets initiative.

Near-term targets (by 2033):

- Reduction of absolute **Scope 1 and Scope 2** emissions by **54.6%** compared to the base year 2023.
- Reduction of absolute **Scope 3 emissions** from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, processing of sold products, and end-of-life treatment of sold products by **32.5%** compared to the base year 2023.

Long-term targets (by 2050):

- Reduction of absolute **Scope 1 and Scope 2** emissions by **90%** compared to the base year 2023.
- Reduction of absolute **Scope 3 emissions** from purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, upstream leased assets, downstream transportation and distribution, processing of sold products, and end-of-life treatment of sold products by **90%** compared to the base year 2023.

Net-Zero Target:

- Achieve net-zero emissions across the value chain by 2050

Detailed information on the base year and target values, including those for 2030, as well as progress toward achieving the targets, is disclosed in Chapter E1-6.

Main sources of greenhouse gas emissions and associated measures

The largest sources of emissions within delfortgroup are:

- **Scope 1:** Steam generation through the combustion of fossil fuels
- **Scope 2:** Purchased electricity
- **Scope 3:** Purchased goods and services as well as their transport, in particular the production and delivery of pulp, other fuel- and energy-related emissions (not included in Scope 1 and 2), processing of sold products, and end-of-life treatment of sold products.

To achieve these targets, delfortgroup relies on the five interlinked decarbonization levers and measures described in more detail in E1-1 and E1-3 (including the associated CO_2 savings potential).

Energy Efficiency Target (IRO 1, 4)

In addition, in 2023, delfortgroup, in consultation with internal stakeholders, redefined the voluntary energy efficiency target that had been in place for its paper-producing sites, setting a new target to reduce specific energy consumption by 11% (per 1,000 m^2 of net saleable paper) by 2030 compared to the base year 2023. This target is also embedded in the "Climate Change Policy" and the climate transition plan and contributes to UN Sustainable Development Goals 7, 9, and 13. Compared to the base year 2023, energy intensity was reduced by 2.9% in 2025.

Disclosure Requirement E1-5 – Energy Consumption and Mix

delfortgroup's main business activities fall under NACE categories 17 (manufacture of paper and paper products) and 18 (printing and reproduction of recorded media), and thus under sectors with high climate relevance. In 2025, the company generated total net revenue of EUR 1.202 billion, of which 0.36% was attributable to sectors with high climate relevance (2023: EUR 1.135 billion; a percentage cannot be provided as delfortgroup was not yet subject to taxonomy requirements in 2023).

In paper manufacturing, delfortgroup operates as a non-integrated company. This entails a higher dependence on various fuels, particularly natural gas. However, the focus is on the gradual transition to alternative energy sources and electrification, as described in the climate transition plan under Chapter E1-1.

Various energy sources are used for electricity consumption, including fossil, nuclear, and renewable electricity. Renewable energies are classified as renewable only if the electricity supplier provides the corresponding proof of origin (Guarantee of Origin, iRec, long-term power purchase agreements for renewable energy (PPAs)). Consumption figures are collected separately for each site and reported on a consolidated basis at the Group level in this report.

E1-5.37 – Energy Consumption

		Entire Group	
ENERGY CONSUMPTION	**Unit**	**2023 (Base Year)**	**2025**
Total energy consumption related to own operations	MWh	1,469,000	1,638,000
Total energy consumption from fossil sources	MWh	1,254,000	1,136,000
Fuel consumption from coal and coal products	MWh	41,000	39,000
Fuel consumption from crude oil and petroleum products	MWh	76,000	7,000
Fuel consumption from natural gas	MWh	659,000	770,000
Fuel consumption from other fossil sources	MWh	10,000	27,000
Consumption of purchased electricity, heat, steam, and cooling from fossil sources	MWh	469,000	293,000
Total energy consumption from nuclear sources	MWh	106,000	271,000
Total energy consumption from renewable sources	MWh	109,000	231,000
Consumption of purchased or acquired fuels from renewable sources	MWh	0	160
Consumption of purchased or received electricity, heat, steam and cooling from renewable sources	MWh	75,000	196,000
Consumption of self-generated non-fuel renewable energy	MWh	34,000	35,000

		Entire Group	
ENERGY CONSUMPTION	**Unit**	**2023 (base year)**	**2025**
Total energy consumption from fossil sources	%	85.0	69.0
Total energy consumption from nuclear sources	%	7.0	17.0
Total energy consumption from renewable sources	%	7.0	14.0

E1-5.39 – Energy production

		Entire Group	
ENERGY PRODUCTION	**Unit**	**2023 (Base Year)**	**2025**
Total energy production	MWh	808,000	949,000
Non-renewable energy production	MWh	754,000	830,000
Renewable Energy production	MWh	54,000	119,000

E1-5.40 – Energy intensity based on net revenue

		Entire Group	
ENERGY INTENSITY	**Unit**	**2023 (Base year)**	**2025**
Energy intensity[1]	MWh/M€	1,294	1,362
Energy intensity[2]	MWh/1,000 m^2 of net saleable paper	0.14	0.136

1 To calculate energy intensity, delfortgroup's total energy consumption is divided by net sales.

2 The energy intensity per 1,000 m^2 of net saleable paper refers to the energy efficiency target described under E1-4 and applies only to paper-producing sites. For the calculation, the total energy consumption of the paper-producing sites is divided by the net saleable paper (in 1,000 m^2). The figures presented in the German audited version were originally reported in an incorrect unit and have been corrected accordingly.

Disclosure Requirement E1-6 – Gross Scopes 1, 2, 3 and Total GHG Emissions

The collection and calculation of greenhouse gas emissions are carried out in accordance with the requirements of ESRS E1 "Climate Change" and in consideration of the guidelines of the Greenhouse Gas Protocol (GHG Protocol). Emissions are classified into Scope 1, Scope 2, and Scope 3 in accordance with the GHG framework.

The GHG Protocol defines Scope 1 emissions as direct emissions from company-owned or controlled sources, Scope 2 emissions as indirect emissions from purchased energy (electricity, steam, heat, and cooling), and Scope 3 emissions as other indirect emissions along the value chain.

Total GHG emissions are reported as the sum of Scopes 1, 2, and 3, both location-based and market-based.

The greenhouse gas inventory is calculated annually; the values in the internal reporting systems are reviewed monthly using the dual-control principle to ensure accuracy and completeness. It includes the greenhouse gases specified in the Kyoto Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3). The Global Warming Potential (GWP) was used to calculate the respective CO_2 equivalents.

Data Sources and Data Collection Methods

Various data collection and calculation methods are used to calculate the greenhouse gas inventory, and the most appropriate methods and emission factors are applied.

Scope 1 and 2 Emissions

Three data collection and calculation methods are applied for Scope 1 and Scope 2 emissions:

1. Average data method:
Use of collected activity data (e.g., mass, flow rate, or weight) in combination with appropriate emission factors.

2. Supplier-specific method:
Use of primary data provided directly by suppliers, provided it is available and reliable.

3. Hybrid approach:
A combination of primary data and average data to fill data gaps in a transparent and consistent manner.

The quality of the emission factors was assessed using a pedigree matrix. This evaluates accuracy, data quality, and uncertainties, as well as geographic, technical, temporal, and dataset-related representativeness.

Scope 1 Emissions

delfortgroup's European paper mills are subject to the EU Emissions Trading System (ETS). For the calculation of Scope 1 emissions, emission factors are applied in accordance with the respective national legal requirements. For production sites outside the ETS, emission factors from recognized secondary databases (e.g., DEFRA or IEA) are used.

delfortgroup's Scope 1 emissions include, in particular, emissions from the on-site combustion of fuels or process-related emissions during production.

Scope 2 Emissions

To calculate location-based Scope 2 emissions, data from the International Energy Agency (IEA) database that was valid or available at the time this report was prepared was used.

To calculate market-based Scope 2 emissions, the electricity mix or emission factor reported by the respective electricity supplier, as well as corresponding guarantees of origin (GoOs, iRECs, long-term power purchase agreements (PPAs)), were used.

delfortgroup's Scope 2 emissions primarily consist of indirect emissions resulting from the consumption of purchased electricity, heat, and steam.

Scope 3 Emissions

Scope 3 reporting is based on the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, which defines 15 categories. These categories encompass all upstream and downstream activities along the value chain.

Due to the complexity of the product portfolio and the diverse range of applications, the calculation method for Scope 3 emissions is based on assumptions and models that are regularly reviewed.

Spend-based approach or emissions calculation using activity data

For Scope 3 calculations, a spend-based method is generally used, in which the economic value is multiplied by the relevant cradle-to-gate emission factors based on spend. The spend-based emission factor uses the highest uncertainty factor of 10%, while other methods, depending on data quality, exhibit higher reliability ranging from 3% to 10%.

The calculation of emissions from purchased goods and services, upstream and downstream transportation, employee commuting, fuel- and energy-related activities (not included in Scope 1 and 2), processing of sold products, and emissions from end-of-life treatment of sold products is performed spend-based and/or based on activity data.

For the calculation of emissions from upstream transportation, an average vehicle size and loading pattern are assumed. A suitable emission factor is applied, supplemented by a distance estimate based on common route planning tools. The transport of technical and maintenance materials, as well as commuter traffic from service providers, is excluded, as it is assumed that the majority of these emissions are included in the emissions of purchased goods and services.

delfortgroup regularly monitors potential changes or events that could have a material impact on the level of emissions or the comparability of data across different reporting periods. For the 2025 reporting period, no material changes were identified that would have significantly affected the reported emission figures.

E1-6.44 Gross GHG emissions for Scopes 1, 2, and 3, as well as total GHG emissions

Greenhouse gas emissions	Entire Group									
	Unit	2023 (Base year)	2025	2025/2023 [%]	2030	2030/2023 [%]	2033	2033/2023 [%]	2050	2050/2023 [%]
Total GHG emissions (location-based)	**t CO_2eq**	**1,377,092**	**1,433,944**	**4.1%**						
Total GHG emissions (market-based)	**t CO_2eq**	**1,440,014**	**1,437,293**	**-0.2%**	**812,666**	**-44.0%**	**676,086**	**-53.0%**	**133,568**	**-91.0%**
GHG Scope 1 & 2 (market-based)	t CO_2eq	396,273	336,080	-15.2%	244,817	-38.0%	179,908	-54.6%	39,627	-90.0%
GHG Scope 1 (gross)	t CO_2eq	189,074	195,460	3.4%	116,810	-38.0%				
Percentage of Scope 1 GHG emissions from regulated emissions trading systems	%	69.0%	80.0%							
GHG Scope 2 (gross, location-based)[1]	t CO_2eq	144,277	137,271	-4.9%						
GHG Scope 2 (gross, market-based)[1]	t CO_2eq	207,199	140,620	-32.1%	128,007	-38.0%				

Greenhouse gas emissions	Entire Group									
	Unit	2023 (Base year)	2025	2025/2023 [%]	2030	2030/2023 [%]	2033	2033/2023 [%]	2050	2050/2023 [%]
GHG Scope 3, total gross volume[1]	**t CO_2eq**	**1,043,741**	**1,101,213**	**5.5%**	**567,849**	**-22.8%**	**496,179**	**-32.5%**	**93,941**	**-90,0%**
GHG Scope 3 Category 1: Purchased goods and services	t CO_2eq	365,870	356,512	-2.6%	248,718	-32.0%	x		x	
GHG Scope 3 Category 2: Capital goods	t CO_2eq	34,577	31,387	-9.2%					x	
GHG Scope 3 Category 3: Fuel- and energy-related activities (not included in Scope 1 or 2)	t CO_2eq	117,868	109,359	-7.2%	81,948	-30.0%	x		x	
GHG Scope 3 Category 4: Upstream transportation and distribution	t CO_2eq	87,045	109,423	25.7%	16,764	-81.0%	x		x	
GHG Scope 3 Category 5: Waste generated in operations	t CO_2eq	1,443	712	-50.7%					x	
GHG Scope 3 Category 6: Business traveling	t CO_2eq	3,687	4,456	20.9%					x	
GHG Scope 3 Category 7: Employee commuting	t CO_2eq	8,991	8,764	-2.5%					x	
GHG Scope 3 Category 8: Leased assets	t CO_2eq	Not material	Not material							
GHG Scope 3 Category 9: Downstream transportation and distribution	t CO_2eq	16,642	18,844	13.2%					x	
GHG Scope 3 Category 10: Processing of sold products	t CO_2eq	244,601	277,006	13.2%	132,268	-46.0%	x		x	

Greenhouse gas emissions	Entire Group									
	Unit	2023 (Base year)	2025	2025/2023 [%]	2030	2030/2023 [%]	2033	2033/2023 [%]	2050	2050/2023 [%]
GHG Scope 3 Category 11: Use of sold products	t CO_2eq	0	0							
GHG Scope 3 Category 12: End-of-life treatment of sold products	t CO_2eq	163,017	184,751	13.3%	88,151	-46.0%	x		x	
GHG Scope 3 Category 13: Downstream leased assets	t CO_2eq	0	0							
GHG Scope 3 Category 14: Franchises	t CO_2eq	0	0							
GHG Scope 3 Category 15: Investments	t CO_2eq	0	0							

1 Including Group holding company

E1-6.53 Greenhouse gas intensity based on net sales revenue

Greenhouse gas intensity based on net sales	Entire Group		
	Unit	2023 (Base Year)	2025
Total greenhouse gas emissions intensity (location-based)	t CO_2eq/ M€	1,216	1,195
Total greenhouse gas emission intensity (market-based)	t CO_2eq / M€	1,272	1,198
Greenhouse gas emissions intensity (market-based) [1] Scope 1 & 2	t CO_2eq / 1,000 1,000 m^2 net saleable	0.036	0.027
Greenhouse gas emissions intensity (market-based) [1] Scope 1, 2, & 3	t CO_2eq/ 1,000 m^2 net saleable	0.132	0.132

1 The figures presented in the German audited version were originally reported in an incorrect unit and have been corrected accordingly.

Disclosure requirement E1-8 – Internal carbon pricing

delfortgroup applies an internal CO_2 pricing system based on the European Emissions Trading System (ETS) for its European sites subject to the ETS. For sites not subject to the ETS or located outside Europe, a CO_2 shadow price is applied for investment decisions related to the decarbonization of Scope 1. This is part of the overarching climate strategy and decarbonization roadmap, which is aligned with the company's SBTi-validated emission reduction targets.

The following CO_2 prices apply:

Sites subject to the ETS: 65–85 EUR/t CO_2 (covered Scope 1 emissions: 156,259 t CO_2e)

Other sites: 0–85 EUR/t CO_2 (covered Scope 1 emissions: 39,211 t CO_2e)

Internal CO_2 pricing, or the application of a CO_2 shadow price, is used solely to support climate-related investment decisions, the prioritization of projects, and strategic scenario planning aligned with climate goals. Furthermore, it strengthens delfortgroup's strategic positioning with regard to future developments related to the introduction of CO_2 taxes in the countries where the company operates.

ESRS E2 Pollution

Impact, Risk, and Opportunity Management

Disclosure Requirement E2-1 – Policies related to pollution

Pollution Policy (IRO 5, 6)

The Pollution Policy sets forth delfortgroup's commitment to preventing, reducing, and controlling environmental pollution at its own sites and throughout the upstream value chain, as well as to complying with applicable local laws and regulations.

The goal is to responsibly manage and reduce the environmental impacts of business operations through effective measures, while pursuing a preventive and precautionary approach. These measures include ISO 14001-certified or compliant environmental management systems and corresponding internal and external audits, as well as regular monitoring of air and water emissions, including appropriate reporting. They also encompass modern and legally compliant production processes as well as efficient wastewater treatment to reduce the environmental impact of air and water emissions. Furthermore, local emergency response plans for potential environmental incidents are developed and continually updated, and regular training sessions are conducted for employees.

To the extent technically and economically feasible, delfortgroup also strives to reduce end-of-life environmental impacts through appropriate product design. Within the supply chain, the company requires its suppliers to implement appropriate measures to reduce or prevent environmental pollution. The Pollution Policy applies to all delfortgroup locations and employees, as well as to contractors, suppliers, and other business partners. Ultimate responsibility for compliance with the Pollution Policy lies with delfortgroup Executive Board. The Head of Corporate Manufacturing Processes, in collaboration with the managing directors of delfortgroup's locations, is responsible for operational implementation at these sites. The Pollution Policy is reviewed annually and adjusted as necessary to reflect developments in environmental law, including the revised Industrial Emissions Directive.

Supplier Code of Conduct (IRO 5, 6)

The Supplier Code of Conduct requires all suppliers to comply with applicable environmental laws and international standards, to minimize environmental pollution, and to continually improve environmental protection. This includes the safe and legally compliant management of waste, air emissions, and wastewater discharges, as well as the implementation of an appropriate environmental management system. Further details on the Supplier Code of Conduct can be found under G1-1.

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

delfortgroup's actions are aimed at preventing or reducing environmental pollution at the source.

Environmental Management Systems (IRO 5, 6)

All delfortgroup production sites have established processes and systems to monitor and control emissions to air and water, as well as the associated impacts and risks of environmental pollution. Ten of the 13 sites are ISO 14001 certified, while the remaining sites manage environmental risks and issues in accordance with the principles of ISO 14001.

Each site is responsible for complying with national laws and regulations as well as local permits, which, together with the ISO standard, govern the relevant air and water emissions to be monitored.

Wastewater Treatment and Monitoring of Air and Water Emissions (IRO 5, 6)

To ensure high wastewater quality, reduce the use of chemicals, and protect surrounding ecosys-tems, the paper-producing sites operate high-performance wastewater treatment plants or have entered into corresponding contracts with external service providers.

Four of delfortgroup's six paper mills operate wastewater treatment plants that provide tertiary treatment. Another paper mill operates a plant for primary treatment before the wastewater is sent to an external partner for tertiary treatment. The sixth paper mill sends all of its wastewater to an external partner for tertiary treatment.

The paper-producing sites ensure compliance with statutory and regulatory wastewater limits through continual monitoring of temperature, pH, total suspended solids (TSS), biological oxygen demand (BOD), chemical oxygen demand (COD), nitrogen, and phosphates.

Air emissions such as CO_2, CO, and NOx are measured at least once a year by an external con-tractor.

This is anchored in the environmental and energy management systems implemented by delfortgroup in accordance with ISO 14001 and ISO 50001. Compliance is ensured through regular internal and external audits as well as monitoring of regulatory developments.

With regard to the parameters listed, the "Best Available Techniques (BAT) Reference Document for the Production of Pulp, Paper, and Cardboard" was also consulted. Compliance with site-specific environmental orders and permits is monitored by the respective local authorities. Any deviations are reported in accordance with the relevant regulations.

Risk Management and Emergency Plans (IRO 5, 6)

To ensure the proactive identification of potential risks, regular monitoring of air and water emissions is conducted, supplemented by annual site-level environmental assessments in accordance with or based on ISO 14001 and the relevant legal requirements.

All production sites are equipped with emergency and crisis plans to ensure rapid and coordinated responses in the event of an environmental incident.

If increased risks are identified, the affected site develops and implements specific action plans. These are supplemented by regular employee training (including digital learning formats) on topics such as pollution prevention and emergency management to ensure that employees act correctly in an emergency and that potential environmental impacts are minimized.

Technological Improvements (IRO 5, 6)

The company makes targeted investments in modern technologies and the efficient use of resources to integrate sustainability into production processes. For example, an optimized burner control system was implemented at the site in the Czech Republic in 2022. As a result, the regulatory limit for NOx emissions is not only met as before, but is now below the limit despite increased production. In addition, best practices and the EU Best Available Techniques (BAT) Reference Document for the Production of Pulp, Paper, and Cardboard (BREF) are applied to sustainably minimize emissions and discharges. Depending on the project, delfortgroup in some cases goes beyond legal requirements, particularly in reducing air pollutants, to support environmental and climate goals.

Reducing environmental impacts in the value chain (IRO 5, 6)

Actions to reduce environmental pollution also extend to the value chain.

As part of responsible procurement, suppliers are obligated to protect the environment through the Supplier Code of Conduct (see E2-1).

In the downstream value chain, the development and production of very lightweight specialty pa-pers make a significant contribution to reducing environmental impacts. The lower material re-quirements reduce the resource intensity of production. At the same time, transport-related emis-sions decrease. The lower basis weight makes it possible to transport significantly more paper (in m^2) per ton, thereby reducing the number of transport trips required. In the design of delfortgroup's packaging papers, consistent attention is paid to optimal recyclability, which contributes to reduced waste generation and an improved circular economy. At the same time, these actions help customers reduce their own ecological footprint.

Metrics and Targets

Disclosure Requirement E2-3 – Targets Related to Pollution

Compliance with regulatory limits (IRO 5, 6)

delfortgroup has not defined a Group-wide target related to air and/or water pollution. Each operational site is responsible for complying with local laws as well as regulatory limits and requirements for air and water emissions. These values also serve as internal site-specific targets.

This applies in particular to the following pollutants:

Water:

- Chemical Oxygen Demand (COD)
- Biological Oxygen Demand (BOD)
- Adsorbed Organic Halogens (AOX)

Air:

- NOx
- CO
- Particulate matter

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

As part of its environmental management system, delfortgroup complies with applicable national legal requirements and established industry standards to ensure that emissions to air and water are recorded and reported consistently and reliably. Air pollutants such as CO_2 and NO_x are meas-ured with the assistance of external specialists who use standardized procedures in accordance with legal requirements. Water emissions are monitored through regular sampling, supplemented by laboratory analyses, to assess wastewater quality and detect potential contamination at an early stage.

The reported figures are consolidated values and include only the emissions from those sites where the threshold value specified in Annex II of Regulation (EC) No. 166/2006 ("PRTR Regulation") is exceeded.

In addition to the emissions reported under the PRTR Regulation, the following indicators are reported on a company-specific basis and are included in the table below: Biological Oxygen Demand (BOD) and Chemical Oxygen Demand (COD).

Air emissions by pollutant	Unit	Entire Group 2023 (base year)	2025
Non-methane volatile organic compounds (NMVOC)	kg	591,023	454,656
Nitrogen oxides (NOx/NO2)	kg	101,858	110,680
Hydrochlorofluorocarbons (HCFCs)	kg	0	15

Water emissions by pollutant	Unit	Entire Group 2023 (base year)	2025
Mercury and compounds (as Hg)	kg	2	1
Nickel and compounds (as Ni)	kg	98	64
Zinc and compounds (as Zn)	kg	112	29
Halogenated organic compounds (as AOX)	kg	1,193	1,411
Trichlorobenzenes (TCBs) (all isomers)	kg	1	0
Nonylphenol and nonylphenol ethoxylates (NP/NPEs)	kg	2	2
Di-(2-ethylhexyl) phthalate (DEHP)	kg	1	1
Total organic carbon (TOC) (as total C or COD/3)	kg	659,475	652,727
Chemical oxygen demand (COD)	kg	463,726	490,511
Biological oxygen demand (BOD)	kg	86,464	89,681

All pollutant and emission data are systematically recorded in structured Excel spreadsheets and consolidated and analyzed at the end of the year. This system makes it possible to track emission trends over time, identify patterns, and take early action if necessary. Data collection is carried out through a combination of automated monthly entries – particularly for wastewater volumes – and supplementary annual manual data collection. A standardized dual-control principle is applied to ensure data quality. The monitoring is conducted in accordance with the EU Best Available Techniques (BAT) Reference Document for the Production of Pulp, Paper, and Cardboard (BREF).

ESRS E3 Water and Marine Resources

Impact, Risk and Opportunity Management

Disclosure Requirement E3-1 – Policies related to water and marine resources

Water Policy (IRO 6, 7)

delfortgroup's Water Policy contains the Group's clear commitment to the responsible use of water as a resource. It is in line with the overarching goals of the EU Green Deal, the EU Water Framework Directive, the Kunming-Montreal Global Biodiversity Framework, and UN Sustainable Development Goals (SDGs) 6 and 14.

The Water Policy sets out fundamental guidelines for the responsible use of water and the reduction of environmental impacts associated with water use. This includes, among other things, the goal of reducing specific water withdrawal by 21% per 1,000 m² of net saleable paper by 2030 (base year: 2023, paper-producing sites only – see E3-4). At the same time, advanced wastewater treatment and strategies for circular water management are intended to prevent the pollution of process water. The Water Policy applies to all delfortgroup sites, employees, contractors, and suppliers. delfortgroup's Executive Board bears ultimate responsibility for compliance. The Head of Corporate Manufacturing Processes, in collaboration with the managing directors of the operational sites, is responsible for operational implementation at delfortgroup's locations. The policy is reviewed annually and adjusted as necessary.

Principles embedded in the Water Policy include compliance with local and international environmental standards, sustainable water use, groundwater conservation, ensuring good ecological and chemical water quality, and protecting the biodiversity of aquatic ecosystems by preventing harmful discharges. The policy is reviewed annually and adjusted as needed to account for changing standards, risks, and customer requirements.

Supplier Code of Conduct (IRO 6, 7)

The Supplier Code of Conduct requires all suppliers to comply with applicable environmental laws and international standards, to continually improve environmental protection, and to responsibly manage business activities that may have adverse effects on the environment. Further information on the Supplier Code of Conduct is provided in Chapter G1-1.

Disclosure Requirement E3-2 – Actions and resources related to water and marine resources

Actions

Paper production is inherently a water-intensive process that requires the withdrawal of significant volumes of water from surface water bodies and groundwater reservoirs. Responsible and resource-efficient water management is therefore one of the company's key environmental aspects. Accordingly, delfortgroup established actions as well as management processes and systems years ago to continually monitor and improve water withdrawal, water quality, and water efficiency. The materiality analysis confirmed that water withdrawal is a material issue for the paper-producing sites.

Environmental Management Systems (IRO 6, 7)

Ten of delfortgroup's 13 production sites are ISO 14001 certified, while the remaining sites manage environmental risks and issues in accordance with the principles of ISO 14001. This includes the regular assessment of water-related environmental aspects, the development of efficiency measures, and measures to reduce freshwater withdrawal. Progress is tracked through monitoring, measurement, and audits to ensure continual improvement in water-related environmental performance.

Monitoring (IRO 6, 7)

The production sites record the volume of freshwater withdrawn, water consumption, as well as wastewater volume and quality on a monthly basis. In addition, certain water emissions are recorded and monitored to ensure compliance with legal or regulatory limits for discharged water. Further details can be found under E2 – Environmental Pollution (Water).

The process control systems at the paper-producing sites enable real-time monitoring of water withdrawal and certain water parameters, allowing for immediate corrective action in the event of deviations. Consumption figures are recorded monthly in a reporting tool, verified according to the dual-control principle, and then checked for plausibility by experts from the Group holding company.

Technical measures to reduce freshwater withdrawal and to treat and reuse process water (IRO 7)

To minimize environmental impact and, in particular, reduce fresh water withdrawal, delfortgroup relies on closed-loop systems and highly efficient wastewater treatment at its paper-producing sites wherever possible. Closed-loop systems enable the reuse of treated production water for internal processes such as cleaning and cooling, thereby reducing dependence on external water sources. Continual improvement processes and regular exchanges of energy and water experts between sites contribute to the internal sharing of knowledge regarding best practices.

Technical improvement measures, including necessary capital expenditures (CapEx) and associated operating expenses (OpEx), are recorded on a site-by-site basis in a project list for energy and water projects. This includes, in particular, technical measures to reduce freshwater withdrawal, each assessed based on its corresponding future savings potential. This list is compiled jointly by energy and water experts with the active participation of technical experts at the Group holding company and in consultation with local management, consolidated at Group level, and agreed upon with the Executive Board.

Risk Assessments (IRO 7)

delfortgroup regularly conducts water risk assessments to identify and mitigate potential risks and, where necessary, develop appropriate actions. The risk assessments are initially conducted using recognized tools such as the WRI Aqueduct and the WWF Water Risk Filter, and are then re-evaluated internally with regard to specific local conditions, such as required water demand, existing infrastructure, and local water supply. Further information on this can be found in Chapter ESRS 2 regarding E1–IRO-1 and E3–IRO-1.

Stakeholder Engagement and Supply Chain (IRO 7)

Regarding water, delfortgroup maintains regular communication with relevant stakeholders, including customers, suppliers, and industry associations. Discussions with customers focus on water usage, goals, and potential risks. Additionally, delfortgroup's employees participate in expert groups within national industry associations to ensure early preparedness for any regulatory changes. Suppliers are required by the Supplier Code of Conduct to responsibly manage activities that may have adverse environmental impacts and to implement an appropriate environmental management system.

Particularly in the area of wood pulp procurement, it is evident that the responsible use of water is also material for suppliers and is given a correspondingly high priority. delfortgroup collects data on water usage annually and holds discussions with selected suppliers regarding their sustainability agenda, risk management, and performance.

The Tervakoski site is a regional partner of the Vanajavesi Center, an initiative aimed at improving the ecological condition of water bodies in the Vanajavesi Lake watershed through ecological restoration approaches and the promotion of environmental education, biodiversity, and climate adaptation. Municipalities, NGOs, companies, and citizens are integrated into a long-term cooperation model. The site conducts systematic monitoring of the water quality of the water withdrawn and discharged, supplemented by collaboration with the Vanajavesi Foundation to monitor soil and water conditions. By participating in local events organized by the Vanajavesi Center, the site contributes to raising awareness about the protection of regional water bodies.

Product Design (IRO 7)

With regard to product design, delfortgroup has developed a framework for responsible product design ("Responsible Product Design Framework"). One criterion is the greatest possible efficiency in production processes and in the use of resources. This also includes the use of water. Many of the papers produced by delfortgroup are also biodegradable or compostable, thereby minimizing the risk of water pollution at the end of their lifecycle. Further information on the Responsible Product Design Framework can be found in Chapters E5-2 and E5-3.

Metrics and Targets

Disclosure Requirement E3-3 – Targets Related to Water and Marine Resources

Reduction of specific freshwater withdrawal (IRO 7)

delfortgroup has set a voluntary target to reduce specific **freshwater withdrawal by 21% per 1000m² of net saleable paper** (base year: 2023) **by 2030.** This is an net intensity target that covers all paper-producing sites and is anchored in the company's Water Policy. It contributes to UN Sustainable Development Goals 6, 7, and 13. Originally defined in 2019, the target was re-evaluated in 2025 and the base year was reset to 2023.

The target was developed with the involvement of internal stakeholders and experts. During the revision, the views of external stakeholders, such as customers and non-governmental organizations, were also considered. The target is not based on scientific findings, and no ecological thresholds were taken into account. In defining the target, the optimizations of water cycles already implemented in recent years at paper-producing sites, as well as further optimization potential, were analyzed. This includes the necessary technical measures, along with the associated reduction in freshwater withdrawal volumes, corresponding investment costs, and impacts on energy consumption.

The paper-producing sites and printing sites report their freshwater withdrawals monthly using a standardized reporting tool. At the end of the reporting year, the reported volumes are consolidated at the group level, and the intensity is calculated based on net saleable paper (in m²).

In parallel, delfortgroup is improving wastewater treatment and promoting water reuse to minimize discharges and reduce the overall water footprint. Compared to the base year 2023, the freshwater withdrawal intensity was reduced by 6.5% in the reporting year. Details can be found under E3-4.

Disclosure E3-4 – Water consumption

delfortgroup has implemented modern systems for measuring water withdrawal and discharge. In addition, a comprehensive water balance is maintained at all production sites, enabling detailed monitoring of water consumption. In accordance with legal requirements, key parameters related to water discharge are systematically measured. The monthly data from all production sites is consolidated annually using an automated reporting tool. Water withdrawals include water withdrawn at production sites for production and cooling purposes, as well as water withdrawn for cleaning and hygiene purposes. Water consumption is a combination of calculations and estimates of the amount of water that evaporates during production and remains in the product.

The metrics include data only from manufacturing sites.

Water withdrawal, water discharge

		Entire Group	
Water withdrawal by source	**Unit**	**2023**	**2025**
Surface water	m³	7,122,663	7,292,449
Seawater	m³		
Groundwater	m³	5,533,019	5,784,471
Water purchased from third parties	m³	688,126	1,008,838
Water contained in raw materials	m³	10,690	9,678
Public drinking water	m³	137,676	197,075
Total water withdrawal	**m³**	**13,492,175**	**14,292,510**
Water withdrawal in areas with high water stress (excluding drinking water)	m³	72,401	91,751

		Entire Group	
Water discharge to treatment level	**Unit**	**2023**	**2025**
No treatment required	m³	1,787,816	1,529,164
On-site water treatment and discharge into receiving water bodies	m³	8,917,122	9,468,780
Transfer to third parties for wastewater treatment	m³	2,264,403	2,231,322
Total water discharge	**m³**	**12,969,341**	**13,229,266**
Water discharge in areas with high water stress[1]	m³	-	59,697

1 This metric includes water discharge at the four printing sites located in areas with high water stress. Three of these sites use water only for hygiene and cleaning purposes. At the fourth site, water is additionally used for cooling processes and to maintain a constant humidity level in the production area. In 2025, a new measuring station was installed to record water discharge. However, due to technical inaccuracies, it currently provides incomplete or not entirely reliable measurements. Measures to improve measurement accuracy have already been initiated.

The volume of stored water is below a threshold of 1% and is therefore not significant (water storage for fire protection).

E3-4.28-a – Total Water Consumption

		Entire Group	
Water consumption[1]	**Unit**	**2023**	**2025**
Water consumption	m^3	740,259	857,396
Water consumption in areas of high water stress[2]	m^3	-	756

1 Water consumption is calculated based on the water remaining in the product and the water evaporated during the production process. This is not a water balance.

2 This metric includes water consumption at the four printing sites located in areas with high water stress. Three of these sites use water only for hygiene and cleaning purposes. At the fourth site, water is additionally used for cooling processes and to maintain a constant humidity level in the production area. In 2025, a new measuring point was installed to record water discharge. However, due to technical inaccuracies, it currently provides incomplete or not entirely reliable measurements. Measures to improve measurement accuracy have already been initiated.

E3-4.29 – Water Intensity

		Entire Group	
Water intensity (water consumption m^3/revenue)	**Unit**	**2023**	**2025**
Water intensity	m^3/ €M	652	713
Water intensity (freshwater withdrawal m^3/1000 m^2 net saleable paper, paper-producing sites only)[1]			
Water intensity	m^3/ 1,000 m^2	1.34	1.25

1 With regard to the target listed under E3-3 to reduce specific freshwater withdrawal, this metric is reported as a company-specific metric.

Only the withdrawal volumes and the paper (in m^2) produced at the paper-producing sites are used for the calculation.

ESRS E4 Biodiversity and Ecosystems

Impact, Risk and Opportunity Management

Disclosure Requirement E4-1 – Transition Plan and Consideration of Biodiversity and Ecosystems in Strategy and Business Model

As part of the materiality analysis, delfortgroup identified two significant actual or potential impacts related to biodiversity.

Greenhouse gas emissions from the company's own business activities as well as from the upstream and downstream value chain contribute to climate change. Since climate change is a central cause of global biodiversity loss, this results in short-, medium- and long-term negative impacts on natural ecosystems along the entire value chain. Further details on this are explained in Chapter E1.

Furthermore, the production of wood pulp in the upstream supply chain can have potential negative impacts on biodiversity. delfortgroup does not own any forests and sources all of its wood pulp from external suppliers. Despite strict requirements for sustainable, certified forestry, interventions resulting from timber harvesting activities can, in principle, contribute to the degradation of ecosystems. The responsible sourcing of wood pulp is therefore an essential part of delfortgroup's strategy and business model. In this context, FSC™ and PEFC certifications are important tools for ensuring the conservation of biodiversity and the protection of ecosystems. These certifications support the implementation of ecological standards throughout the upstream value chain by preserving and promoting biodiversity through the protection of endangered species, nature-based forest management, and the avoidance of monocultures. Furthermore, they help to minimize negative impacts on the environment (e.g., on soils, water bodies, and sensitive habitats). The certification systems also ensure the involvement of local communities and indigenous groups in decision-making processes, thereby safeguarding ecological and social interests.

delfortgroup consistently relies on certified supply chains and continually reviews its procurement strategy to adapt it to market and environmental changes and proactively address risks such as price volatility or shortages of certified pulp. To mitigate such risks, delfortgroup relies on trusting, long-standing supplier relationships as well as a targeted diversification of its supplier base.

At the same time, adapting to increasingly stringent regulatory requirements, such as the introduction of Regulation (EU) 2023/1115 on deforestation-free supply chains, is becoming increasingly important. delfortgroup monitors regulatory developments early and systematically and takes the necessary actions in a timely manner to implement new requirements. In addition, the potential impacts of such regulations on the business model are carefully evaluated to minimize strategic risks and ensure long-term resilience.

Disclosure Requirement E4-2 – Policies related to biodiversity and ecosystems

With regard to the impacts of greenhouse gas emissions resulting from delfortgroup's business activities or within the value chain, and the corresponding policies, please refer to E1-2 and, in particular, to the Climate Change Policy described in greater detail therein.

Policy on Responsible Wood Pulp Sourcing (IRO 8, 9, 10)

Since delfortgroup sources all of its wood pulp externally, the sustainability commitment extends to the entire value chain. Accordingly, delfortgroup has established principles for the responsible sourcing of wood pulp that ensure the best possible protection of biodiversity in the harvesting areas. A central element is the Responsible Wood Pulp Sourcing Policy. On the one hand, it establishes principles regarding certifications, and on the other hand, it already serves as a framework for compliance with Regulation (EU) 2023/1115 of the European Union and the Council on deforestation-free supply chains. The policy defines corresponding Group-wide standards, procedures, and measures.

In addition to requirements regarding legality, certification, and social responsibility, it includes comprehensive requirements for suppliers to ensure responsible forest management. Unsustainable harvesting, loss of biodiversity, deforestation, ecosystem destruction, and any use of genetically modified trees must be avoided. Suppliers must also actively conserve areas of high conservation value by identifying, managing, and protecting ecologically, socially, and culturally significant areas.

The policy further includes a clear commitment to engaging with stakeholders and maintaining ongoing collaboration with partners to strengthen responsible procurement practices and contribute to the long-term sustainability of forest landscapes.

It applies to all delfortgroup locations as well as to wood pulp suppliers within and outside the European Union. Ultimate responsibility for compliance with the "Responsible Wood Pulp Policy" lies with delfortgroup's Executive Board. The Head of Corporate Procurement Fiber Materials, together with the managing directors and local procurement departments, is responsible for operational implementation at delfortgroup's locations. The policy is reviewed annually and adjusted as necessary. No violations of the Responsible Wood Pulp Sourcing Policy were identified during the reporting year.

Canopy Commitment on the Protection of Ancient and Endangered Forests (IRO 8, 9, 10)

In addition to the Responsible Wood Pulp Sourcing Policy, the Canopy Commitment outlines delfortgroup's pledge not to use any wood pulp sourced from ancient forests or endangered (as identified by the "Forest Mapper" tool). The company supports the goals of the Pack4Good Initiative by the NGO "Canopy" to promote deforestation-free, innovative, and alternative fibers for packaging worldwide. The declaration also includes a commitment to evaluate and promote the use of recycled and alternative fibers, as well as to prioritize certified fibers. Ultimate responsibility for compliance lies with delfortgroup's Executive Board. The Head of Corporate Procurement Fiber Materials, together with the managing directors and local procurement departments, is responsible for operational implementation at delfortgroup's locations.

Code of Conduct (IRO 8, 9, 10)

delfortgroup's Code of Conduct serves as the foundation for the company's business activities. It includes a commitment to environmentally responsible production methods and environmental protection to minimize impacts on the environment and biodiversity. The Code of Conduct applies to all delfortgroup employees. Further details on the Code of Conduct can be found in Chapter G1-1.

Environmental Policy (IRO 8, 9, 10)

delfortgroup's Environmental Policy specifically identifies biodiversity, both within the value chain and in its own business operations, as a relevant issue. It also includes a commitment to preventing environmental pollution and mitigating climate change in order to protect biodiversity. Ten of the 13 locations are ISO 14001 certified, while the remaining locations address environmental risks and issues in accordance with the principles of ISO 14001. The Environmental Policy was implemented as part of these environmental management systems. It applies to all delfortgroup locations, employees, suppliers, and visitors. Ultimate responsibility for compliance with the Environmental Policy lies with delfortgroup's Executive Board. The Head of Corporate Manufacturing & Technical Affairs, together with the managing directors, is responsible for operational implementation at delfortgroup's operational sites. The policy is reviewed annually and adjusted as necessary.

Disclosure Requirement E4-3 – Actions and resources related to biodiversity and ecosystems

Own Activities (IRO 8)

Actions related to mitigating climate change as a driver of biodiversity loss are listed in Chapter E1-2; actions and resources related to environmental pollution are listed in Chapter E2-2.

Activities in the Value Chain

Sustainable procurement of wood pulp through certification (IRO 8, 9, 10)

delfortgroup sources wood pulp exclusively from suppliers who are FSC™ and/or PEFC-certified. The wood pulp itself is also certified according to these standards, with the exception of a minimal share that comes from controlled sources in accordance with FSC™ and/or PEFC. The corresponding metrics are reported under E4-4.

All of delfortgroup's paper-producing sites are certified under both FSC™-Chain-of-Custody and PEFC-Chain-of-Custody. The printing sites are certified under PEFC-Chain-of-Custody, and the Benkert China site is additionally certified under FSC™-Chain-of-Custody.

Another key criterion is the signing of the Supplier Code of Conduct by suppliers. In the reporting year, 100% of wood pulp suppliers had signed delfortgroup's Supplier Code of Conduct or implemented an equivalent internal Code of Conduct.

Employees responsible for wood pulp procurement receive regular training on sustainable procurement. In 2025, no violations of the Responsible Wood Pulp Sourcing Policy were identified.

EU Regulation on Deforestation-Free Supply Chains (EUDR) (IRO 9)

delfortgroup has implemented comprehensive organizational, procedural, and technical measures at its European production sites, designed to meet the requirements of Regulation (EU) 2023/1115 of the European Parliament and of the Council on deforestation-free supply chains ("EU Deforestation Regulation," "EUDR") well in advance of the regulation's planned entry into force.

The existing corporate due diligence system has been specifically expanded to ensure that all affected products comply with the requirements of the EUDR and originate from deforestation-free and legally compliant production. This includes, in particular:

- Supply chain information and data collection
- Risk assessments and corresponding mitigation measures in accordance with Articles 9–11 of the EUDR, both internally and externally, e.g., through specialized NGOs
- Regular due diligence assessments (at least once a year or as needed)
- Due diligence statements in accordance with the requirements of the EUDR
- Supplier audits (conducted by FSC™ and/or PEFC, as well as by delfortgroup)
- Procedures for dealing with suppliers suspected of non-compliance
- Internal management systems: (Group-wide) internal audits, targeted training, Group guidelines and procedures

Due to the postponed entry-into-force of the EUDR and the associated simplifications adopted by the EU institutions in December 2025, as well as the unavailability of the EU system, internal procedures have been suspended for the time being. The revision process at the EU level is being closely monitored so that necessary adjustments to internal tools and processes can be made in a timely manner.

Metrics and targets

Disclosure requirement E4-4 – Targets related to biodiversity and ecosystems

Responsible procurement of wood pulp (IRO 9, IRO 10)

Since 2013, delfortgroup has sourced all of its wood pulp exclusively from suppliers certified under leading international forest certification programs such as FSC™ and/or PEFC. As part of the definition of the 2030 sustainability goals in 2019, maintaining this principle was established as a target.

A further target was set that the proportion of wood pulp certified according to these standards must be at least 90%.

Both targets have been consistently met since then. delfortgroup's commitment accordingly extends to maintaining these targets, which are also enshrined in the "Responsible Wood Pulp Sourcing Policy". The targets contribute to UN Sustainable Development Goals 12, 13, and 15.

The key figures for 2025 are reported in Chapter E4-5.

The targets are not based on specific science-based assumptions but are voluntary, company-specific targets defined with the involvement of internal stakeholders and experts, taking into account delfortgroup's sustainability strategy as well as the requirements and views of external stakeholders, particularly customers. Progress toward these targets is tracked through monthly monitoring of purchased pulp volumes in the internal reporting tool, including certification status. The validity of suppliers' certification status is recorded in an overview and reviewed regularly.

Biodiversity at delfortgroup's own Production Sites

delfortgroup has not yet defined specific biodiversity targets for its own production facilities. Potential and actual impacts are being further evaluated in order to develop appropriate targets by 2030, if necessary.

With regard to climate change as a driver of biodiversity loss, delfortgroup has set science-based targets for reducing greenhouse gas emissions. Details are provided under E1-4.

Company-specific disclosure: Metrics related to biodiversity and ecosystems

Currently, only metrics regarding the procurement of certified wood pulp are disclosed. A Group-wide reporting tool is used to determine these metrics, in which each paper-producing site records the quantities of wood pulp procured, including certification rates, as well as the quantities of certified paper sold on a monthly basis. At the end of the reporting year, the data is consolidated at the group level.

delfortgroup will adjust its disclosures as soon as new findings regarding the impact of its own production sites on biodiversity become available.

The following key figures refer only to the paper-producing sites.

		Entire Group	
Key figures on biodiversity and ecosystems	**Unit**	**2019**	**2025**
FSC™ and/or PEFC-certified wood pulp suppliers	%	100.00	100.00
Purchased wood pulp certified according to FSC™ and/or PEFC	%	94.75	99.96
Purchased wood pulp from controlled sources in accordance with FSC™ and/or PEFC	%	5.25	0.04

ESRS E5 Resource Use and Circular Economy

Impact, Risk and Opportunity Management

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

Code of Conduct (IRO 10, 11)

delfortgroup's Code of Conduct serves as an overarching guideline for the company's business activities. Environmental protection and sustainable, ecologically responsible procurement and production practices are key priorities that align with and support the United Nations Sustainable Development Goals, particularly Goals 12, 13, and 15. This includes efforts to reduce the environmental impact of products and operations, use natural resources responsibly, source wood pulp from PEFC- and/or FSC™-certified suppliers, improve resource and energy efficiency, and develop new technologies, optimized processes, and innovative products that serve to protect or even benefit the environment, nature, and the climate. Further information on the Code of Conduct is provided in Chapter G1-1.

Environmental Policy (IRO 10, 11)

delfortgroup's Environmental Policy describes the company's actions to manage and reduce its environmental impact. The entire lifecycle is taken into account in product design: from responsibly sourced raw materials through product design and resource-efficient operations to end-of-life characteristics. Further information on the Environmental Policy is provided in Chapter E4-1.

Responsible Wood Pulp Sourcing Policy (IRO 8, 9, 10)

Wood pulp is delfortgroup's most important raw material. Since the Group companies do not own or manage any forests, all wood pulp must be purchased externally. The framework for ensuring sustainable procurement, including the relevant FSC™/PEFC certifications, is set forth in the Responsible Wood Pulp Sourcing Policy. A detailed description is provided in Chapter E4-2.

Additional guidelines on the topic of efficient resource use include the Climate Change Policy and the Water Policy, which are explained in more detail in Chapters E1-2 and E3-1, respectively.

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

Resource Inflows

Use of Certified Wood Pulp (IRO 9, 10)

The papers manufactured by delfortgroup are currently based predominantly on virgin fibers. This is primarily due to high product safety requirements, strict regulatory guidelines, and functionality, particularly for applications in the food contact, tobacco, and pharmaceutical sectors. As the most important raw material for the production of specialty paper solutions, wood pulp is sourced exclusively from FSC™-and/or PEFC-certified suppliers and with corresponding certification. Details are provided under E4-2.

Reduction in the Use of Primary Raw Materials (IRO 10)

Key technological actions at delfortgroup's paper-producing sites include reducing solid losses in the production process and increasing material efficiency.

In addition, closed-loop systems have been implemented at all paper-producing sites in recent years to return internally generated, recyclable paper waste back into the paper production process. In this way, delfortgroup reduces the use of primary raw materials while simultaneously increasing resource efficiency.

Evaluation of the use of secondary raw materials and alternative fibers (IRO 10)

To reduce the use of virgin fibers, the company evaluates opportunities for the safe use of post-consumer recycled fibers and collaborates with suppliers to this end. Key criteria include product safety and compliance with regulatory requirements, as well as quality and functionality. Investments in technological developments are also evaluated for this purpose.

Furthermore, alternative fibers are already being used for certain delfortgroup products in addition to or as a substitute for wood pulp. In the reporting year, the company began evaluating the potential of additional fibers from alternative sources, such as agricultural residues or products, from environmental, functional, economic, and technological perspectives. A continuation of the project is planned for 2026.

Resource Outflows

Responsible Product Design (IRO 9, 10, IRO 11)

In 2019, the "Responsible Product Design Framework" was defined for the development of new products. It takes into account all stages of the value chain and ensures that environmental aspects are systematically integrated into product development and design to promote responsible use and disposal. The Responsible Product Design Framework consists of the following pillars:

- Responsible sourcing: Use of renewable, sustainably sourced raw materials.
- Efficient production: Optimization of resource consumption (raw materials, energy, and water).
- Optimized process and convertibility: High-performance paper solutions that minimize resource consumption in customers' production facilities.
- Circular design: Products that are recyclable and/or compostable.

This measure forms the basis for the corresponding target under E5-3; by 2030, all new products are to meet at least one of the criteria.

Development of innovative, lightweight packaging and barrier papers (IRO 11)

A key business area for delfortgroup is the development of innovative, lightweight packaging papers with highly functional barrier properties that can serve as a fiber based alternative to plastic and/or multi-material packaging. By minimizing basis weight as much as possible, the company aims to further reduce the use of primary raw materials.

With regard to recyclability, regulatory developments concerning Regulation (EU) 2025/40 on Packaging and Packaging Waste, in particular the Design for Recycling (DfR) criteria, are continuously monitored. A team of regulatory and research experts ensures that products remain EU-compliant in a timely manner and that requirements can be incorporated into future product developments at an early stage.

Promoting the circular economy through industry cooperation (IRO 11)

As an active member of the 4evergreen alliance, a European initiative aimed at achieving a 90% recycling rate for fiber-based packaging by 2030, delfortgroup contributes to the further development of recyclable packaging. The 4evergreen alliance brings together over 100 companies across the entire value chain – from manufacturers and brand owners to research institutions and recyclers – and thus possesses a broad range of technical expertise. Since joining in 2023, delfortgroup has been contributing its expertise to working groups and supporting the development of practical tools and guidelines to improve the recyclability of packaging solutions. This not only advances the development of uniform industry standards but also enables customer-specific solutions with improved recyclability and optimized resource use.

Joint product development projects with customers and suppliers (IRO 11)

In terms of product development, delfortgroup collaborates with stakeholders along the value chain. Customers are supported in reducing their environmental footprint by further developing the papers they already use – for example, by reducing basis weight or enhancing other sustainability properties. Close communication with suppliers also takes place regarding new developments in the area of raw materials used.

Metrics and targets

Disclosure Requirement E5-3 – Targets Related to Resource Use and Circular Economy

In 2019, delfortgroup defined voluntary sustainability targets for 2030 to achieve measurable progress in the areas of sustainable procurement, resource efficiency, and the circular economy.

Sustainable procurement of wood pulp (IRO 9)

Targets related to the sustainable procurement of wood pulp as the most important raw material are described in Chapter E4-3.

Responsible Product Design (IRO 10, 11)

With regard to product design, the company has set the goal that by 2030, all new product developments will be manufactured in accordance with the "Responsible Product Design Framework". Details of the Responsible Product Design Framework are described in Chapter E5-2. The target applies only to paper-producing sites and contributes to UN Sustainable Development Goals 12, 13, and 15.

The target was defined in 2019, which was also used as the base year. The value for 2019 is 64%. In 2025, the target achievement rate was 91%.

The company did not consider any environmental thresholds when setting its targets. The two targets mentioned under E5-3 relate to paper-producing sites and are based exclusively on internal strategic priorities, regulatory requirements, and economic conditions. This is a voluntary target that is not based on scientific principles. The targets were defined with the involvement of internal stakeholders and experts, taking into account the views of external stakeholders, particularly customers and their requirements for sustainable product design. Information on targets regarding the efficient use of energy and the reduction of specific freshwater withdrawal is included in sections E1-4 and E3-3.

Disclosure Requirement E5-4 – Resource inflows

To manufacture its products, delfortgroup uses both biological materials, such as virgin fibers and recycled fibers from its own production processes, as well as technical materials, such as barrier coatings, fillers, and chemical additives.

E5-4.31-a – Total weight of products, technical materials and biological materials used during the reporting period

		Entire Group	
Weight of products, technical and biological materials	**Unit**	**2023**	**2025**
Total weight of technical materials	t	115,236	113,979
Total weight of biological materials	t	350,594	385,797
Total weight of products (including packaging)	t	19,542	22,877
Total weight of materials used	t	485,372	522,653

E5-4.31-b – Percentage of biological materials used in the production of the company's products and services that come from sustainable sources

		Entire Group	
Percentage of biological materials used in production	**Unit**	**2023**	**2025**
Share of biological materials	%	72.0	74.0

E5-4.31-c – Weight (in absolute numbers and as a percentage) of reused or recycled secondary components, products, and materials used in the manufacture of products and in the company's services

The calculation of input resources is based on data regarding purchased quantities from the ERP system. For the calculation of weight, conversion factors that are available or based on verifiable estimates are applied.

		Entire Group	
Weight of reused and recycled secondary components, products and materials	**Unit**	**2023**	**2025**
Weight of secondary materials used	t	0	0
Percentage of secondary raw materials used	%	0.0	0.0
Weight of secondary intermediate products	t	10,110	11,416
Percentage of secondary intermediate products	%	2.0	2.0
Weight of recyclable materials	t	358,547	392,961
Percentage of recyclable materials used	%	74.0	75.0

Disclosure requirement E5-5 – Resource outflows

Products and materials

E5-5.36-c – Recyclable content in products and their packaging

delfortgroup's products are designed for a circular economy. To calculate the recyclable content of products manufactured by the company, assumptions were made or estimates were calculated based on the 4evergreen Recyclability Guidelines, depending on the product group and corresponding ingredients.

Information regarding the recyclable content of packaging materials is based on estimates derived from material master data.

Since the majority of the specialty paper solutions produced by delfortgroup are used in the fast-moving consumer goods (FMCG) industry, durability metrics are not material and are therefore not reported.

		Entire Group	
Weight of products and packaging	**Unit**	**2023**	**2025**
Total weight of products	t	422,484	481,579
Recyclable weight of products	t	407,794	465,172
Percentage of recyclable materials in products	%	96.5	96.6
Total weight of packaging	t	19,538	22,871
Recyclable weight of packaging	t	19,538	22,871
Percentage of recyclable materials in packaging	%	100.0	100.0

social information

Social Information

SRS S1 Own workforce

Impact, Risk and Opportunity Management

Disclosure Requirement S1-1 – Policies related to own workforce

delfortgroup places the highest priority on the protection of human rights and a safe and respectful work environment. As part of the materiality analysis, all impacts, risks, and opportunities related to the company's own workforce were assessed against these standards, and existing policies were reviewed and adjusted accordingly.

As a member of the UN Global Compact, delfortgroup is clearly committed to adhering to its ten principles. The Group-wide guidelines described below are based on these ten principles as well as on other internationally recognized standards such as the ILO labor standards, the Charter of Fundamental Rights of the European Union, and Chapter V of the OECD Guidelines. They are accessible to all employees and external parties on the company website. A target-group-oriented training program using e-learning and in-person formats ensures that employees and managers receive regular training and develop an awareness of labor and human rights, equal treatment, and the reporting of potential risks and any violations of delfort Code of Conduct.

The guidelines set forth clear positions and measures to ensure strict compliance with labor and human rights, health and safety standards, and to reject and prevent child labor, forced labor, human trafficking, and discrimination (inclu-ding harassment). They also promote diversity, equal opportunity, and inclusion, and prohibit any form of discrimination based on age, disability, gender, sexual orientation, family status, pregnancy, parental leave, race (including skin color, nationality, ethnic or social origin), religion, and political opinion. The company further commits to preventing discrimination in hiring and promotions, pay and benefits, training and development, performance evaluations, and health and safety.

The aforementioned guidelines were developed at headquarters with the involvement of various departments and relevant stakeholders; the Executive Board bears ultimate responsibility for their implementation. The Head of Corporate HR, in collaboration with Corporate Legal and the local managing directors, is responsible for operational implementation. All processes and measures align with the company's own high standards regarding human rights and equal treatment. Beyond this, there are no further policy commitments regarding inclusion and support measures.

An annual Human Rights Performance Assessment at Executive Board level serves to conduct a structured analysis of risks, any incidents or reports received via the whistleblower hotline, and impacts related to labor and human rights. Furthermore, Group-wide guidelines, compliance with them, and the number of training sessions completed are reviewed, and any necessary updates are determined. In addition to the company's own workforce, this also extends to workers in the supply chain and the corresponding company guidelines. The Executive Board, as well as the heads of Human Resources, Procurement, ESG, and Legal, are involved in the Human Rights Performance Assessment.

The internationally applicable framework conditions for cooperation are set out in detail in the following policies:

Labor and Human Rights Policy (IRO 12, 13, 16, 17, 20, 21)

The policy aims to ensure fair, safe, and non-discriminatory working conditions, protect human rights, and fulfill social responsibility throughout the value chain.

In particular, the policy covers adequate compensation and fair working conditions, diversity and equal treatment, freedom of association and collective bargaining, occupational health and safety, and the strict prohibition of forced and child labor. Business partners are required to comply with a Supplier Code of Conduct and are assessed and audited on a risk-based basis. Implementation is supported by training, internal control and monitoring processes, and a Group-wide whistleblower system. Violations are investigated and sanctioned, and whistleblowers are protected from any negative consequences. The effectiveness of the policy is reviewed annually and adjusted as needed. The policy is aligned with internationally recognized standards, in particular the ten principles of the UN Global Compact, the EU Charter of Fundamental Rights, the OECD Guidelines for Multinational Enterprises, and the relevant ILO conventions.

Health and Safety Policy (IRO 18, 19)

The objective of this policy is to create a safe, healthy, and supportive work environment, prevent accidents, and ensure corporate stability and product quality. The policy pursues the "Goal Zero" objective – zero fatal accidents and zero lost-time injuries – and integrates health and safety into corporate strategy, daily processes, and management systems.

To systematically identify and minimize risks, workplaces, machinery, processes, and employee behavior are regularly assessed. Measures include safety inspections, risk assessments, Life Saving Rules, training sessions, and Safety Awareness Talks. All employees are actively involved in preventive measures and safety observations and are required to take responsibility for their own safety and that of their colleagues. The implementation and effectiveness of the policy are monitored through monthly tracking of KPIs, annual audits, and regular review processes by the Executive Board. The policy complies with national laws, industry-specific regulations, and international standards in the field of occupational safety and health.

Forced Labor Avoidance Policy

delfortgroup pursues a zero-tolerance policy toward forced labor in its own operations as well as throughout the entire supply chain. The goal of the policy is to systematically identify, prevent, and, if necessary, effectively address risks.

The risk assessment takes into account, in particular, country-specific, migration, debt, discrimination, and raw material-related risks.

Compliance is monitored through regular internal self-assessments, risk-based supplier audits, and a whistleblower system. The policy is based on internationally recognized standards, in particular the EU Charter of Fundamental Rights, the ILO Core Labor Standards, and ILO Convention No. 29, as well as the OECD Guidelines and the OECD Due Diligence Guidance.

Policy on Diversity, Equity, and Inclusion (IRO 21)

The purpose of this policy is to prevent discrimination and harassment in the workplace, promote equality, and create a respectful and supportive work environment. Diversity is viewed as a strategic success factor that fosters innovation, creativity, and sustainable business success.

It encompasses fair recruitment and development processes, gender-equitable compensation, the promotion of age and cultural diversity, and integration measures for employees from diverse backgrounds. Employees participate in training sessions to raise awareness of diversity and inclusion, and violations of the policy are reported, investigated, and sanctioned as necessary. The implementation and effectiveness of the measures are regularly monitored as part of the annual Human Rights Performance Assessment. The policy is based on generally accepted principles of equal treatment, non-discrimination, and human rights.

There is no separate policy for IRO 14 and 15, as addressing potential risks requires ongoing monitoring, and necessary measures are decided upon as needed.

Disclosure Requirement S1-2 – Processes for engaging with own workers and workers' representatives about impacts

delfortgroup's own workforce is among its most important stakeholders. Their interests, values, and challenges, as well as their health and safety, are essential prerequisites for successful collaboration and the sustainability of the company's strategy and business model.

Open communication, flat hierarchies, and regular dialogue between employees, managers, and employee representatives ensure the active involvement of the workforce in company processes and decisions. This enables the early identification of actual and potential impacts – both positive and negative – as well as risks and opportunities, allowing for the development of appropriate measures. Further positive effects include greater workplace safety, improved decision-making quality, increased motivation, promotion of innovation, a stronger, dynamic corporate culture, and easier implementation of measures.

Communication and participation take place, as far as possible, in the relevant local language and with due regard for equal opportunity and non-discrimination; the company further commits to upholding the right to freedom of expression and the right to privacy.

delfortgroup involves employees and employee representatives through various established formats, including integrative occupational safety measures (such as safety talks and walk-throughs), regular feedback and dialogue formats (e.g. annual performance reviews, location-specific surveys, and information sessions by the Executive Board), as well as processes for continual improvement and cross-location working groups. In addition, organizational development initiatives and leadership training contribute to the further development of structure, collaboration, and leadership culture. Close and structured communication with employee representatives at site, European, and Group levels, as well as the inclusion of employee representatives on the Supervisory Board, ensure that employee interests are represented.

The perspectives of stakeholders are incorporated into delfortgroup's strategic considerations through various channels, including the Group Executive Steering Meetings held twice per year. The Executive Board is responsible for this process. The effectiveness of collaboration with the company's own workforce is regularly analyzed based on feedback from employee reviews and improved as needed by adjusting engagement and communication formats.

Disclosure Requirement S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

All employees receive training at regular intervals via e-learning and/or in-person sessions on guidelines regarding labor and human rights, diversity, equal opportunity, and anti-discrimination. This ensures that all employees are familiar with the processes and channels for reporting incidents and can submit anonymous reports at any time without fear of negative repercussions.

Employees have access to a whistleblower hotline established by the company itself, which is accessible via the internal communication portal, for the anonymous reporting of any incidents. In addition, employees may contact managers, employee representatives, safety representatives, or the Human Resources department at any time. Protection against retaliation or negative consequences is further enshrined in the Labor and Human Rights Policy.

Further details regarding the whistleblower hotline are provided under G1-1.

Should reports of violations of labor and human rights be received, management will immediately initiate an investigation and take appropriate measures if necessary. A structured review is also conducted as part of the annual Human Rights Performance Assessment; see also S1-1.

Employees often raise concerns primarily in person, which underscores their trust in the existing complaint processes.

Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The analysis of material impacts, opportunities, and risks for the company's own workforce, the review of the effectiveness of existing measures, and the derivation of any further goals and measures take place in regular meetings with various stakeholders. In this way, delfortgroup ensures a proactive approach and can also respond promptly and actively to changes and continually refine measures. To this end, the company utilizes various formats, such as bi-annual Executive Steering Meetings, Supervisory Board meetings, the annual Human Rights Performance Assessment, monthly General Manager Meetings, annual and monthly global HR and Work Safety Meetings, the annual meeting of the European Works Council, ongoing coordination with local employee representatives, and the annual evaluation of feedback from employee appraisals.

The assessment takes into account the entire workforce, with individual measures being implemented either across the entire Group or tailored to local conditions, as needed. The necessary human and financial resources are planned locally during the annual budgeting process and approved at the Group level after consolidation. This process also involves an assessment of the analyzed impacts, opportunities, and risks, and, if necessary, an adjustment of the established goals and measures, with a particular focus on avoiding negative impacts in line with the company's strategy and business model.

The measures outlined below are in line with the established goals and take into account potential impacts, opportunities, and risks related to delfortgroup's own workforce. Furthermore, ensuring a safe and stable work environment is a central component of corporate responsibility. The basis for this approach is the unconditional respect for human rights, the equal treatment of all employees, and the protection of each individual, including the responsible handling of personal data, the confidentiality and security of which are of the highest priority.

Health and Safety

The safety of all employees and the protection of their health are of the utmost importance and are a top priority at delfortgroup. Through a comprehensive program to improve workplace safety, the company aims to prevent all workplace accidents and create a safe, healthy, and supportive environment for everyone.

Occupational Health and Safety Management System (IRO 18, 19)

To ensure the health and safety of employees, delfortgroup consistently goes beyond the minimum legal requirements by implementing innovative safety measures and promoting a proactive safety culture. This includes regular training programs, investments in modern equipment, the active involvement of employees and employee representatives, and the promotion of open communication to identify and minimize potential risks.

The occupational health and safety management system for all delfortgroup locations is based on Group-wide uniform guidelines and processes in the areas of risk prevention, leadership culture, and effective communication, in accordance with ISO 45001. Seven of the 13 production sites (54%) are also certified to ISO 45001 and are accordingly subject to external audits.

The fundamentals and framework are anchored in the Health and Safety Policy to collectively achieve the Group-wide goal of zero work-related accidents resulting in lost time ("Goal Zero").

Safety Training (IRO 18, 19)

All employees are required to participate in regular occupational safety training and briefings, which take place as e-learning courses, in-person training sessions, or on-the-job briefings, depending on need or requirement. Employees of third-party companies and external workers also receive appropriate instruction before starting work. Safety training is also an integral part of onboarding, and managers complete a customized training program to fulfill their responsibilities and serve as role models in the area of workplace safety.

Hazard Identification (IRO 18, 19)

The company records and documents all safety-related incidents, including safety observations, near-misses, and accidents resulting in injury or lost time. Every accident is carefully analyzed to derive and implement corrective measures and to provide targeted retraining for employees. Reporting via "Incident Flash Reports" is mandatory for all employees; the anonymized reports are communicated company-wide and analyzed collectively in exchange formats to ensure continual learning and improvement.

Employees can also report unsafe conditions confidentially to the safety representatives appointed at all locations. Daily "Go & See" meetings further raise awareness of potential risks and hazards and support the timely implementation of appropriate precautionary measures. Safety officers and supervisors regularly evaluate workstations together with employees to ensure a safe and healthy work environment. For preventive protection, delfortgroup provides its employees with the necessary personal protective equipment free of charge, as appropriate for their respective activities.

Employees and contractors are required to comply with all internal and legal regulations regarding occupational health and safety and have the right to leave a work environment if, in their view, there is a risk to safety or health.

Lockout-Tagout (LOTO) (IRO 18, 19)

Lockout-Tagout ("LOTO") is a cornerstone of occupational safety and serves to protect against hazards during maintenance and repair work.

In 2025, a particular focus was placed on critically reviewing LOTO practices at all production sites, identifying areas for improvement, and further developing the relevant procedures to enhance safety performance across the Group. The goal is to support each site in developing targeted local measures while simultaneously strengthening a culture of continual learning and the highest safety standards.

Health and Safety Awareness – "Safe Together" (IRO 18, 19)

With the Group-wide "Safe Together" safety campaign, delfortgroup is implementing measures to promote health and safety for all employees at all locations. Spanning two and a half years and covering eight core topics, the campaign aims to sustainably strengthen safety awareness, foster an open safety culture, and promote shared responsibility.

An important component of the safety campaign is the Group-wide "Safety Awareness Talks" (SATs). In 5- to 10-minute discussions between designated safety coaches and employees, work-related risks are addressed and preventive safety measures are communicated.

In the coming phases, employees will be actively involved in "Work Safety Walks" to increase the number of safety observations, reduce unsafe situations, and strengthen individual risk awareness. This initiative is also intended to achieve continual improvement in the recording and analysis of incidents and near-misses. The designation of a "Work Safety Champion" at each location promotes safety-conscious behavior on an ongoing basis.

Workplace Health Program (IRO 18)

Depending on country-specific conditions, employees have access to comprehensive health benefits designed to promote mental and physical well-being, including occupational health services, psychologists, free preventive health screenings, vaccinations, as well as subsidies for gym memberships or physical therapy, etc. In addition, the "Think Healthy Program" offers over 400 individual health initiatives for the workforce. Monthly focuses include health checks, sports classes, lectures, and nutrition and sleep counseling for shift workers.

Emergency Fund (delfort Emergency Fund) (IRO 12, 16)

The "Emergency Fund" ("delfort Emergency Fund") was established by the owners of delfortgroup as an emergency fund for the entire company and supports employees in extraordinary life situations such as family emergencies, accidents, or sudden illnesses. It is available to all employees for an indefinite period. The amount and duration of support are determined on a case-by-case basis. Benefits from the Emergency Fund have already helped employees worldwide in cases of illness, accidents, natural disasters, etc., and have at least financially alleviated their personal hardships.

Other Terms and Conditions of Employment

Compensation and Benefits (IRO 12, 14, 16)

delfortgroup has a structured and fair performance and compensation management system, which is regulated in an internal group process document on "Compensation and Benefits" and applies to all locations. The goal is a fair, performance-based, and competitive salary structure with fixed and variable salary components as well as additional monetary and non-monetary benefits. A consistent salary structure is ensured across all locations. This process is aligned with the business strategy, the sustainability agenda, and risk management. The compensation systems take into account the operational and regional conditions at each location, as well as country-specific collective bargaining agreements and legal frameworks. In addition, local social and fringe benefits are offered that are tailored to market conditions and employee needs (e.g., meal plans, events and activities, gifts, employee discounts, and a company pension plan).

Compensation packages are agreed upon transparently before the employee begins work. At the start of their employment, all employees receive information from the Human Resources department regarding the compensation process, including specific details on the applicable salary scales as well as local procedures for salary reviews and increases.

Compensation packages are reviewed annually and adjusted as necessary. Factors taken into account include wage trends, performance-based criteria, market comparisons, and the design of social and bonus programs. This is done independently of gender, ethnicity, age, religion, etc. Responsibility for this lies with the local managing directors at each location or, for the Group holding company, directly with the Executive Board. As part of the annual budget process, the Executive Board approves the personnel costs of the locations at a high level.

Working conditions, working hours, work-life balance (IRO 13, 15, 16, 21)

Within the framework of local legal requirements, life-stage-oriented working conditions and balanced shift models are designed, and are regularly reviewed for potential improvements. This also includes individual and flexible working time models ranging from part-time to remote work, which are agreed on a needs-based basis depending on personal life situations or life stages, such as due to caregiving responsibilities or health challenges. This is intended to provide employees with long-term employment prospects.

The company is particularly committed to ensuring that employees of all genders can take family-related leave in accordance with local labor law provisions. Depending on national law, this includes maternity/paternity leave, parental leave, and/or leave for family caregivers. During the employee's absence, the company maintains communication with the employee and prepares for their return in a structured manner, including work hours, tasks, and responsibilities. The return to work after extended absences is supported by targeted on-the-job training.

To support families during vacation periods, delfortgroup introduced the delfortkidsclub, in which approximately 150 children participated at five locations during the reporting period. The initiative is planned for an indefinite period, and an expansion to additional locations is under evaluation.

Employee Communication (IRO 17)

The active involvement of employees and employee representatives, as well as the use of digital channels and information boards, enables the workforce to be informed quickly and effectively. In addition, the intranet is available to all employees as a central platform for easily accessing information, guidelines, and self-service options at any time. To avoid language barriers, the information is available in the local languages of the sites. The internal information channels and self-service options are continually maintained and expanded to include current topics.

Training and Development Initiatives (IRO 13, 15, 17, 20, 21)

Performance reviews, training, and professional development initiatives are key tools for fostering employees' professional and personal growth and contribute to the company's long-term success. They boost motivation, retention, and satisfaction, and enable targeted support based on individual needs, potential, and challenges.

Training initiatives strengthen competitiveness by keeping knowledge up to date and expanding skills in a targeted manner. Strategic human resources development fosters talent, reduces staff turnover, and ensures the company's future viability.

The annual "Let's Talk" development review was introduced as a key tool for fostering a collaborative environment based on mutual respect and support. It encompasses performance evaluation, mutual feedback, discussions on business topics, and the identification and planning of training needs and development initiatives. The goal is to systematically support all employees in their development and align individual goals with corporate objectives.

The Group-wide training program is regularly reviewed and adapted to meet needs. It includes mandatory and specialized training as well as leadership programs and is offered in various formats depending on the target group and training content e.g., in-person training, e-learning, and blended learning. These courses are permanently available, primarily as e-learning offerings, such as those on occupational safety, environmental protection, CSR training, and IT/cybersecurity training. They also include customized training such as business, papermaking, and printing training, as well as executive training on occupational safety.

In 2025, the fifth edition of the internal "Driving for Excellence" program was completed with 21 international participants. The Group-wide, modular, ten-month management training covers topics such as corporate leadership, self-organization, employee leadership, and personal development, and includes individual coaching sessions. Networking meetings with former participants promote the continual exchange of experiences and strengthen leadership skills – crucial for the company's long-term success and the development of the next generation of leaders. The next cycle of the program is expected to begin in late 2026.

In addition, location-specific leadership training programs, tailored to local requirements and cultural contexts, are offered on an ongoing basis.

Internal development and career opportunities are also available at other locations to offer employees attractive career paths within the Group. An internal job platform provides employees with easy access to relevant open positions.

The development initiatives cover all employees within the company's workforce. Training initiatives are planned locally and globally as part of the annual budget process and supplemented by ad hoc measures as needed.

Apprentices, Interns, and Trainee Program (IRO 15, 20)

delfortgroup places great importance on training young people to become qualified professionals. The locations in Austria and Germany offer apprenticeships in industrial and commercial occupations. In 2025, nine new apprentices were hired, bringing the total number of apprentices in training to 24. Seven apprentices successfully completed their training during the reporting year and were hired on permanent contracts.

The company maintains close partnerships with schools and universities, supports young people in their career planning, and recruits potential future employees through internship programs. As part of the 18-month trainee program, graduates are recruited at regular intervals across multiple locations; they receive on-the-job training for a permanent position and complete various training modules, project work, and job rotations at different locations.

Employee Departures, Succession Planning, and Knowledge Transfer (IRO 13, 15, 20, 21)

delfortgroup has clearly defined offboarding and outplacement processes that comply with applicable legal requirements and are supplemented by forward-looking succession planning and systematic knowledge transfer.

Employees in transitional situations, such as retirement, termination, or changes in work capacity due to health reasons, receive targeted support, including the exploration of alternative internal roles as well as necessary qualification or retraining measures. Depending on the situation, delfortgroup also facilitates external outplacement counseling for career reorientation. Succession and development issues are regularly addressed during annual performance reviews. In the case of upcoming retirements, sufficient time is scheduled for a structured handover and corresponding knowledge transfer. All departing employees participate in a structured exit interview, the results of which are used for continual improvement.

Systematic succession planning is reviewed annually by the Human Resources department and takes into account future requirements, necessary competencies, and individual development opportunities.

Against the backdrop of an impending generational shift in many key roles, potential assessments were conducted with the support of an external partner. A continuation of the project to identify internal talent and potential is planned.

Organizational Development (IRO 13, 20, 21)

In 2025, an organizational development working group comprising subject matter experts from senior management was established. Based on delfortgroup values "Empathy, Collaboration, Performance, and Creativity", it defines the path toward a modern, future-proof work environment, positioning delfortgroup as an attractive, competitive, and modern employer that offers employees opportunities for individual growth and promotes a sustainable performance culture. Implementation begins in 2026 and builds on the aforementioned IROs, the defined goals under S1-5, and the measures already established under S1-4. The initiative is currently planned through 2030 and encompasses the entire delfortgroup.

Metrics and targets

Disclosure Requirement S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

delfortgroup's vision is focused on creating an inclusive, strength-based leadership culture in which quick decision-making, close collaboration, and continual improvement are the norm. The company positions itself as an attractive employer that promotes diversity, supports people, and develops high-performing teams. Workplace safety, openness to new structures, efficiency, and the consistent development of employees and the organization are central to this vision.

Based on this and taking into account the key impacts, opportunities, and risks, the Executive Board and senior management have established the following core goals for the sustainable development of leadership, work culture, safety, and diversity through 2030. The goals are voluntary and apply to the entire corporate Group, including all employees in the company's workforce, and are based on insights gained from collaboration with the workforce and employee representatives, as described in Chapter S1-2 and Chapter S1-4.

The measures implemented and progress toward the goals are reviewed during the Executive Steering Meetings, which take place twice a year. For Goal 1) "Achieving zero lost-time accidents at all locations", the Work Safety Team conducts a monthly evaluation of key performance indicators and responds directly to any accidents.

1) Achieving zero lost-time accidents at all locations (IRO 18, 19)

The safety and health of employees is of the utmost importance to delfortgroup. Accordingly, the company defined its ambition as early as 2012 to become a company with zero workplace accidents. As part of the definition of the "2030 Sustainability Goals", this ambition was transformed into a formal goal and redefined as "Goal Zero" – "0 work-related accidents resulting in lost time."

The base year was set as 2019, with 79 work-related accidents resulting in lost time. In 2025, there were 49 work-related accidents resulting in lost time.

The actions to achieve this goal are described in detail under S1-4, and the key performance indicators under Disclosure Requirement S1-14 – Health and safety metrics.

The target was set with the involvement of the Executive Board, senior management, occupational safety experts, and employee representatives. Available information from other companies in the paper industry was also taken into account and used as a benchmark.

This objective contributes to the achievement of UN Sustainable Development Goal No. 8.

2) Building a strong management team at the first and second reporting levels (IRO 12, 13, 15, 20, 21)

To be as well positioned as possible for the future, delfortgroup identifies and promotes talent from within its own ranks and opens up internal career opportunities for further development. This ensures a stable leadership structure, consistent leadership qualities, and minimized risk when filling critical positions.

The company has set itself the goal of developing a competency model by 2030 that combines universal leadership qualities with delfortgroup culture, while simultaneously supporting the long-term securing of future leadership competencies.

To achieve this goal, leadership principles and a clear competency model for executives will be defined based on delfortgroup values first, followed by structured succession planning and the establishment of an internal talent pool. Employees are prepared for their future roles through global and local leadership training programs.

3) Increasing the proportion of women in leadership positions (IRO 13, 20, 21)

delfortgroup actively promotes the development of a diverse workforce and leadership team and offers equal opportunities for all genders to sustainably strengthen decision-making quality, innovative capacity, problem-solving skills, and the ability to handle diverse challenges.

Accordingly, the company has set a goal of achieving a minimum of 30% women in leadership positions (Level 1 and the next levels below the Executive Board) by 2030 and further empowering women throughout the company. In the base year 2025, the proportion of women in these leadership positions was 20.56%.

To this end, particular attention is paid to gender equality in leadership training and in nominations for the talent pool. Furthermore, a global women's network was initiated, starting with former participants in the global leadership program (Driving for Excellence), and the company continued its involvement in the "women4paperindustry" initiative launched by Austropapier in Austria. The company supports parents with initiatives for childcare and the flexibilization of working conditions. This supports UN Sustainable Development Goal No. 10.

4) Strengthening Intercultural Diversity (IRO 13, 20, 21)

A strong culture of intercultural diversity also strengthens the company's innovative capacity by fostering diverse perspectives while simultaneously promoting a better understanding of regions and markets. This enables future opportunities to be identified earlier and the needs of international customers to be understood and addressed more effectively.

The goal is to achieve a share of at least 15% of non-European members in the first level of management below the Executive Board by 2030. This is intended to attract the best available talent from the international labor market, individuals who are a good fit for delfortgroup and its requirements and who bring diverse perspectives from a variety of cultures and regions. In the base year 2025, the proportion of non-European members was 5.56%.

To achieve this goal, a clear focus is placed on intercultural aspects and competencies when filling leadership positions at the first level of management and, where language proficiency allows, at lower levels as well. Building on this, various initiatives strengthen mutual understanding and intercultural awareness and provide professional support for global mobility. This goal supports UN Sustainable Development Goal No. 10.

Goals 2) – 4) were redefined in 2025 as part of an interactive process involving the entire senior management team (Executive Board plus first level), and implementation has begun. All three goals were newly initiated and therefore do not reference any past baseline.

Currently, there are no company-wide defined goals regarding other material impacts, risks, or opportunities related to the company's own workforce. The assessment of the effectiveness of existing concepts and measures takes place at the level of the responsible stakeholders and is subject to regular performance reviews between the Executive Board and HR management. There is no overarching, systematic procedure for uniform effectiveness measurement.

Disclosure Requirement S1-6 – Characteristics of the undertaking's employees

The following tables show the number of employees (headcount) as of the end of the reporting period. An analysis of average headcount by gender or age is not possible due to the current data collection structure. Additional gender categories ("Other" or "Not Specified") are recorded only based on voluntary self-reporting, to the extent legally permissible or possible.

The underlying personnel data is reported company-wide from all operational sites (paper-producing sites and printing sites) to a central data collection system, and all key figures are calculated automatically. Data from the sales offices is managed centrally by the HR department of the Group holding company; where data is unavailable, this is indicated in the respective key figures.

The workforce composition reflects the gender ratio typical of the paper industry, with a systemically high proportion of men. Currently, there are no employees in any other gender category. The vast majority of contracts are permanent, confirming stable and sustainable employment. Fixed-term employment arises from the temporary hiring of interns as part of training programs, project-based positions with a fixed project duration, maternity/paternity leave replacements, or country-specific differences involving longer fixed-term contracts during the probationary period upon joining the company.

The majority of delfortgroup's workforce works full-time; part-time arrangements are agreed upon particularly in cases of family obligations, returning to work after parental leave or long-term sick leave, or as part of training programs. Due to legal frameworks, these options are primarily available at the European locations. The calculation of key personnel figures and the definition of contract types are carried out worldwide based on the internal reporting guideline, which is based on definitions in accordance with Austrian law.

Number of employees by country[1]:

Country	Employees[1]
Austria	871
Germany	309
Hungary	178
Czech Republic	676
Finland	354
Bulgaria	241
France	3
Italy	5
United Kingdom	2
Vietnam	198
Malaysia	135
China, including Hong Kong and Shanghai	65
Indonesia	2
US	188
Mexico	67

1 Number of employees as of December 31, 2025; see also Notes to the Consolidated Financial Statements, page III/Notes to the Income Statement/17. Personnel Expenses

Number of employees by gender[1]:

Gender	Employees[1]
Female	731
Male	2,563
Other	0
Not specified	0
Total	3,294

1 Number of employees as of December 31, 2025; see also Notes to the Consolidated Financial Statements, page III/Notes to the Income Statement/17. Personnel Expenses

Number of employees by type of contract and gender[1]:

Type of contract	Female	Male	Other	Not specified	Total
Employees	731	2,563	0	0	3,294
Permanent employees	643	2,490	0	0	3,133
Temporary employees	88	73	0	0	161
Employees without guaranteed working hours	0	0	0	0	0
Full-time employees	614	2,538	0	0	3,152
Part-time employees	117	25	0	0	142

1 Number of employees as of December 31, 2025; see also Notes to the Consolidated Financial Statements, page III/Notes to the Income Statement/17. Personnel Expenses

Number of employees by type of contract and region[1]:

Type of contract	Europe	Americas	Asia	Total
Employees	2,639	255	400	3,294
Permanent employees	2,490	252	391	3,133
Temporary employees	149	3	9	161
Employees without guaranteed working hours	0	0	0	0
Full-time employees	2,498	254	400	3,152
Part-time employees	141	1	0	142

1 Number of employees as of December 31, 2025; see also Notes to the Consolidated Financial Statements, page III/Notes to the Income Statement/17. Personnel Expenses

The previous presentations of headcount figures under S1-6 include 31 employees from the sales offices.

Employee Turnover

The employee turnover rate is calculated using the total number of employees at the end of the reporting period (excluding sales offices). The following reasons for separation are taken into account: resignation by the employee or termination by the employer, dismissal, expiration of a fixed-term contract, retirement, or death. The moderate turnover rate can be attributed to stable, long-term employment relationships. In some countries, challenges in the labor market have led to a slightly higher willingness among employees to change jobs due to better short-term financial offers or a declining willingness to work shifts.

Employment figures at delfortgroup's locations remained largely stable during the reporting period.

Employee turnover rate	
Total number of employees who left the company during the reporting period	400
Employee turnover rate (%)	12.1

Disclosure requirement S1-7 – Characteristics of non-employee workers in the undertaking's own workforce

Since the proportion of non-employee workers in the company's own workforce is less than 5%, no detailed breakdown based on ESRS requirements is provided in the first reporting year. All standards relating to human rights as well as health and safety apply equally to the company's own workforce and non-employee workers.

Disclosure Requirement S1-8 – Collective Bargaining Coverage and Social Dialogue

Collective Bargaining Coverage

Within the company's own workforce, 79% of employees are covered by collective bargaining agreements. Various collective bargaining agreements are applied at delfortgroup's locations within the European Economic Area. Taking into account the countries with a significant number of employees, the breakdown is as follows:

Country	Percentage of employees covered by collective bargaining agreements
Austria	100.0%
Germany	91.0%
Czech Republic	100.0%
Hungary	100.0%
Finland	79.0%
Bulgaria	0.0%

Percentage of own employees covered by collective bargaining agreements outside the European Economic Area:

Region	Percentage of employees covered by collective bargaining agreements
Asia	50.0%
Americas	46.0%

For all employees not covered by collective bargaining agreements, the terms and conditions of employment are based on the applicable collective bargaining agreements of the rest of the workforce or are aligned with the high standards within delfortgroup regarding working conditions, working hours, compensation, and equal treatment.

Social Dialogue:

Country	Total percentage of employees working in establishments in which employees are represented by employee representatives
Austria	87.0%[1]
Germany	99.0%
Czech Republic	100.0%
Hungary	100.0%
Finland	100.0%
Bulgaria	100.0%

1 There is no works council at the Group holding company.

	Collective bargaining coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with >50 employees, accounting for >10% of the total)	Employees – Non-EEA countries (for regions with >50 employees, accounting for >10% of the total)	Workplace Representation (EEA only, for countries with >50 employees, accounting for >10% of the total)
0–19%	Bulgaria		
20–39%			
40–59%		Asia, America	
60–79%	Finland		
80–100%	Austria, Germany, Czech Republic, Hungary		Austria, Germany, Czech Republic, Hungary, Finland, Bulgaria

The key figures are calculated automatically in the central data collection system and include data from all Group locations, with the exception of sales offices, for the entire reporting period.

There is an agreement with the employee representatives at the European paper-producing sites regarding representation by a European Works Council.

Disclosure Requirement S1-9 – Diversity Metrics

Unit	Female	Male	Other/Not specified	Blue-collar Workers	White-collar workers	Age group <30 years	30–50 years	>50 years
Number	731	2,563	0	2,119	1,175	436	1,786	1,072
%	22.0	78.0	0.0	64.0	36.0	13.0	54.0	33.0

The key figures are calculated automatically in the central data collection system and include data from all Group locations over the entire reporting period.

Senior management (first reporting level to the Executive Board):

Unit	Female	Male	Other/not specified	Total
Number	3	36	0	39
%	7.7	92.3	0.0	100.0

The gender distribution at the senior management level is determined based on manually maintained and continually updated lists detailing the company's management structure.

delfortgroup is committed to gender diversity at all levels, including leadership positions, and has introduced targeted HR measures to attract women in particular to careers in the paper industry.

The age distribution shows a balanced mix. The largest proportion is in the 30–50 age group, indicating a stable and experienced workforce. In addition, a significant share is 50 or older, which points to long-term employment with the company.

A total of 37 nationalities are represented within delfortgroup.

Disclosure Requirement S1-10 – Adequate wages

delfortgroup is committed to fair and equitable compensation for all employees in accordance with the principles of equal treatment.

As part of an analysis, the lowest salaries of employees at all delfortgroup locations were compared to country-specific benchmarks, also taking into account the regulations for locations within and outside the EEA, to determine appropriate compensation. The results confirm that the local benchmark level is met or exceeded at all locations.

This review covered the company's own workforce, excluding trainees and interns.

Disclosure Requirement S1-11 – Social protection

All of the company's own employees enjoy social protection against loss of earnings due to significant life events such as illness, unemployment, workplace accidents, disability, and retirement.

With the exception of the male workforce at the U.S. locations, all other employees also have social protection against loss of earnings during parental leave.

The key figures described are collected in writing once a year from all locations, with the exception of sales offices, via the central data collection system. The data collection pertains to the number of employees who are not covered against loss of earnings due to illness, unemployment, workplace accidents, disability, parental leave, and retirement.

Disclosure Requirement S1-13 – Training and skills development metrics

Personal development reviews

The annual "Let's Talk" development review has already been introduced at ten of the 13 operational sites worldwide. 66% of all employees had at least one review during the reporting period. In 2025, the process and accompanying guidelines were revised. Subsequently, "Let's Talk" will be established at all locations to enable all employees to have access to an annual structured development discussion by 2030.

	Female	Male	Other/ not speci-	Total
Percentage of employees who participated in regular performance reviews	64.3%	66.0%	0.0%	65.6%

Human Resources Development

delfortgroup offers a Group-wide training program featuring in-person training, blended learning formats, and e-learning, supplemented by regularly recurring, mandatory courses on occupational safety, environmental protection, CSR, and IT/cybersecurity. The program is regularly updated and includes specialized training and programs such as a talent and junior leadership program, technical business training, training on paper manufacturing and printing for non-technical staff, and leadership training. In 2025, employees worldwide completed a total of 50,553 hours of training. Further information on human resources development is provided under S1-4.

Training hours

	Female	Male	Other/ not speci-	Total
Average number of training hours per employee	14.2	15.7	0.0	15.4

The key figures are calculated automatically in the central data collection system and include data from all Group locations, with the exception of sales offices, for the entire reporting period. The total number of training hours includes approximately 5,000 e-learning hours, for which an automated breakdown by gender is not possible; therefore, this breakdown is performed using an estimated ratio based on the overall gender distribution within the company.

Disclosure Requirement S1-14 – Health and Safety metrics

Health and Safety Metrics

Occupational safety is of the utmost importance and a top priority at delfortgroup.

The occupational health and safety management system for all delfortgroup locations is based on globally uniform guidelines and processes in the areas of risk prevention, leadership culture, and effective communication in accordance with ISO 45001. Seven of the 13 production sites (54%) are also certified to ISO 45001 and are accordingly subject to external audits.

Further details are provided under S1-4 (Health and Safety).

	Unit	Value
Number of employees in the company's own workforce covered by the company's health and safety management system.	%	99.1
Fatalities as a result of work-related injuries and work-related ill-health among the company's own workforce and non-employees	Number	1
Recordable workplace accidents during the reporting period	Number	49
Rate of recordable workplace accidents	%	8.8
Recordable work-related ill-health	Number	0
Days lost due to work-related injuries	Days	1,138

All accidents are additionally analyzed with regard to the three main causes (technical/organizational/behavioral). In 2025, the breakdown was as follows: technical 10.0%, organizational 12.0%, behavioral 78.0%. This makes the company even more committed to targeted campaigns to improve safety behavior (see also S1-4).

The key figures are calculated automatically in the central data collection system and include data from all Group locations, with the exception of sales offices, over the entire reporting period.

Disclosure Requirement S1-15 – Work-life balance metrics

delfortgroup is particularly committed to ensuring that employees of all genders can take family-related leave in accordance with local labor law provisions. Depending on national law, this includes maternity/paternity leave, parental leave, and/or leave for family caregivers.

The percentage shows the proportion of all employees in the company's workforce who are eligible for leave for family reasons relative to the total number of all employees in the company's workforce.

KPI	Unit	Value
Employees entitled to family-related leave	%	85.1

Percentage of entitled employees who took family-related leave, broken down by gender:

Entitled employees who took leave for family reasons	Unit	Value
Total	%	5.6
of which female	%	29.9
of which male	%	70.1
of which other	%	0.0
of which no information provided	%	0.0

The 5.6% of entitled employees who took family-related leave corresponds to 157 employees, of whom 47 are female and 110 are male.

The key figures are calculated automatically in the central data collection system and include data from all Group locations (with the exception of sales offices) over the entire reporting period.

Disclosure Requirement S1-17 – Incidents, Complaints, and severe human rights impacts

The metrics presented below are requested in writing from all locations once a year and reconciled with any ad hoc incidents reported and processed during the year that were reported via the whistleblower hotline or other channels.

S1-17.103-a - Total number of incidents of discrimination reported during the reporting period

KPI	Value	Unit
Total number of incidents of discrimination reported during the reporting period	0 EUR	0 cases

S1-17.103-b - Number of complaints filed through channels for people within the company's own workforce to raise concerns (including grievance mechanisms) and, where applicable, to the OECD National Contact Points for Multinational Enterprises related to the matters defined in paragraph 2 of this Standard, excluding those already reported under subparagraph (a)

KPI	Value	Unit
Number of complaints	0 EUR	0 complaints

S1-17.103-c - Total amount of significant fines, sanctions, and damages

KPI	Value	Unit
Total amount of significant fines, sanctions, and damages	0 EUR	0 Fines, sanctions, and damages

S1-17.104-a - Number of identified cases of severe human rights incidents

KPI	Value	Unit
Severe human rights incidents	0 EUR	0 cases
Number of cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises	0 EUR	0 cases

S1-17.104-b - Total amount of fines, sanctions, and compensation for damages for the incidents described in subparagraph (a), along with a reconciliation of the monetary amounts disclosed in the most relevant amount in the financial statements

KPI	Value	Unit
Total amount of fines, sanctions, and compensation for damages for to the incidents described in subpara-graph (a), and a reconciliation of the monetary amounts disclosed in the most relevant amount in the financial statements	0 EUR	0 cases

governance information

Governance information

ESRS G1 Business conduct

Impact, Risk and Opportunity Management

Disclosure Requirement G1-1 – Corporate Culture and Business Conduct Policies

Sustainability is a central component of delfortgroup's corporate strategy and is reflected both in the long-term business mindset of the owners, the Executive Board, and senior management, as well as in day-to-day business practices. To ensure effective implementation, clear roles and responsibilities have been defined within the organization. The Executive Board is responsible for the independent management of the company and the implementation of a corporate strategy focused on sustainability. The Supervisory Board fulfills its oversight function to ensure that strategic guidelines are adhered to and that the long-term interests of the company and its stakeholders are safeguarded. This encompasses both the creation of long-term value and the strengthening of competitiveness through responsible conduct. Adherence to the principles of corporate social responsibility (CSR) and a consistent focus on customer needs promote the performance and future viability of the entire Group. Through their daily commitment, delfortgroup's employees make a significant contribution to embedding sustainability in all business processes.

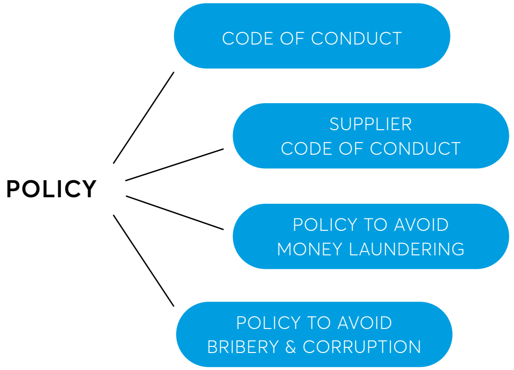
delfortgroup's actions are based on the following guiding principles:

- Excellence & Sustainability
- Respect & Responsibility
- Integrity & Transparency

These principles shape the daily actions of all employees and are embedded in the delfort Code of Conduct. They are implemented through Group-wide guidelines and targeted training, thereby strengthening a value-driven corporate culture. Training plays a crucial role in this regard, as it not only imparts technical knowledge but also fosters awareness of responsible conduct, integrity, and transparency in day-to-day work. Through regular training, employees develop a shared understanding of the company's values, which strengthens their identification with delfortgroup.

Continuously engaging with the company's own values builds trust, improves collaboration between teams and locations, and supports the company's strategic goals. At the same time, it creates space for dialogue and reflection and encourages employees to actively participate in the further development of the corporate culture. For delfortgroup, the continual cultivation of this culture is a top priority. It is to be firmly anchored in the company's DNA. Therefore, the training offerings are constantly being expanded to incorporate topics such as integrity even more strongly and to promote the value-based culture in a sustainable manner.

The following overview shows the **key policies** within delfortgroup:



The implementation of these policies is supported by targeted training initiatives. All employees, with the exception of those in the sales offices, complete the mandatory e-learning program "Social Responsibility@delfort". At two locations where an e-learning platform is not implemented, the training content is delivered through in-person sessions. In 2024, the training was rolled out across the entire Group and has since been mandatory for all new hires throughout the Group. This is followed by mandatory refresher training for all employees every two years. A rollout to the sales offices is planned for 2026. Depending on the target group, there is a detailed version tailored to office staff and a condensed version for production workers, each featuring practical examples. In addition, topic-specific guidelines, such as those on preventing money laundering, corruption, and bribery, or on conflicts of interest are covered during management meetings and through additional e-learning modules. Further training initiatives are planned for the coming years.

delfortgroup is a member of the UN Global Compact ("UNGC"). Its governance policies and corresponding measures are therefore in line with the relevant principles of the UNGC.

delfort Code of Conduct (IRO 24, 25)

A key element in promoting a values-based corporate culture is the delfort Code of Conduct, which applies across the entire Group and defines binding rules of conduct with regard to core CSR principles. Among other things, it enshrines a zero-tolerance policy toward corruption, bribery, fraud, and other compliance violations. The ultimate responsibility for compliance with the Code of Conduct lies with the delfortgroup Executive Board. The Head of Corporate Legal, in collaboration with local managing directors, is responsible for its operational implementation at delfortgroup's locations. The Code not only serves as a guideline for all employees in their daily work but is also made available to all business partners. It is publicly accessible on the company website and is regularly reviewed and updated as needed. To ensure that it is accessible to all employees and business partners worldwide and that the values and principles of conduct contained therein can be understood and practiced internationally, the Code is available in a total of ten languages (Bulgarian, Chinese, Czech, English, Finnish, German, Hungarian, Malay, Spanish, and Vietnamese).

Policy to Avoid Money Laundering (IRO 29)

delfortgroup has a Group-wide policy to prevent money laundering and terrorist financing ("Anti-Money Laundering Policy"), which has been approved by the Executive Board and falls under the responsibility of Corporate Treasury. The policy is an integral part of delfortgroup's governance structure. The purpose of the policy is to prevent any form of money laundering and terrorist financing and to ensure that all business practices comply with legal and regulatory requirements. It includes delfortgroup's commitment to the highest standards of due diligence in the selection and monitoring of business partners and ensures that governance structures and business practices are clearly defined and overseen at the Executive Board level. The integration of mandatory review and monitoring processes not only ensures the integrity of business relationships but also strengthens employees' awareness of risks related to money laundering. Suspected cases can be escalated via established internal reporting channels, thereby establishing an effective system for detecting and addressing irregularities. Furthermore, the policy complements existing measures for the prevention of corruption and bribery, thereby creating a consistent framework for acting with integrity and in compliance with regulations throughout the entire company.

Policy to Avoid Bribery and Corruption (IRO 29)

The Group-wide policy defines the mandatory zero-tolerance approach to bribery and corruption for all employees, temporary staff, related parties, and contracted third parties. It requires all locations to comply with all relevant legal requirements.

The policy outlines key risk areas, including interactions with public officials, political contributions, donations and sponsorships, inappropriate gifts or invitations, kickbacks, "facilitation payments," and funded travel or training for external decision-makers. It clearly defines which actions are prohibited: granting, accepting, or facilitating improper benefits, the use of covert payments or sham transactions, extortion, inappropriate favors and any form of influence exerted through intermediaries. In exceptional cases involving security, the legal department must be consulted.

Regulations on conflicts of interest, gifts, and donations ensure that personal or business relationships do not influence decisions. Gifts or invitations must be appropriate and approved. Donations must not serve as indirect consideration or political contributions. The policy contains clear guidelines on books and records for all business transactions. In addition, the policy governs reporting channels and safeguards: violations must be reported to supervisors or through the whistleblower system; whistleblowers are protected from retaliation. To ensure its effectiveness, the policy provides for regular monitoring and review, including the assessment of corruption risks, the analysis of third-party payments, and the monitoring of training and required certifications. The Executive Board bears ultimate responsibility for compliance with the policy. The Head of Corporate Finance, in collaboration with the local managing directors, is responsible for its operational implementation.

Reporting Misconduct and Protection of Whistleblowers (IRO 24, 26)

In the spirit of an open and responsible corporate culture, delfortgroup encourages all employees to openly address concerns and reports of potential misconduct. This is specifically highlighted in the "Social Responsibility@delfort" training program as well as in employee reviews, and available reporting channels are transparently explained. All employees have access to the company-wide whistleblower hotline as well as a corresponding guide on delfortgroup intranet. This applies in particular to suspected cases of corruption and bribery. Reports can also be submitted anonymously via an online form. Only a small group of designated employees from the legal department at the Group holding company has access to the reports. In addition, information and reports can be submitted confidentially to the legal department via various channels such as email, telephone, or in writing, without fear of retaliation or negative consequences. The identity of whistleblowers is strictly protected, subject to statutory disclosure obligations. All reports are reviewed immediately, independently, objectively, and confidentially in accordance with legal requirements. Subsequently, any necessary measures are initiated. During the review, both the position of the reporting person and that of the person(s) concerned are taken into account. Inappropriate reactions include, among other things, termination or disadvantageous transfer/demotion, negative evaluations not objectively justified, coercion, intimidation, bullying, and the threat of other disadvantages. If there are signs of retaliatory measures, employees may contact the Legal Department or the HR Department. Such reports will be investigated. Necessary measures will be taken in accordance with applicable laws and internal guidelines. The whistleblower hotline is available in seven languages (German, English, Czech, Italian, Finnish, Hungarian, and Bulgarian). Employees are directed to the whistleblower hotline via a link on the intranet homepage.

In the event of incidents involving corruption or bribery, delfortgroup relies on open and transparent communication as a clear signal of its active zero-tolerance policy.

Supplier Code of Conduct (IRO 27, 28)

A key aspect of corporate governance is ensuring that suppliers adhere to minimum standards regarding human rights and environmental protection. The Supplier Code of Conduct serves as the binding framework for ethical, legally compliant, and sustainable conduct and is a central tool in this regard.

The Supplier Code of Conduct requires delfortgroup's suppliers to comply with all applicable laws and international standards, as well as to respect human rights and provide special protection for vulnerable groups. The Code prohibits child labor, forced labor, discrimination, and corruption, and requires fair working conditions, safe workplaces, and the implementation of appropriate health and safety measures. In addition, environmental standards must be met, emissions reduced, and hazardous substances handled responsibly. Suppliers must carefully manage data, intellectual property, and conflicts of interest; ensure risk-aware procurement particularly for raw materials from conflict-affected areas and implement transparent governance and risk management systems. These principles must be communicated to upstream suppliers; compliance can be verified through audits.

In this way, delfortgroup, together with its business partners, makes an active contribution to sustainable business practices along the entire value chain.

delfortgroup's Executive Board is ultimately responsible for ensuring compliance with the Supplier Code of Conduct. The Head of Corporate Procurement Fiber Materials and the Head of Corporate Procurement Non-Fiber Materials are responsible for operational implementation at the sites, in collaboration with the managing directors of the operational sites and the local procurement departments.

Disclosure Requirement G1-2 – Management of relationships with suppliers

A responsible and transparent approach to suppliers is a central component of delfortgroup's sustainability strategy. Procurement practices aim to foster long-term partnerships, ensure fair conditions, minimize risks associated with the supply chain, and uphold environmental and social standards throughout the entire supply chain. When selecting suppliers, delfortgroup places great emphasis on high social and environmental standards. To fulfill its duty of care, minimize risks, and consider stakeholder interests within the supply chain, delfortgroup relies on a structured process in which suppliers deemed material based on revenue are evaluated according to social, environmental, and economic criteria and contractually obligated to comply with the Supplier Code of Conduct. Due to the large number of suppliers, audits of working conditions and human rights compliance can currently only be conducted on a risk-based and sample basis. In the future, this process will be software-supported to further improve risk management and systematically extend risk analyses based on defined criteria to all suppliers, with a particular focus on suppliers from high-risk regions. The insights gained from this enable the informed prioritization of suppliers, facilitate the early identification of potential negative impacts, and support the development of appropriate measures to promote sustainable improvements along the supply chain. Additionally, there are plans to incorporate these insights more deeply into the regular double materiality analysis in the future.

Liquidity Management

Liquidity management is another top priority at delfortgroup. The invoice settlement process is centrally automated. Payment runs are initiated once a week based on the payment terms stored in the system. This ensures that available discounts are utilized consistently and on time wherever possible.

Framework for Sustainable Procurement ("Supplier Management Framework") (IRO 27, 28)

The Supplier Management Framework is part of risk management and serves to ensure responsible procurement practices. It consists of four pillars:

- Onboarding: This includes a due diligence process (screening, "Know Your Supplier") as well as the signing of the Supplier Code of Conduct.
- Supplier evaluations and audits: At least once a year, suppliers of wood pulp, chemicals, and packaging, which account for 80% of the related spend, are evaluated using an internal assessment system. In this process, a supplier's performance is evaluated based on criteria such as price, quality, capacity, certifications, creditworthiness, logistics infrastructure, supply chain security, and environmental and social standards, as well as the presence of external sustainability ratings such as EcoVadis, and CO_2 emissions performance.
- Risk Assessment: This process considers both commercial risks and sustainability risks (environment, corruption, etc.).
- Supplier Development: The results are communicated openly and transparently to suppliers in joint discussions, and measures are defined as needed.

In addition, audits are conducted at selected suppliers. These begin with a self-assessment by the supplier regarding social, environmental, and quality-related aspects, followed by an on-site audit, during which relevant processes are reviewed with the supplier and any potential for improvement is identified jointly.

The supplier management process is also a central component of ISO 9001, BRCGS, ISO 14001, ISO 50001, as well as FSC™ and PEFC. delfortgroup continually works on further improvements in screening, risk assessment, and in processing, documentation, and evaluation. Further details can be found under ESRS 2.

Disclosure Requirement G1-3 – Prevention and Detection of Corruption and Bribery

Prevention Training

delfortgroup pursues a consistent zero-tolerance policy toward corruption and bribery. The internal guideline "Policy to Avoid Bribery and Corruption" (see above under G1-1) forms the framework for corruption prevention. To raise awareness, regular training sessions are conducted, covering the following topics, among others:

- Compliance with legal requirements,
- Bribery and corruption,
- Fair competition,
- Respectful treatment of third-party property,
- The obligation to report potential violations.

A key element in this context is the "Social Responsibility@delfort" training program described under G1-1.

Since the topic of integrity is an essential component of responsible conduct, delfortgroup plans to develop a dedicated, in-depth e-learning module on this topic in the future.

Functions at risk

The following positions have been identified as potentially high-risk due to their operational activities:

- Purchasing/Procurement (contact with suppliers and service providers, which creates risks of bribery or accepting improper benefits)
- Sales (e.g., negotiations on long-term supply contracts with major customers)
- Finance, Accounting (e.g. transfers/payments)
- Legal Department (e.g. negotiation of legal disputes or legal agreements)
- Regulatory (e.g., responsibility for monitoring and ensuring compliance with regulations, risk of influence by internal/external parties)
- Engineering (e.g., negotiations regarding long-term supply contracts with major customers and suppliers)

However, since delfortgroup's training measures are generally aimed at the entire workforce, no further differentiation is made between individual high-risk positions. As outlined above under G1-1, a distinction is made solely between salaried employees and blue-collar workers due to their differing job and risk profiles.

Whistleblower System

Whistleblowers play a central role in uncovering violations of legal requirements and internal guidelines, and in particular corruption and bribery. An effective whistleblower system is not only an expression of responsible corporate governance but also a central component of compliance requirements at the European level, particularly with regard to the EU Whistleblower Directive and future regulations such as the Corporate Sustainability Due Diligence Directive (CSDDD). Companies are increasingly required to provide confidential reporting channels and actively protect whistleblowers.

A key element of the governance architecture is therefore the Group-wide whistleblower system, known as the "Whistleblower Hotline", which enables employees to report potential compliance violations confidentially or anonymously. Details regarding the whistleblower system are outlined in G1-1.

Currently, the whistleblower system is available exclusively to employees. In the medium term, the introduction of a comparable system for external stakeholders is planned. The goal is to also offer suppliers, customers, and other external stakeholders a secure way to report violations.

Metrics and Targets

Targets Related to Sustainable Procurement (IRO 22)

To ensure the consistent implementation of the supplier management system, delfortgroup set itself the voluntary target in 2019 of procuring 80% of the spend-based procurement volume for raw materials (wood pulp, chemicals, fillers) and packaging, paper-producing sites only, in accordance with the defined framework for sustainable procurement ("Supplier Management Framework") by 2030.

The definition and implementation of the target were carried out with the involvement of relevant internal stakeholders, particularly from the Purchasing and Legal departments, and based on internal risk analyses as well as regulatory developments regarding supply chain due diligence. Accordingly, priority was given to those supplier groups that, due to their purchasing volume, have a significant influence and corresponding relevance, thereby enabling risk-based management.

The target is not based on specific scientific study or quantitative modeling. Feedback from external stakeholders, especially suppliers, is incorporated into the onboarding process through contract drafting and ongoing communication. It contributes to the achievement of UN Sustainable Development Goals 8 and 12.

As part of organizational changes, the base year was reset to 2025. The following figures refer to those suppliers who accounted for 80% of spend in the categories of raw materials, chemicals, and packaging during the reporting year. This share of spend therefore serves as the basis for calculating the key figures listed below (100%).

- **92%** are covered by a signed Supplier Code of Conduct (or an equivalent internal Code of Conduct).
- **97%** were evaluated in accordance with the supplier evaluation scheme.
- **98%** underwent a risk assessment.

The Corporate Procurement department monitors progress toward this goal through structured tracking and reporting in Excel.

Disclosure Requirement G1-4 – Confirmed incidents of corruption or bribery

During the reporting period from January 1 to December 31, 2025, no cases related to corruption or bribery were reported. There were no convictions, nor were any fines imposed.

Disclosure Requirement G1-6 – Payment Practices

Stable and trusting partnerships with suppliers are a key component of the sustainable procurement strategy. Through fair and reliable conduct, such as adhering to agreed payment terms or, in individual cases, making early payments, delfortgroup actively contributes to strengthening cooperation and the resilience of the supply chain. Particular attention is paid to the fair treatment of all business partners.

G1-6.33-a - Average time (in days) taken by the company to pay an invoice

KPI	Number	Unit
The average time (in days) the company takes to pay an invoice from the start of the contractual or statutory payment period.	63.6	days

This metric indicates the average number of days it takes for delfortgroup to pay its suppliers. It thus measures how long trade payables remain outstanding before payment is made. In the 2025 reporting year, the average accounts payable period was approximately 63.6 days. The calculation is performed in accordance with the methodology defined in the internal document **"Net Working Capital Procedure"** (2021).

The following formula is used:

$$\text{Creditor Days} = \frac{\text{average accounts payable}}{\text{cost of material and goods}}$$

Only operating trade payables are taken into account; non-operating items (e.g., investment liabilities or insurance liabilities) as well as value-added tax are excluded. The data is based on the balance sheet for liabilities and the income statement for cost of materials. The consolidated balance sheet as of the respective reporting date serves as the database.

G1-6.33-b - Description of Standard Payment Terms

In fiscal year 2025, there are no uniform standard payment terms across delfortgroup. The contractually agreed payment terms are determined on a location- and business-unit-specific basis and are based on the respective market conditions, industry standards, and the individual relationship with the business partners. Particular emphasis is placed on transparency, fairness, and reliability. For major suppliers, particularly wood and pulp suppliers, the payment term is often 90 days or more.

G1-6.33-c - Number of legal proceedings currently pending due to late payment

KPI	Number	Unit
Legal proceedings due to late payment in the fiscal year	0	Days

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Appendix 1/1

Affiliated Companies as of December 31, 2025

Corporation	Registered Office	State	Currency	Proportional Nominal capital in thousand State currency	Share of Group %	Consolidation Method
Holding Company:						
delfortgroup AG	Traun	A	EUR	5.110	-	KVI
Group Companies:						
Dr. Franz Feurstein Gesellschaft m.b.H.	Traun	A	EUR	3.700	100,00	KVI
PFF Verwaltungs GmbH	Traun	A	EUR	35	100,00	KVI
Papierfabrik Wattens GmbH & Co KG	Wattens	A	EUR	3.200	100,00	KVI
Papierfabrik Wattens GmbH	Wattens	A	EUR	35	100,00	KVI
PFW Liegenschaftsverwaltungs-GmbH	Wattens	A	EUR	500	100,00	KVI
Tervakoski Oy	Tervakoski	FI	EUR	16.819	100,00	KVA
OP Papirna s.r.o.	Olsany	CZ	EUR	7.586	100,00	KVA
Roll4you s.r.o.	Olsany	CZ	CZK	250	100,00	KVA
Dunafin Gyártó és Szolgáltató Kft	Dunaújváros	H	EUR	11.330	100,00	KVA
Wattens Papers Singapore Co. Ltd.	Singapore	SG	USD	0	100,00	KVA
Wattens Vietnam Co. Ltd.	Binh Duong Province	VN	VND	780.804.920	100,00	KVA
delfort usa inc.	Charlottesville, Virginia	USA	USD	1	100,00	KVA
delfort germany GmbH	Reinbek	D	EUR	25	100,00	KVA
delfort france SAS	Entzheim	FR	EUR	39	100,00	KVA

1) KV = Full consolidation, I = Domestic, A = Foreign
2) Direct and indirect shares
3) less than 1 TEUR

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Appendix 1/2

Corporation	Registered Office	State	Currency	Proportional Nominal capital in thousand State currency	Share of Group %	Consolidation Method
delfort uk Limited	Glossop	GB	GBP	30	100,00	KVA
T.S.P. Sweden AB	Oskarshamn	S	SEK	100	100,00	KVA
Mountain Dragon International (H.K.) Ltd.	Hong Kong	HK	HKD	200	100,00	KVA
Wattenser Gemeinnützige Wohnungsverwaltungs GmbH	Wattens	A	EUR	36	100,00	K0
delfort International GmbH	Traun	A	EUR	35	100,00	KVI
DELFOCO GmbH	Traun	A	EUR	35	100,00	KVI
DELDRAGON Ltd.	Hong Kong	HK	HKD	78	100,00	KVA
Mundet Inc	Richmond	US	USD	590	100,00	KVA
Mundet Tennessee Inc.	Surgoinsville	US	USD	0	100,00	KVA
Roslyn Converters	Colonial Heights	US	USD	0	100,00	KVA
Mund Inc. Mex Impresora	Toluca	MX	MXN	10.555	100,00	KVA
Delfort Mex Services S.A. de C.V	Toluca	MX	MXN	50	100,00	KVA
delfort Italia S.r.l.	Bologna	IT	EUR	50	100,00	KVA
Deutsche Benkert GmbH	Herne	D	EUR	2.806	100,00	KVA
Benkert Beteiligungs- Gesellschaft mbH	Herne	D	EUR	1.850	100,00	KVA
Benkert GmbH	Muri	CH	CHF	1.100	100,00	KVA

1) KV = Full consolidation, I = Domestic, A = Foreign, KO = not consolidated
2) direct and indirect shares

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Appendix 1/3

Corporation	Registered Office	State	Currency	Proportional Nominal capital in thousand State currency	Share of Group %	Consolidation Method
Zhejiang Benkert Tipping Paper Co. Ltd.	Jiaxing	CN	CNY	73.664	95,00	KVA
Benkert (Malaysia) Sdn. BHD.	Puchong	MY	MYR	5.000	100,00	KVA
ACE-KEYS SDN. BHD.	Puchong	MY	MYR	2.000	100,00	KVA
Benkert UK Ltd.	Alva	UK	GBP	250	100,00	KVA
delfort shanghai Ltd.	Shanghai	CN	CNY	502	100,00	KVA
Flexprint EOOD	Tzalapitza	BG	BGN	5.872	100,00	KVA
PT delfort Indonesia	Surabaya	ID	IDR	2.500.000	100,00	KVA

1) KV = Full consolidation, I = Domestic, A = Foreign, KO = not consolidated
2) direct and indirect shares

Independent assurance report on the non-financial reporting

We have performed a limited assurance engagement in the connection with the consolidated non-financial reporting prepared in accordance with selected ESRS (hereinafter referred to as the "non-financial reporting") for the financial year 2025 of

delfortgroup AG, Traun

(hereinafter also referred to as „delfort" or „Company").

Conclusion with limited assurance

Based on our procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial reporting is not prepared, in all material respects, in compliance with:

• the requirements of the Delegated Regulation (EU) 2023/2772 (hereinafter referred to as the "European Sustainability Reporting Standards" or "ESRS"), to the extent specified in section BP-1 – General basis for preparation of sustainability statements; and

• the implementation of the process for identifying information to be reported in accordance with the selected ESRS (hereinafter referred to as the "double materiality assessment process"), and its presentation in disclosure IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities; and

• the reporting requirements according to Article 8 of the EU Regulation 2020/852 (hereinafter referred to as „EU-Taxonomy-Regulation");

in the currently valid version.

Basis for conclusion with limited assurance

Our limited assurance engagement on the non-financial reporting was conducted in accordance with the statutory requirements and Austrian Standards on Other Assurance Engagements and additional expert opinions as well as the International Standard on Assurance Engagements (ISAE 3000 (Revised) applicable to such engagements. An independent assurance engagement with the purpose of expressing a conclusion with limited assurance („limited assurance engagement") is substantially less in scope than an independent assurance engagement with the purpose of expressing a conclusion with reasonable assurance („reasonable assurance enagement"), thus providing reduced assurance.

Our responsibility under those requirements and standards is further described in the „Responsibility of the auditor of the consolidated non-financial reporting" section of our assurance report.

We are independent of the Company in accordance with the Austrian professional regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit firm is subject to the provisions of KSW-PRL 2022, which essentially corresponds to the requirements of ISQM 1, and applies a comprehensive quality management system, including documented policies and procedures for compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained up to the date of the limited assurance report is sufficient and appropriate to provide a basis for our conclusion as of that date.

Emphasis of matter – Basis for preparation of the non-financial reporting

Without modifying our conclusion, we draw attention to the disclosures in the non-financial reporting describing the basis for preparation of the non-financial reporting. As stated therein, the Company has applied the European Sustainability Reporting Standards (ESRS) to the extent specified in section BP-1 – General basis for preparation of sustainability statements. Our conclusion is not modified in respect of this matter.

Responsibility of the management

Management is responsible for the preparation of a non- financial reporting including the determination and implementation of the double materiality assessment processes in accordance with the applicable requirements and standards and in accordance with the EU-Taxonomy-Regulation and applies the criteria of the selected ESRS, in their current version, and the EU-Taxonomy-Regulation as reporting criteria. The selection and the explicit and appropriate disclosure of the selected ESRS in the non-financial reporting are the responsibility of the Company:

• identification of the actual and potential impacts, as well as the risks and opportunities related to the selected ESRS in the context of sustainability aspects and assessing the materiality of these impacts, risks and opportunities;

• preparing of a non-financial reporting in compliance with the criteria of the selected ESRS;

• inclusion of disclosures in the consolidated non-financial reporting in accordance with the EU-Taxonomy-Regulation; and

• designing, implementing and maintaining of internal controls that management consider relevant to enable the preparation of the non-financial reporting that is free from material misstatement, whether due to fraud or error; and to enable the double materiality assessment process to be carried out in accordance with the requirements of the selected ESRS.

This responsibility includes also the selection and application of appropriate methods for non-financial reporting and the making of assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances.

Inherent limitations in the preparation of non-financial reporting

When reporting forward-looking information, the company is obliged to prepare this forward-looking information based on disclosed assumptions about events that could occur in the future and possible future actions by the company. Actual results are likely to differ as expected events often do not occur as assumed.

When determining the disclosures in accordance with the EU-Taxonomy-Regulation, the management is obliged to interpret undefined legal terms. Undefined legal terms can be interpreted differently, also regarding the legal conformity of their interpretation and are therefore subject to uncertainties.

Responsibility of the auditor of the consolidated non-financial reporting

Our objectives are to plan and perform a limited assurance engagement to obtain limited assurance about whether the non-financial reporting prepared in accordance with selected ESRS, including the double materiality analysis procedures described therein related to the selected ESRS to determine the information to be reported and the reporting in accordance with the EU-Taxonomy-Regulation, is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on this non-financial reporting.

In a limited assurance engagement, we exercise professional judgement and maintain professional scepticism throughout the assurance engagement.

Our responsibilities include

• performing risk-related assurance procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of expressing a conclusion on the effectiveness of the Company'sinternal controls;

• design and perform assurance procedures responsive to disclosures in the non-financial reporting, where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Procedures - Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the non-financial reporting.

Our engagement does not include the assurance of prior period figures, printed interviews or other additional voluntary information of the company, including references to websites or other additional reporting formats of the company.

The nature, timing and extent of assurance procedures selected depend on professional judgement, including the identification of disclosures likely to be materially misstated in the non-financial reporting, whether due to fraud or error.

In conducting our limited assurance engagement on the non-financial reporting, we proceed as follows:

• We obtain an understanding of the company's processes relevant to the preparation of non-financial reporting.

• We assess whether all relevant information identified by the double materiality assessment for the ESRS selected by the company has been included in the non-financial reporting.

• We evaluate whether the structure and presentation of the non-financial reporting is in accordance with the selected ESRS and the extent of the selected ESRS is explicitly and appropriately stated in the non-financial reporting.

• We perform inquiries of relevant personnel and analytical procedures on selected disclosures in the non-financial reporting.

• We perform risk-oriented assurance procedures, on a sample basis, on selected disclosures in the non-financial reporting.

• We reconcile selected disclosures in the non-financial reporting with the corresponding disclosures in the consolidated financial statements and Group management report.

• We obtain evidence on the methods for developing estimates and forward-looking information.

• We obtain an understanding of the process for the proper application and implementation of the De-minimis-threshold of the Delegated Regulation (EU) 2026/73, as well as the identification of material taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the non-financial reporting.

• This Independent assurance report on the non-financial reporting applies solely to the German version of this report.

Limitation of liability, publication and terms of engagement

This limited assurance engagement is a voluntary assurance engagement. We issue this conclusion based on the assurance contract concluded with the client, which is also based, with effect on third parties, on the „General Conditions of Contract for the Public Accounting Professions" issued by the Chamber of Tax Advisors and Auditors. These can be viewed online on the website of the Chamber of Tax Advisors and Auditors (currently at https://ksw.or.at/berufsrecht/mandatsverhaeltnis/). With regard to our responsibility and liability under the contractual relationship, point 7 of the AAB 2018 applies.

Our assurance report may only be distributed to third parties together with the consolidated non-financial reporting and only in complete and unabridged form.: Because our report is prepared solely on behalf of and for the benefit of the company, its contents may not be relied upon by any other third party, and consequently, we shall not be liable for any other third party claims.

Auditor responsible for the assurance engagement

The auditor responsible for the assurance engagement of the non-financial reporting is Mag. Michael Ahammer.

Linz
5. Mai 2026

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft