Environmental Statement 2025

Hanwha
Advanced Materials Europe

This environmental statement describes the environmental performance of Hanwha Advanced Materials Europe. It is intended for the interested public and other third parties to inform them about the company's impact on the environment.

The environmental statement for the previous year will be updated once a year by March 31 of the following year.

1 Contents

2 Introductory speech by the company president

Dear partners, colleagues and friends,

I would like to present to you the environmental statement of Hanwha Advanced Materials Europe for the year 2025.

Hanwha Advanced Materials Europe, as part of the global Hanwha Group, has long been committed to environmental responsibility and sustainable development. Our priority is not only to meet legislative requirements, but also to systematically improve the environmental aspects of our activities.

We specialize in the production of technical parts from high-strength composite materials, especially GMT (Glass Mat Thermoplastic) and LWRT (Low Weight Reinforced Thermoplastic), which are used primarily in the automotive industry. Since the start of production in Frýdek-Místek in 2009, we have been continuously developing our technologies and production processes with the aim of minimizing their impact on the environment.

In 2025, we failed to achieve the expected improvement in all monitored environmental indicators. Compared to 2024, CO_2 emissions increased by 1.8% per unit of production and electricity consumption increased by 1.9% per kilogram produced. We saw a significant decrease in gas and water consumption, specifically by 50.5% for gas and 42.85% for water per unit of production. We achieved a positive result in the area of waste management, where total waste production decreased by another 45.4% and hazardous waste production by 29.1% per kilogram produced. These savings were due to the cancellation of the HB technology - production of expanded polypropylene, when steam production in a gas steam boiler was also canceled. Higher electricity consumption was due to the reorganization of LWRT shifts, when there was a transition from continuous operation to two-shift operation, which was reflected in more frequent start-ups of thermal processes.

As part of Hanwha Group, one of the most important industrial groups in South Korea operating in the fields of aviation, mechatronics, energy and other technology sectors, we perceive our responsibility in a broader global context and actively contribute to sustainable development and technological progress.

Thank you for your trust, support and cooperation. We appreciate our joint efforts towards responsible business and look forward to further steps towards a more sustainable future.

Sincerely, Myeongwan Kim,

CEO of Hanwha Advanced Materials Europe

3 About the company

3.1 Basic data

Company name	Hanwha Advanced Materials Europe s.r.o
Enrolled	C 32401 kept at the Regional Court in Ostrava
ID	281 98 638
VAT	CZ 281 98 638
Address	Příborská 280, Chlebovice, 739 42 Frýdek-Místek
Phone.	---------
E-mail	info@hanwhacz.cz
Legal entity type	Limited company
Statutory body	Myeongwan Kim
Number of employees	257

3.2 Company management

Name	**Position**
Myeongwan Kim	Company executive
Tomas Rek	Plant manager

3.3 Subject of activity

Production of rubber and plastic products

4 Company description

4.1 Hanwha Advanced Materials Europe s.r.o

Our Czech branch, located at Příborská 280, Chlebovice, Frýdek-Místek, is a key element of our global manufacturing network. Since its launch in 2009, the branch has specialized in innovative and technically demanding production.

Here we focus primarily on the production of technical parts from high-strength composite materials GMT (Glass Mat Thermoplastic) and LWRT materials (Low Weight Reinforced Thermoplastic), which are key for the automotive industry.

In our modern production facility, we operate 11 specialized production lines, which allow us to meet the growing market demands and adapt to the ever-changing trends in the automotive industry. Our plant operates in a three-shift mode, which allows us to respond efficiently and flexibly to the needs of our customers.

The Chlebovice branch employs approximately 257 people, of which about 50 people work in office positions, while the remaining 207 employees are directly involved in production activities. This team plays a crucial role not only in production, but also in innovation and development of new technologies, which places us among the leading players in our industry.

We represent a dynamic company that actively responds to future market changes, and thanks to our focus on innovation and quality, we have become an important player in the international automotive industry.

4.1.1 Corporate philosophy

Sustainability and social responsibility

Hanwha Advanced Materials Europe understands that decisions made today affect the world of tomorrow. Therefore, it accepts full responsibility for its actions and decisions, with the aim of minimizing negative impacts on society and the environment and maximizing positive benefits. When making decisions, it takes into account not only economic factors, but also social and environmental impacts, striving to balance the interests of customers and achieve long-term sustainability.

Innovation and quality

The company specializes in the production of technical parts from high-strength composite materials such as GMT (Glass Mat Thermoplastic) and LWRT (Low Weight Reinforced Thermoplastic), which are key for the automotive industry. Thanks to a modern production plant and eleven specialized production lines, it is able to meet the growing market demands and adapt to the ever-changing trends in the automotive industry.

Global reach and collaboration

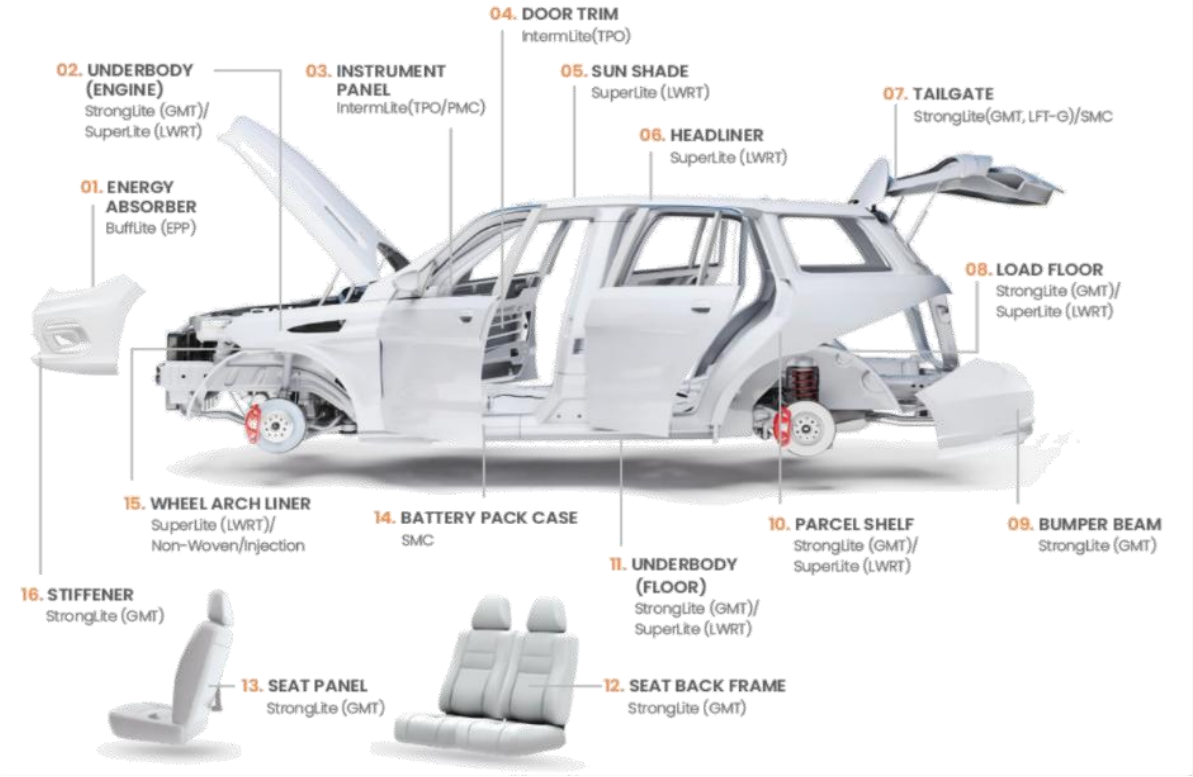
Hanwha Advanced Materials Europe is part of a global manufacturing network with locations in the US, Mexico, Europe and China. This global presence allows the company to proactively respond to customer needs and market changes, placing it among the leading players in the industry.

Protecting employee rights and supporting their development

The company complies with all labor laws and respects the rights of its employees and is guided by the company's code of ethics. It provides a safe and healthy work environment, promotes diversity and inclusion, and creates a culture of openness, respect, and equal opportunities for all. It offers employees support and resources for their physical and mental health and involves them in decision-making processes and the creation of new ideas and initiatives.

This corporate philosophy enables Hanwha Advanced Materials Europe to be a dynamic and innovative company that actively contributes to sustainable development and creating a better future for all.

4.1.2 Production program



Description of materials:

- **GMT (Glass Mat Thermoplastic):** A composite material combining polypropylene and glass fibers, providing strength and durability at a low weight.
- **LWRT (Low Weight Reinforced Thermoplastic):** Lightweight material with high strength and sound insulation properties.
- **CFRTPC (Continuous Fiber Reinforced Thermoplastic Composite):** A modern material with continuous reinforcement for even higher strength.

Bumper Beam

- Material: GMT (Glass Mat Thermoplastic)
- Uses: Provides structural strength and shock absorption in automotive bumpers.

Stiffener

- Materials: GMT, CFRTPC (Continuous Fiber Reinforced Thermoplastic Composite)
- Use: They provide additional strength and rigidity in vehicle construction.

Underbody Shield

- Materials: GMT, LWRT (Low Weight Reinforced Thermoplastic)
- Use: Protecting the chassis from damage and improving aerodynamics.

Tailgate

- Material: SMC (Sheet Molding Compound)
- Application: Lightweight and strong doors for the rear of vehicles.

Door Trim

- Material: TPO Sheet (Thermoplastic Polyolefin)
- Use: Aesthetic and functional door interior lining.

Seat Back Frame

- Material: GMT
- Application: Structural frame with high strength and low weight.

Luggage Board (trunk floor)

- Material: LWRT
- Use: Lightweight and strong plates for supporting cargo in the trunk.

4.1.3 Cars with our components

- S-class

- Lamborghini Urus

- Karma K1

- Bentley SUV (Bentayga)

Tucson

Sportage

i30

Ceed

Kona

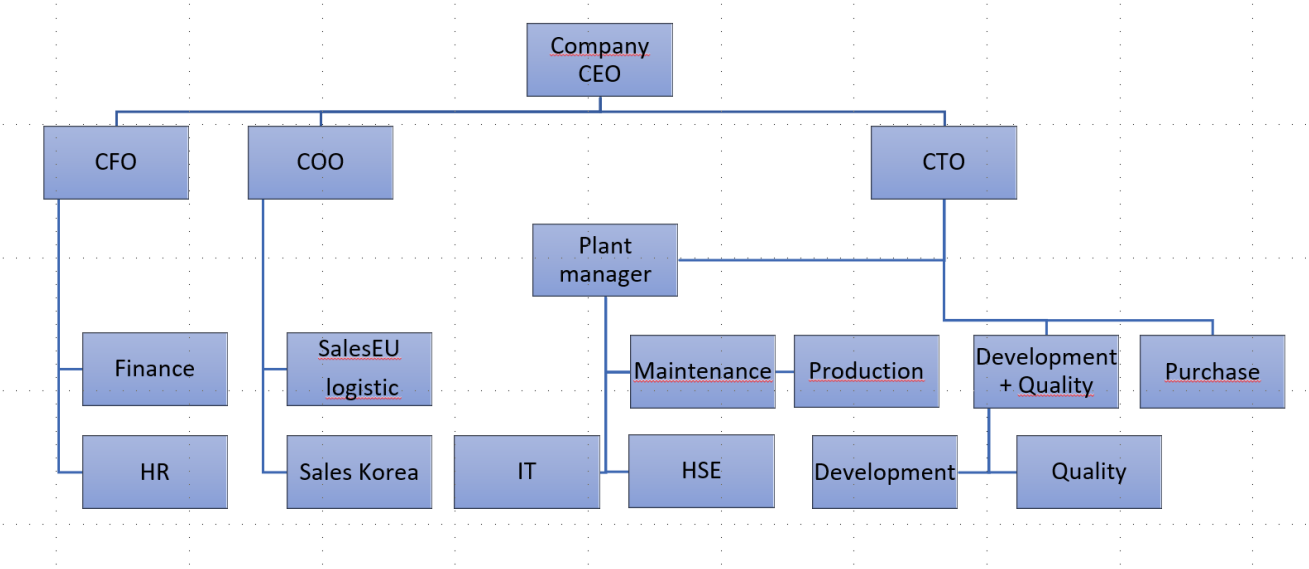
Venga

Hyundai Motor Manufacturing Czech (Czech Plant)

Kia Motors Slovakia (Slovakia Plant)

4.1.4 Management system, certification

Company organizational structure



4.2 Certification

In 2015, the company was successfully certified for the ISO 9001, ISO 16949, ISO 14001, ISO18001 systems, and in the following years, re-certifications and surveillance audits were successfully completed.

In 2025, certification to the IATF 16949.2016 system was successfully completed.
All subsequent surveillance and re-certification audits were carried out in order.

4.2.1 Certificates

Certificate

Awarded to

Hanwha Advanced Materials Europe, s.r.o.

Příborská 280, Frýdek Místek - Chlebovice, 739 42, Czech Republic

BUREAU VERITAS CERTIFICATION CZ, s.r.o. certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standard detailed below:

Standard:

ČSN EN ISO 9001:2016

Scope of supply:

MANUFACTURING OF MOULDED PLASTIC PARTS FROM GMT AND LWRT

Original Approval Date: 18-08-2021

Certification / Recertification Cycle Start Date: 18-08-2024

Certification / Recertification Cycle End Date: 17-08-2027

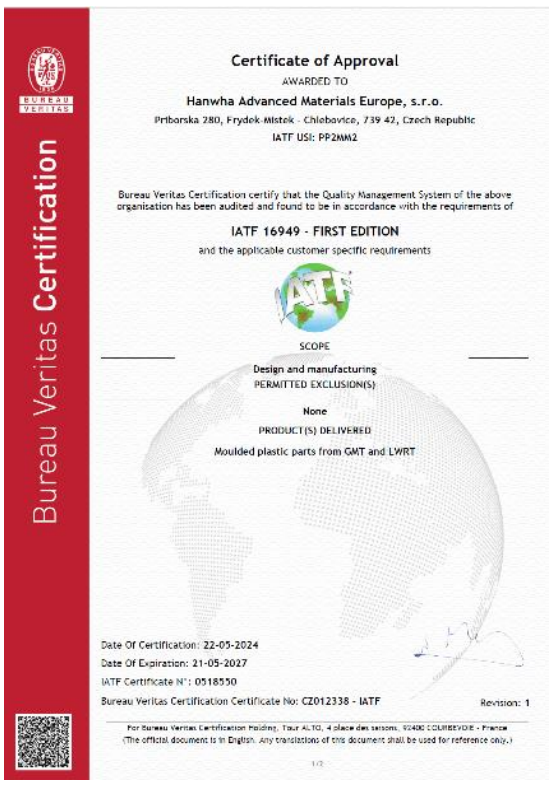
Subject to the continued satisfactory operation of the organisation's Management System, this certificate is valid until: 17-08-2027

To check this certificate validity please call: +420 210 088 215

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.

Version: 1 Issue Date: 18-08-2024

Certificate Number: CZ012346



Certificate of Approval

AWARDED TO

Hanwha Advanced Materials Europe, s.r.o.

Příborská 280, Frýdek-Místek - Chlebovice, 739 42, Czech Republic

IATF USI: PP2MM2

Bureau Veritas Certification certify that the Quality Management System of the above organisation has been audited and found to be in accordance with the requirements of

IATF 16949 - FIRST EDITION

and the applicable customer specific requirements

SCOPE

Design and manufacturing

PERMITTED EXCLUSION(S)

None

PRODUCT(S) DELIVERED

Moulded plastic parts from GMT and LWRT

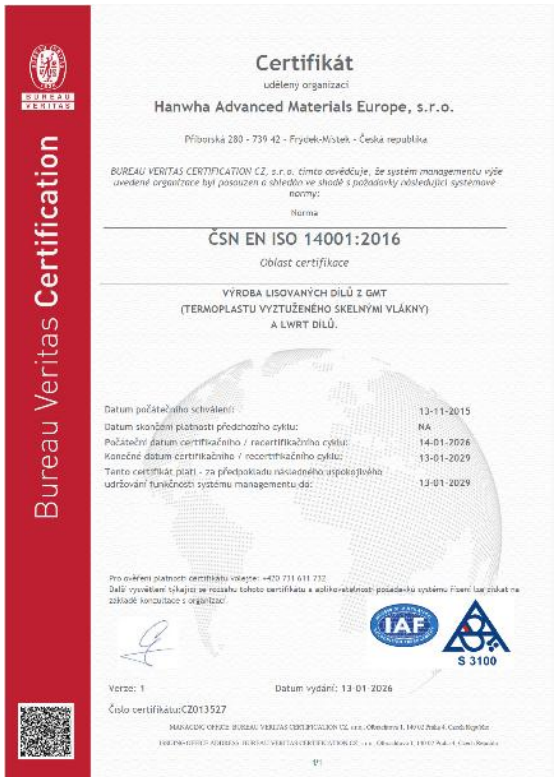
Date Of Certification: 22-05-2024

Date Of Expiration: 21-05-2027

IATF Certificate N°: 0518550

Bureau Veritas Certification Certificate No: CZ012338 - IATF

Revision: 1



Certifikát

udělený organizaci

Hanwha Advanced Materials Europe, s.r.o.

Příborská 280 - 739 42 - Frýdek-Místek - Česká republika

BUREAU VERITAS CERTIFICATION CZ, s.r.o. tímto osvědčuje, že systém managementu výše uvedené organizace byl posouzen a shledán ve shodě s požadavky následující systémové normy:

Norma

ČSN EN ISO 14001:2016

Oblast certifikace

VÝROBA LISOVANÝCH DÍLŮ Z GMT (TERMOPLASTU VYZTUŽENÉHO SKELNÝMI VLÁKNY) A LWRT DÍLŮ.

Datum počátečního schválení: 13-11-2015

Datum skončení platnosti předchozího cyklu: NA

Počáteční datum certifikačního / recertifikačního cyklu: 14-01-2026

Konečné datum certifikačního / recertifikačního cyklu: 13-01-2029

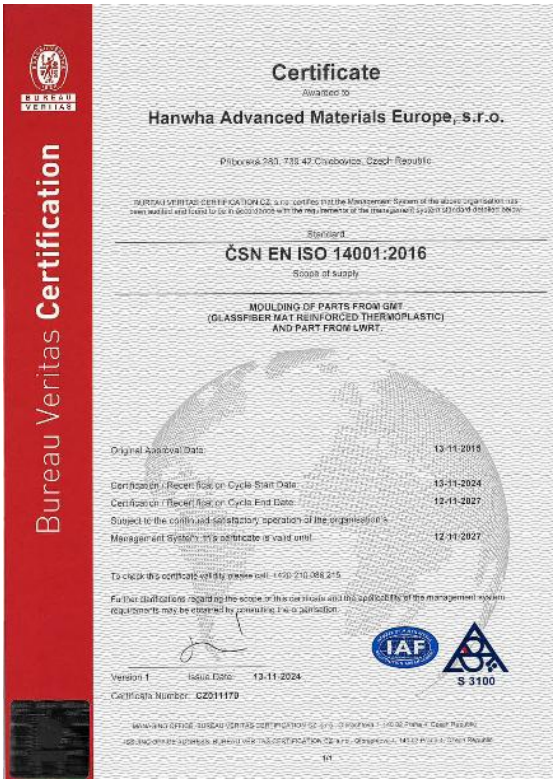
Tento certifikát platí - za předpokladu následného úspěšného udržování funkčnosti systému managementu do: 13-01-2029

Pro ověření platnosti certifikátu volejte: +420 731 611 732

Další vysvětlení týkající se rozsahu tohoto certifikátu a aplikovatelnosti požadavků systému řízení lze získat na základě konzultace s organizací.

Verze: 1 Datum vydání: 13-01-2026

Číslo certifikátu:CZ013527



Certificate

Awarded to

Hanwha Advanced Materials Europe, s.r.o.

Příborská 280, 739 42 Chlebovice, Czech Republic

BUREAU VERITAS CERTIFICATION CZ, s.r.o. certifies that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standard detailed below:

Standard

ČSN EN ISO 14001:2016

Scope of supply

MOULDING OF PARTS FROM GMT (GLASSFIBER MAT REINFORCED THERMOPLASTIC) AND PART FROM LWRT.

Original Approval Date: 13-11-2015

Certification / Recertification Cycle Start Date: 13-11-2024

Certification / Recertification Cycle End Date: 12-11-2027

Subject to the continued satisfactory operation of the organisation's Management System, this certificate is valid until: 12-11-2027

To check this certificate validity please call: +420 210 088 215

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation.

Version 1 Issue Date: 13-11-2024

Certificate Number: CZ011179

5 Technology

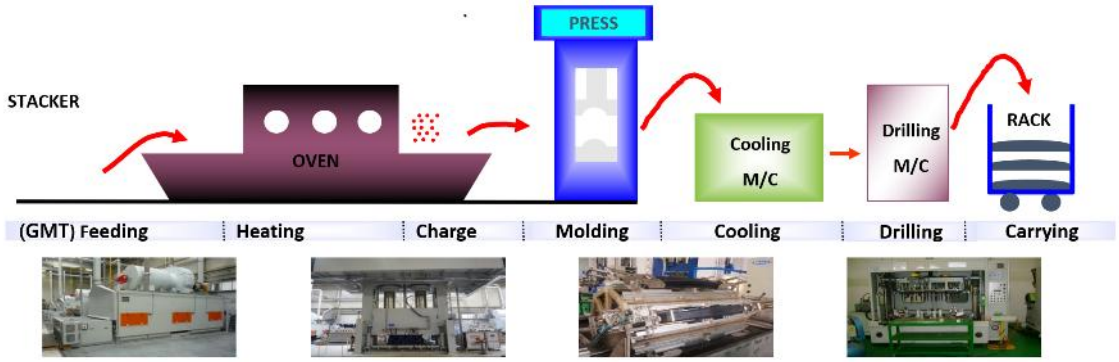
StrongLite (GMT – Glass Mat Thermoplastic)

StrongLite is a composite material in the form of a sheet, made of a polypropylene matrix reinforced with glass fibers. This material offers strength comparable to steel while reducing weight by 20-25%. Its high strength and impact resistance make it ideal for the production of complex structural elements such as underbody covers, bumpers and seat frames.

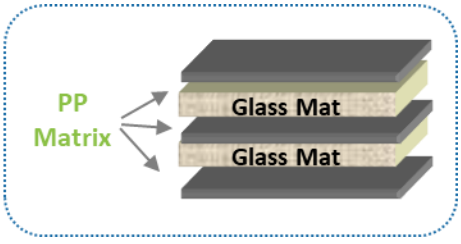
SuperLite (LWRT – Low Weight Reinforced Thermoplastic)

SuperLite is a lightweight composite material with an excellent strength-to-weight ratio and excellent sound absorption properties. It is easily formable, which allows it to be used in a wide range of applications, such as roof rails, interior elements in the luggage compartment or underbody protection. Thanks to its low weight and aerodynamic properties, it contributes to increased fuel efficiency.

5.1 GMT



GMT (Glass Mat Thermoplastic) is a composite manufacturing process in which glass mats impregnated with a thermoplastic matrix are heated and then formed into a closed mold using a press. This process allows for the efficient production of lightweight, strong, impact-resistant parts, ideal for the automotive industry.



Advantages of GMT technology:

- **High strength and low weight:** Thanks to the combination of glass fibers and a thermoplastic matrix, GMT composites provide high strength at a relatively low weight, which is key for automotive applications.
- **Impact resistance:** GMT materials exhibit excellent energy absorption capabilities upon impact, which increases vehicle safety.
- **Production speed:** The stamping process allows for rapid production of parts, which is advantageous
  for mass production.
- **Recyclability:** The thermoplastic matrix allows the material to be recycled, contributing to environmental sustainability.

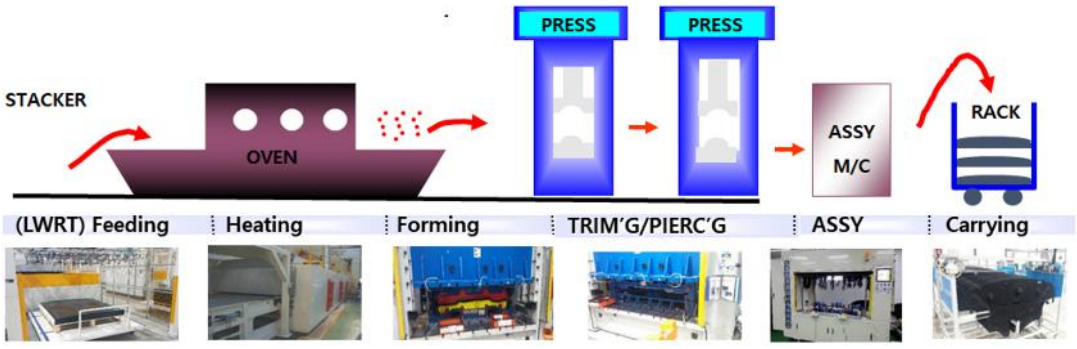
Applications of GMT materials:

GMT materials are widely used in the automotive industry, for example in the production of:

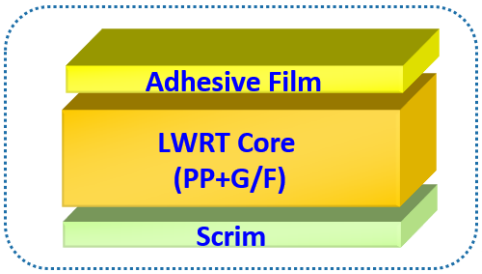
- **Bumper beams:** They provide the necessary strength and ability to absorb energy in a collision.
- **Underbody covers:** Protect the underside of the vehicle from damage and improve aerodynamics.
- **Seat Frames:** They offer a lightweight and strong structure for vehicle seats.

Thanks to its advantages and flexibility, GMT technology is a key process in the production of modern automotive parts that meet demanding requirements for performance, safety and sustainability.

5.2 LWRT



LWRT (Low Weight Reinforced Thermoplastic) technology is an advanced composite material that combines a thermoplastic matrix, typically polypropylene (PP), with long chopped glass fibers. This combination gives the material an excellent strength-to-weight ratio and excellent sound absorption properties, making it ideal for the automotive industry, especially for the production of noise-reducing components.



LWRT track

Advantages of LWRT:

- **Lightness:** Thanks to the low density of the material, LWRT contributes to reducing the overall weight of vehicles, which leads to increased fuel efficiency and reduced emissions.
- **High strength and stiffness:** The combination of thermoplastic matrix and glass fibers gives the material high strength and stiffness, which is key for structural components.
- **Excellent sound absorption properties:** The porous structure of LWRT allows for effective sound absorption, which improves acoustic comfort in the vehicle interior.
- **Design flexibility:** The material can be easily formed into complex shapes, allowing it to be widely used in various applications.
- **Recyclability:** The thermoplastic nature of the material allows it to be recycled, contributing to environmental sustainability.

LWRT applications in the automotive industry:

- **Cargo floor:** Lightweight and strong panels provide cargo support and improve acoustics.
- **Underbody covers:** Protect the underside of the vehicle from damage and improve aerodynamics.
- **Ceiling joists:** They provide an aesthetic appearance to the interior and improve sound insulation.
- **Door trims:** They ensure the aesthetics and functionality of the vehicle interior.

Thanks to its unique properties and flexibility, LWRT technology is a key element in the production of modern automotive parts that meet demanding requirements for performance, safety and sustainability.

6 Integrated Company Policy

QUALITY POLICY

Our Quality System

Hanwha Advanced Materials Europe, sro implements and develops its quality system to demonstrate its ability to consistently produce products that meet customer and legal requirements while maintaining customer satisfaction through an effectively implemented quality system, including continuous improvement and defect prevention.

Our Quality Policy

Hanwha Advanced Materials Europe, sro is committed to implementing, maintaining and developing a quality system that generates products that meet customer and legal expectations, supports the successful growth of the company and is driven by a culture of continuous improvement.

Our team

The employees of **Hanwha Advanced Materials Europe, sro** are committed to producing products that meet customer and legal expectations. This means that every product must meet the highest quality requirements before it leaves the factory gates.

Employees undertake to comply with the rules of **Hanwha Advanced Materials Europe – Code of Ethics and Social Responsibility.**

COMPANY ENVIRONMENTAL POLICY

The protection and creation of the environment, the creation of safe and healthy working conditions for its employees and external stakeholders and their continuous improvement, including the prevention of pollution, are consistently among the highest priorities of the company. To achieve these, the company's management adopts the following environmental principles:

6.1 Biodiversity, land use and deforestation policy

Based on regular assessments of the level of environmental pollution, establish appropriate measures to permanently reduce the burden on the environment and preserve biodiversity. The company is committed to protecting biodiversity and minimizing the impact of its activities on ecosystems.

- We do not use materials whose extraction or production leads to illegal deforestation or destruction of ecosystems.
- We cooperate with suppliers who have a proven track record of implementing the principles of sustainable land management.
- When developing sites and investments, we take care to minimize the impact on the surrounding environment and flora/fauna.

6.2 Soil quality policy

The company prevents soil and groundwater pollution:

- We ensure safe storage of chemicals and operating fluids
- We apply preventive measures in case of leakage
- We regularly monitor the condition of the soil on the premises and carry out ecological audits
- In the event of an accident, we immediately take corrective measures in accordance with applicable legislation.

6.3 Sustainable resource management policy

Hanwha Advanced Materials Europe is committed to the responsible and efficient use of natural resources. We aim to minimize the consumption of raw materials, water and energy by:

- using modern, energy-efficient technologies
- monitoring and optimization of input material consumption
- implementing circular economy principles
- preferring suppliers who apply the principles of sustainable management.
- Ensure minimization of the use of natural resources through constant and consistent analysis of energy and material consumption. Take measures to use renewable energy sources.
- Seek savings in water consumption, and dispose of wastewater in accordance with local regulations. Conduct regular water quality measurements in the retention tank.

All employees are encouraged to use resources responsibly in their daily work.

6.4 Waste reduction policy

The company applies the principle of **"Prevention before liquidation"** .

We commit to:

- minimize waste generation by optimizing production processes,
- separate waste and prioritize recycling,
- cooperate with certified partners for ecological waste disposal,
- Regularly evaluate and reduce the amount of waste per unit of production.

6.5 Reuse and recycling policy

Our company supports the recycling and reuse of materials within internal processes and in the supply chain.

- We prioritize recycled and recyclable materials in our purchasing and product development.
- We also apply recycling principles to packaging materials.
- We strive for a closed material cycle with partners and customers.
- When selecting suppliers of materials, goods and services, we evaluate their suitability with regard to environmental protection and with an emphasis on the use of recyclable materials.

6.6 Animal welfare policy

Hanwha Advanced Materials Europe distances itself from any form of cruelty to animals.

- We require suppliers to comply with international animal welfare standards, especially in the testing, transportation and processing of raw materials.
- We prefer alternative materials with a lower impact on animal resources.

6.7 Noise emission policy

Hanwha Advanced Materials Europe strives to minimize noise and vibration generated by operations.

- We regularly measure and evaluate noise levels in accordance with hygiene limits
- We apply noise reduction measures (insulation, equipment maintenance, operation planning)
- When designing new investments, we take into account the acoustic impact on the surroundings and employees - introducing technologies and equipment that do not cause noise in their surroundings during their operation and, when changing the working environment, measuring noise in the workplace and analyzing its impact on the workplace and surroundings.

6.8 Policy for the Reduction of Air Pollutants and CO_2 Emissions

Hanwha Advanced Materials Europe strives to minimize emissions of air pollutants and CO_2 generated by its operations.

- We regularly measure and evaluate emissions in accordance with applicable legislation and established emission limits
- We implement measures to reduce emissions (filtration, process optimization, equipment maintenance, use of appropriate technologies)
- We minimize emissions of volatile organic compounds (VOC), particulate matter, and greenhouse gases
- When designing new investments and process changes, we consider the impact on air quality and the health of employees and the surrounding environment
- We introduce technologies and equipment that minimize air emissions and comply with the principles of Best Available Techniques (BAT)
- In the event of changes to production processes or the working environment, we assess the impact on air emissions and carry out measurements where necessary
- We ensure regular maintenance and inspection of equipment affecting emissions
- We monitor and evaluate environmental objectives related to air protection and implement corrective actions
- We reduce emission levels through the use of appropriate materials, processes, technical solutions, and optimized logistics, and adopt new measures to decrease environmental impact
- We comply with applicable chemical legislation, regulations, and customer requirements concerning the restriction or prohibition of certain substances in products and manufacturing
- We reduce the carbon footprint of the company and its products in line with the defined corporate strategy

6.9 Responsible sourcing and conflict minerals policy

Hanwha **Advanced Materials Europe** is committed to a sustainable, transparent and ethical approach to sourcing the raw materials used in our products. In line with our environmental policy and corporate social responsibility principles, we are committed to responsible sourcing of raw materials with an emphasis on human rights, environmental protection and a transparent supply chain.

- **Prohibition of the use of conflict minerals** : The company actively strives to ensure that all minerals we purchase or that are part of the components we manufacture (in particular tin, tantalum, tungsten and gold – the so-called 3TG) do not come from conflict areas or from mines that finance armed groups or contribute to human rights abuses.
- **Compliance with legislation:** We comply with all relevant legislation and regulations relating to conflict minerals, in particular EU Regulation 2017/821 on the

obligations of suppliers of conflict minerals (It sets out obligations for importers of tin, tantalum, tungsten and gold (the so-called 3TG) from conflict-affected or high-risk areas. *(Obligations: Ensuring **due diligence** in the supply chain, keeping records, audits and providing reports, transparent traceability of the origin of raw materials) and* all other applicable European or international standards in this area

- Responsibility in the supply chain: The company requires its suppliers to implement and maintain traceability systems for the origin of raw materials, especially conflict minerals, provide supply chain information based on RMI (Responsible Minerals Initiative) templates, and cooperate in audits and risk assessments of the origin of raw materials.

- Due diligence and transparency: As part of our due diligence, we identify and assess risks in our supply chain, taking action to mitigate or eliminate risks where necessary . We strive for full transparency regarding the origin of 3TG minerals in our products.

- **Commitment to continuous improvement:** The company regularly reviews its internal processes and raw material management systems to ensure they meet the latest standards and stakeholder expectations. Employees are regularly trained in ethical sourcing.

- **Suppliers:** This policy is an extension of the Supplier Code of Conduct, which is binding on all our suppliers and covers the area of responsible sourcing of raw materials in our value chain. We expect our suppliers to:

1) Ensures that our raw material requirements are communicated to all subcontractors involved in our production
2) They will provide all required information regarding specific raw materials. When using materials containing tin, tantalum, tungsten and gold (3TG), the supplier guarantees that these raw materials come exclusively from refineries and smelters that comply with the Responsible Minerals Procurement Process (RMAP) of the Responsible Materials Initiative (RMI) throughout the entire process from start to finish. The supplier must provide a conflict materials report as proof of compliance.
3) They will comply with all certification requirements
4) They will work with us on strategies to mitigate the impacts of natural resource use in line with these principles.

Conclusion: At Hanwha Advanced Materials Europe sro, we recognize that responsible sourcing and use of natural resources is key to the long-term sustainability and success of our project. By adhering to the principles in this policy, we contribute to a positive impact on society, the environment and the communities in which we operate. The Responsible Sourcing of Minerals and Conflict Minerals Policy is an integral part of the broader Environmental and CSR Strategy of Hanwha Advanced Materials Europe sro and applies to all our operations, employees and suppliers. It is regularly updated to reflect legislative and market developments.

Furthermore, the management undertakes

- Through consistent prevention, prevent accidents and situations whose consequences could have a negative impact on the environment and employee health.
- In all activities related to the implementation of products provided by the company, comply with applicable environmental legislation and fulfill the binding requirements of stakeholders within the context of the company's organization.
- Develop legislative regulations regarding environmental protection into internal documentation, specifying the responsibilities of individual employees, and ensure their consistent compliance.
- Periodically educate and train all employees in the area of environmental protection requirements.
- In compliance with the requirements of the ISO 14001:2015 standard, the management undertakes to comply with all legislative and other requirements relevant to **Hanwha Advanced Materials Europe, sro** in the area of European legislation, international law and Czech law in the area of corporate ecology and environmental protection at all levels of management.
- Management reviewed the system elements of ISO 9001:2015 and IATF 16949:2016 and concluded that the requirements are met.
- Management is committed to constantly managing and improving all processes and activities for the benefit of the surrounding environment.
- Management is committed to continuously identifying risks and opportunities within the context of the company's organization and its environmental management system and to taking corrective measures to address these risks, leading to improvements in the environmental management system.
- The management undertakes to guide all its external suppliers of services and products to improve environmental behavior within the framework of its environmental management system. It undertakes to enforce from its contractual partners the implementation of sustainable practices consisting of resource and energy conservation with a focus on reducing greenhouse gas emissions, waste management, protection of water resources, forests and the management of chemical substances in the product life cycle.
- Management is committed to leading all its external suppliers of services and products to improve ethical behavior within the framework of the Supplier Code of Ethics

6.10 COMPANY HEALTH AND SAFETY POLICY

We consider ensuring and improving the care of employee safety and health at work (OSH) and fire prevention (FP) to be one of the strategic pillars necessary for increasing competitiveness and ensuring the long-term sustainable development of our company.

Caring for the safety and health protection of our company's employees is perceived as an equal and inseparable part of all business activities.

In accordance with the above-expressed conviction and the company's strategic goals and objectives, the management of our company has decided to declare this policy, expressed in the following principles, in the interest of continuously ensuring and improving the level of OHS and PO management:

- Compliance with and enforcement of all relevant obligations arising from applicable laws, regulations, ordinances and other requirements related to occupational health and safety and fire protection
- Perception of the values of health, safety and fire protection on a par with other basic business values.
- Cooperation and open communication with state administration bodies, employees, contractual partners, the public, educational and other institutions in relation to issues of safety, occupational health and fire protection.
- Creating conditions for a safe and health-friendly working environment that enables a continuous increase in the level of work culture and the overall quality of life of employees.
- Ensure a sufficient range and quantity of work equipment and protective equipment, provided that they are used carefully in operation and when handling chemical substances.
- Systematic search and identification of safety, health and fire risks with immediate adoption of technical and organizational measures to prevent them in order to remove or eliminate them and reassess the allocation of PPE
- Preventing accidents, incidents and situations whose consequences could have a negative impact on the health of employees through consistent prevention and, if they occur, ensuring adequate corrective steps.
- Taking measures to combat potential emergencies and other serious dangers.
- Continuous improvement of implemented activities, production processes and working conditions of our employees in order to minimize their possible negative impact on safety, occupational health and ergonomics
- Using safe working procedures and technical equipment and machinery with a high level of protection for employees, company property and other stakeholders.
- Leading all employees to strengthen their responsibility for their own safety, the protection of the health of others and the prevention of fire protection, work accidents and other emergencies as part of their daily behavior. Raising awareness of employee co-responsibility is based on open communication in a non-discriminatory environment with clearly defined rules and on the development of their qualifications and professional competence.
- Utilizing and improving the employee training system to increase their professional knowledge and experience in the areas of safety, occupational health and fire protection.
- Requiring compliance with safety, health and fire protection principles at work from our contractual partners and preferring those of them who apply the same principles.

<u>The management of our company hereby undertakes to</u> :

- Compliance with the requirement of ISO 45001:2018 at all levels of management to comply with all legislative and other requirements relevant to **Hanwha Advanced Materials Europe, sro** in the area of European legislation, international law and Czech law in the field of safety, occupational health and fire protection
- Ensuring adequate financial, material, human and other resources necessary for the effective functioning of the established OHS and OHS management system to create conditions enabling the promotion and implementation of the declared occupational safety, health and fire protection policy.

- Regularly review the suitability and adequacy of this occupational health and safety policy and, if necessary, issue updated versions.

The company's management expects all its employees to:

- Consistent work discipline, self-control and precise compliance with all instructions related to health and safety issues.
- Actively contributing, within the scope of their competences and responsibilities, to the continuous fulfillment of the principles stated here and participating in achieving the set goals of the declared OHS and PO policy
- Full support in ensuring all the OHS principles described here, while committing its employees to continuously respecting the principle that safety, occupational health and safety, and fire protection are an integral part of work duties and are among the most important basic tasks of every employee of our company.

Final provision

This extended policy is binding on all company employees and its suppliers.
It is regularly reviewed by company management, published and updated in accordance with legislative and customer requirements.

7 Environmental Management System

The highest representative of the environmental management system is the management representative for the EMS, who is responsible for ensuring and coordinating all activities in the implementation, maintenance and improvement of this system. He is appointed by the president of the company and is also subordinate to the plant manager in his activities. The management representative is the HSE specialist.

The practical implementation of environmental protection principles is the responsibility of every manager, and this responsibility is methodologically ensured by the HSE department. The company's management is responsible for issuing an environmental policy, the principles of which are further developed into objectives.
Environmental impacts are monitored in the Register of Environmental Aspects; legal and other requirements are monitored and compliance with these requirements is assessed.

The company continuously conducts integrated internal audits (QMS, IMS). The environmental management system (EMS) is reviewed annually by the company's management.
A process map is created and regularly updated in the company. Each process includes a process card that identifies resources, inputs and outputs, and a description of activities. Based on this, key indicators and the resulting risks or opportunities are accepted and evaluated.
Process cards are updated on an annual basis under the management of the HSE department.

The company has a procedure in place for receiving, documenting and responding to information and requests from the public and interested parties. This procedure includes dialogue with interested parties and considers the legitimacy of their interests.
These procedures also address the necessary communication with the public and public institutions regarding all major environmental issues.

7.1 Environmental aspects

An environmental aspect is an element of an organization's activity, product or service that has or can have an impact on the environment. It is a fundamental concept used in environmental management, for example according to the ISO 14001 standard, which focuses on an environmental impact management system.

Types of environmental aspects:

Direct aspects -They are directly linked to the organization's activities and have a direct impact on the environment. (Examples: Energy consumption, emissions into the air, waste generation, water withdrawal or water pollution)

Indirect aspects - They arise as a result of the organization's activities, but are not under its direct control. (Examples: Supply chain impact (e.g. raw material production), product usage by customers (e.g. CO_2 emissions from a car), transport and logistics associated with operations.)

Environmental aspect vs. impact - Aspect : What the organization does that can affect the environment (e.g. burning fuels). **Impact** : What is the result of a given activity on the environment (e.g. CO_2 emissions into the air).

Číselná hodnota	Riziko	Nápravná opatření	Priorita	Významnost
>300	velmi vysoké	okamžité nápravné opatření	1	Vysoká
200-300	vysoké	co nejrychlejší nápravné opat-ření	2	
100-200	značné	plánovaná nápravná opatření	3	Střední
40-100	možné	věnovat zvýšenou pozornost	4	Nízká
<40	nízké	možno akceptovat	5	

Hanwha Advanced Materials Europe sro has identified aspects directly or indirectly related to the company's activities within the framework of the implementation of EMS according to EN ISO 14001:2016. A regular review of the update of the aspects is carried out. A methodology has been developed for the assessment of the significance of the impacts. The aspects are listed in the table of aspects
identified by processes. For each process, one or more environmental aspects with an environmental impact are determined. The resulting significance is given by a numerical value, which is the product of partial assessments based on the probability, frequency and impact of the given aspect, as a risk to the environment.

Environmental aspects and their impacts are recorded in the Register of Environmental Aspects,
which is prepared separately for individual processes. The last update of the Environmental Aspects took place in May 2025.
At the time of publication of this Statement, the register contained a total of 186 environmental aspects.
None of them were classified as high or medium importance. All aspects are therefore classified as “Non-significant” and are assigned priorities.

8 Environmental goals

Goals are set for the calendar year and are approved by Top Management.

8.1 Goals for 2025

number	Target	Impact	Activity	Responsibility	Fulfillment status
1	Employee Safety Day	Increasing awareness of safe work and safe behavior,	Meeting with employees to evaluate workplace safety for the past period	Plant manager	Fulfilled
2	Defining risk areas with the need to limit the speed of the VZV and setting the VZV software	Increasing employee safety	Software setup of forklifts and installation of electronic zones on company premises	Maintenance manager	Fulfilled
3	Fire drill	Increasing employee safety	Fire alarm and evacuation announcement	HSE specialist	Fulfilled
4	Chemistry exercise	Increasing employee safety and protecting the environment	Declaration of a chemical accident – accident liquidation and records	HSE specialist	Fulfilled
5	Installing an energy-saving compressor	Reducing the energy intensity of production	Purchase of a new, more efficient compressor	Maintenance	Fulfilled
6	Perform carbon footprint measurement	Determining the company's actual carbon footprint in scope 1, 2 and 3	Ensuring the selection process of a company that will perform the carbon footprint calculation	Plant manager	Fulfilled
7	Issuance of the directive "energy management in society"	Reducing the company's energy consumption	Setting energy usage rules, setting large appliances, etc.	Plant manager	Fulfilled
8	Employee training – environmental training, sustainability	Reducing the energy intensity of society, sustainability	Increasing environmental awareness and sustainability	Plant manager	Fulfilled
9	Continuation of installation of electricity consumption measurement for lighting	Reducing the company's energy consumption	Online consumption measurement	Maintenance	Fulfilled
10	Development of a CSR questionnaire for suppliers and initiation of supplier sustainability evaluation	Sustainability	Sending CSR questionnaires to all suppliers and their subsequent evaluation	Purchase	Fulfilled

8.1.1 Evaluation of goals

1) The Safety Day for employees took place on July 11, 2025 and December 11, 2025, where employees were informed about the results of activities in the field of occupational health and safety, occupational injuries and measures to reduce them.
2) The maximum speed of all electric forklifts has been adjusted to 7 km/h.
3) The fire drill with evaluation took place on September 19, 2025, where all set goals were met. The evacuation of the premises took place within 6 minutes.
4) The chemical exercise took place on April 2, 2025 - simulation of a ruptured hydraulic hose of a drilling rig - everything went according to plan and the goal of the exercise was met.
5) The installation of the energy-saving compressor took place on June 19, 2025, and its commissioning resulted in savings of approximately CZK 100,000 in electricity consumption and service interventions in 2025.
6) A CSR questionnaire was developed and distributed to our suppliers, we began to create systematic pressure on suppliers on ESG
7) Directive S -908 – Energy Management was developed, which was issued on January 25, 2025 and which sets out rules, principles and procedures aimed at saving energy within HAEU with the aim of reducing energy consumption, minimizing negative impacts on the environment and optimizing costs associated with energy intensity.
8) Environmental training was carried out for all employees on 24.4.2025, 30.4.2025 and 8.7.2025
9) During 2025, online measurement of electricity consumption was installed on all lighting circuits in the company, as well as online measurement of consumption of transformers and individual halls.
10) A CSR questionnaire was developed and sent to our suppliers. The responses to the questionnaire were collected and evaluated, and feedback was sent to the suppliers.

8.2 Goals for 2026

Number	Target	Impact	Activity	Responsibility	Fulfillment status
1	Employee Safety Day	Increasing awareness of safe work and safe behavior,	Meeting with employees to evaluate workplace safety for the past period	Plant manager	
2	Renovation of wastewater pumping station	Increasing the safety of sewage drainage from the premises	Replacement of pumps and check valves on pipelines, including other fittings	Maintenance	
3	Fire drill	Increasing employee safety	Fire alarm and evacuation announcement	HSE specialist	
4	Chemistry exercise	Increasing employee safety and protecting the environment	Declaration of a chemical accident – accident liquidation and records	HSE specialist	
5	Update the sewage and storm sewer drawings at the Kunín plant site	Update of the sewerage emergency plan	Cooperation with the building authority, completion of historical sewerage drawings from the archive	Maintenance	
6	Perform carbon footprint measurement	Determining the company's actual carbon footprint in scope 1, 2 and 3	Ensuring the selection process of a company that will perform the carbon footprint calculation	Plant manager	
8	Employee training – environmental training, sustainability	Reducing the energy intensity of society, sustainability	Increasing environmental awareness and sustainability	Plant manager	
9	Continuation of installation of natural gas consumption measurement	Reducing the company's energy consumption	Online consumption measurement	maintenance	
12	Obtaining a building permit for the installation of a solar power plant on the roofs of production halls	Renewable energy source – reducing energy consumption from fossil sources	Preparation of project documentation for building permits and obtaining permits	Plant manager	

9 Legal and other requirements

9.1 Legal and other requirements

In order to achieve a high level of environmental protection (minimizing emissions and reducing the burden on environmental components - air), Hanwha Advanced Materials Europe received approval for 2024 of the new operating rules for stationary pollution sources 101 - Plastic molding by pressing, 102 - Plastic molding by pressing and 103 - Hanwha Bead - production of expanded polypropylene, issued by the regional office of the Moravian-Silesian Region. In 2025, production at source 103 - Hanwha Bead was definitively terminated. The production technology was canceled.

The company has a system in place to identify all legal and other requirements that apply to it in the area of environmental protection. Other requirements include, in particular, monitoring of ESG indicators.

9.2 Registration of requirements, compliance assessment.

The requirements are kept in the form of a register, which is also used to assess compliance with these requirements. The register is updated regularly. For the year 2025, the register assessed that the organization is in compliance with legal and other requirements

10 The impact of the company's activities on the environment

Hanwha Advanced Materials Europe, like other industrial companies, has an impact on the environment. It strives to minimize the environmental impact of its activities and take measures to limit or eliminate them.

In 2025, the following objectives were achieved:

1) Reduction of gas consumption per kilogram produced due to the cancellation of HB technology by 50%
2) Monitoring of electricity consumption of transformers and all lighting
3) Waste production per kilogram produced (including hazardous waste) was reduced by 45.4%, of which hazardous waste was reduced by 29.1%.
4) Carbon footprint measurement was performed

ci3.co.cz

2026 : 1026

SLEDUJEME CO_2 www.ci2.co.cz

CARBON FOOTPRINT

Calculation in accordance with

2025 YEAR OF CALCULATION

GHG Protocol STANDARD

Market-based METHOD

Hanwha Advanced Materials Europe, s.r.o.

ORGANIZATION

28198638 CIN

Company Carbon Footprint Calculation

by CarbonFix online tool, verified by company CI3, s. r. o.

PRODUCT/DOMAIN

RESULTS

		Market-based emissions (t CO_2e)	Location-based emissions (t CO_2e)	Part (%)
SCOPE 1	Direct GHG emissions	404.14	404.14	1.7 %
SCOPE 2	Indirect GHG emissions from purchased energy	3,389.38	2,648.43	13.9 %
SCOPE 3	Other indirect GHG emissions	20,519.67	20,517.05	84.4 %

INDICATORS

18.68 t CO_2e S1-S3 / MIL CZK	101.73 t CO_2e S1-S3 / FTE	- S1-S3 / PRODUCT	24,313.2 t CO_2e TOTAL (S1-S3)
2.91 t CO_2e S1+S2 / MIL CZK	15.87 t CO_2e S1+S2 / FTE	- S1+S2 / PRODUCT	3,793.5 t CO_2e TOTAL (S1+S2)

DATE	PLACE	SIGNATURE
31. 3. 2026	in Rudná, Czech Republic	

CI3, s. r. o., Jeronýmova 337/6, 252 19 Rudná

10.1 Water management, water protection

The emphasis is on the maximum possible reduction of drinking water consumption and the reduction of wastewater, combined with the minimization of environmental impacts. Of course, water protection from pollution by harmful substances is also a given.

Hanwha Advanced Materials Europe sro uses drinking water from the public water supply system under a contract with the operator SMVAK. The water is used for social and hygienic purposes, as technological water and possibly fire water.
Water is not treated in any way for the needs of GMT and LWRT technology. It is used primarily as a cooling medium.

Wastewater from the GMT and LWRT technology is discharged directly into the company's own sewage system without pre-treatment and then, based on a contract with the operator SMVaK, pumped into the sewage system. The company's own wastewater treatment plant, which the company operated in accordance with the permit issued by the Frýdek-Místek City Hall for the HB technology, was closed down together with the technology.

The actual sewerage system is divided into storm sewer and sewage sewer. Rainwater from roads and roofs of operations is drained by storm sewer, and before flowing into the retention tank it passes through oil separators. Limits and sampling frequencies are also set for this water. From the retention tank, the water is discharged into the flow of the local stream.

Many substances are used in society that can cause an accident if they leak into water.
These include mainly oils used in production and as operating fillings for products, fuels used for own transport and as operating fillings for manufactured cars and other operating fillings (brake fluid, washer fluid, etc.). Chemical mixtures are also used for separating products from molds and coatings. All these substances are stored in such a way that the risk of their leakage is reduced to a minimum. In the event of a leakage, an emergency plan is prepared, which is regularly updated, and exercises are carried out every year to eliminate an ecological accident.

10.2 Air protection

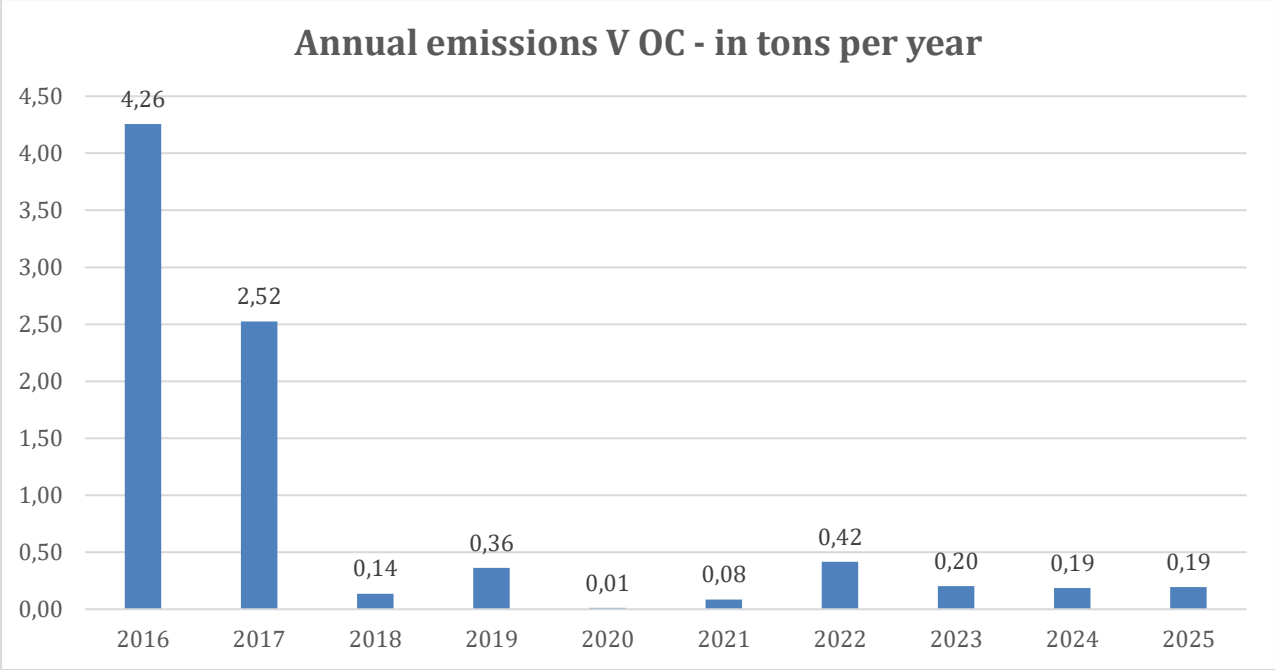
The company operates 2 air pollution sources, the operation of which is permitted under the issued permit, which stipulates VOC pollution limits, monitoring methods and operating conditions for individual sources.
Emissions from all sources are regularly measured at intervals specified in the permit for the operation of the pollution source and the measurement results are continuously evaluated. The results of the measurements to date show that the emission limits specified in the permit are not exceeded.

Combustion sources are used as technological heat sources for indirect heating, boilers for heating and steam production, hot water, hall heating, door curtains. All these sources burn natural gas. Operating regulations are developed for the sources and approved by the relevant authorities.
The lowest possible emissions are achieved through regular maintenance and inspections of all sources and, in particular, by controlling natural gas consumption in relation to production volume.

At the exhaust outlets of GMT and LWRT technology, water scrubbers are installed, which reduce the proportion of VOCs (volatile organic compounds) emitted into the air.

GMT technology exhaust water scrubber

VOC pollutant emissions for the period 2019–2024 are shown in the following graph.



10.3 Waste management

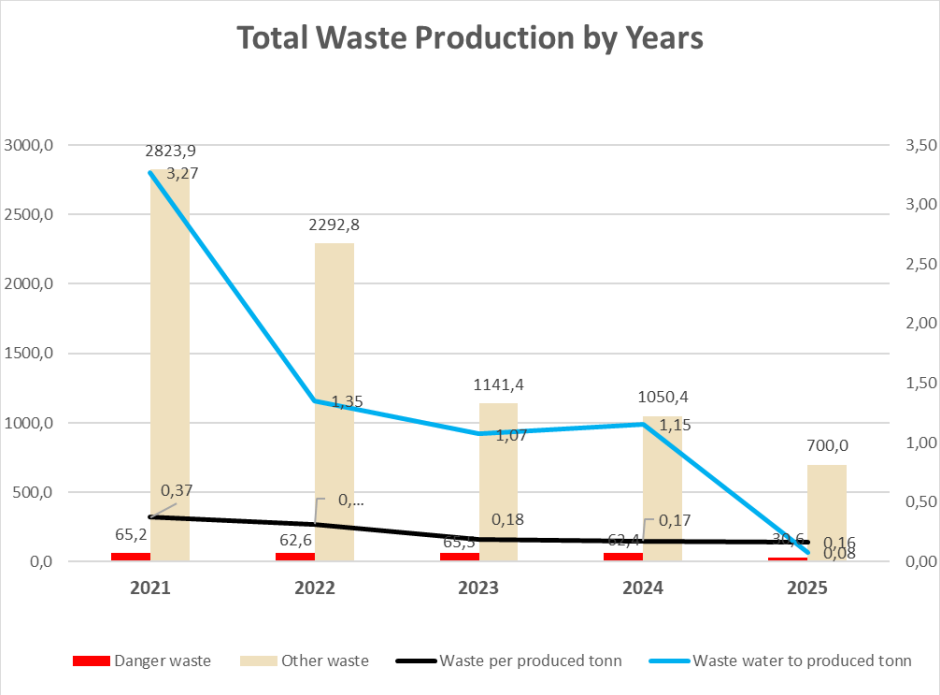
Hanwha Advanced Materials Europe is a primary waste generator. Waste management in the company is fully compliant with European and Czech legislation. The company's activities are aimed at reducing waste and finding opportunities to reuse waste through recycling and reducing landfilling or incineration to the maximum extent possible.

All waste is carefully sorted at the point of origin and is collected at the waste collection point in prescribed, marked containers.

Hanwha Advanced Materials Europe has a waste management system in place, which is carried out by its own employees. It is governed by the internal company guidelines S-901 Waste Management, S-902 Chemical Management. All company employees are regularly trained in waste management and the affected employees are also trained in the rules for the transport of hazardous chemicals by road - internal company guideline S-905 - Transport of hazardous chemicals according to ADR.

The ADR annual report for 2025 has been processed and is filed with the HSE specialist.

Historical values of waste quantities in the graph



The main share of hazardous waste production is absorbents and oils. The most important recyclable waste includes metal waste, polypropylene, waste paper and cardboard, and wood.

10.4 Energy consumption

In the company, we focus on energy consumption and detecting waste. Because plastic processing is largely dependent on thermal processes, which are significant consumers of energy, whether electric or natural gas. Low-emission burners with modulated output are installed on the furnaces, which ensure high efficiency in the use of burned natural gas. The production plan is adjusted to eliminate technology start-ups and shutdowns and unnecessary waste of energy, whether electric or natural gas.

Water consumption in technologies is minimized by reusing water in cooling circuits and installing aerators (water savers) in all taps in the company. A new "Energy Management" directive was issued, which set limits for setting heating and cooling temperatures and water flow rates together with the recommended pressure in the system, with an emphasis on savings.

Table: Energy consumption by year

Year	Energy performance of goods in Hanwha production		
	Electricity kWh/kg	Gas kWh/kg	Water liter/kg
2016	7,00	17,41	34,78
2017	3,63	9,17	15,73
2018	3,63	8,61	16,86
2019	2,88	6,6	12,75
2020	1,76	2,9	5,79
2021	1,36	1,00	3,27
2022	1,20	0,93	2,65
2023	1,16	0,65	1,86
2024	1,14	0,75	2,12
2025	1,16	0,40	1,21

The slight increase in electricity consumption is due to more frequent start-ups of thermal processes using LWRT technology, where operation was limited to two shifts from June 2025 due to the small volume of orders. In terms of water and natural gas consumption, a drastic reduction in consumption per kilogram produced was achieved thanks to the cancellation of the expanded polypropylene production technology.

11 Key indicators

The unit “kilogram produced” has been set as the reference for key indicators for calculations and measurement of environmental impacts. Calculations made in this way are most indicative of the organization's production activities.

11.1 Inputs for 2025

11.1.1 Energy consumption - electricity, natural gas and water

Energy	Unit	Consumption 2021	Consumption 2022	Consumption 2023	Consumption 2024	Consumption 2025
Electricity	MWh	10486.03	8892.13	7612.02	7304	5146
Natural gas	MWh	7739.28	6907.04	4272.32	5234	1791
Water	m^3	25266	19809	12129	13553	5362

Total electricity consumption from renewable sources is approximately 6.5%. The company does not own a renewable energy source.

11.1.2 Key materials

The key materials chosen were GMT – polypropylene boards from which bumpers are made, and LWRT – polypropylene sheets from which chassis and engine covers are made.

Material mass flow rate 2025

Raw material	Unit	Amount
GMT boards	tonne	3284
LWRT board	tonne	1625
PP mini pellets	tonne	2.2

11.1.3 Waste

Total annual waste 2025

Waste	Unit	Amount
Hazardous waste	tonne	30.6
Other waste		700

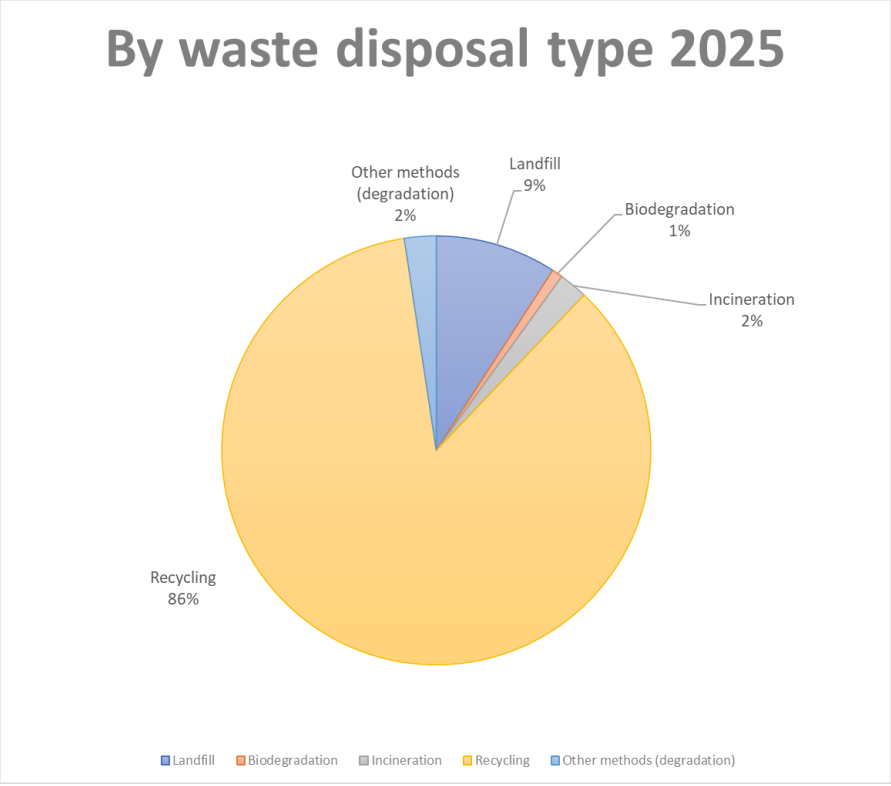


Table – Waste by use 202 5

Waste disposal type	Quantity (tons)
Landfilling	67,498
Biodegradation	5.97
Incinerator	15.91
Recycling	631,272
Other ways (degradation)	17,675

11.1.4 Biodiversity

The operation is located in the Frýdek-Místek industrial zone, in an urbanized area, but in the broader context of the Moravian-Silesian region with significant natural elements:

Beskydy foothills (migration corridors)

River systems (Ostravice)

Fragmented forest and agricultural habitats

The operation is located outside protected areas, but in a region with high ecological value represented by the Beskydy Protected Landscape Area (Natura 2000). Within a radius of 25 km there are habitats of protected species, including large carnivores. The risks are mainly indirect and are related to landscape fragmentation, emissions and transport. There are no wetlands of international importance (Ramsar) within a radius of 25 km. The nearest one is 35-40 km away - with low risk

11.1.4.1 IUCN – *Threatened* species (estimated *within* 25 km)

Category	Number of species (regional estimate)	Examples
Critically Endangered (CR)	1–2	bats, wetland species
Endangered (EN)	3–6	Lynx lynx
Vulnerable (VU)	5–10	Black stork
Near Threatened (NT)	10+	forest birds

11.1.4.2 Dependencies on natural capital

Natural capital	Level of addiction	Description
Water	Medium	cooling, technology
Energy (fossil)	High	plastic processing
Climate stability	Medium	operational continuity
Ecosystems (indirectly)	Low	supply chain

11.2 Impacts on natural capital

Impact area	Impact rate	Description
CO_2 emissions	High	energy-intensive production
Microplastics	Medium	granulate handling
Water	Low–medium	potential pollution
Soil	Low	industrial zone

11.2.1.1 LEAP table (summary)

Step	Process	Tool
Locate	Geographic analysis	IUCN, Ramsar, UNESCO
Evaluate	Dependencies and impacts	ENCORE
Assess	Risks and opportunities	WWF
Prepare	Measures	ESG strategy

11.2.1.2 CONCLUSION

The Hanwha Advanced Materials Europe operation in Chlebovice **is not directly located in a protected area (UNESCO/Ramsar)** , but is located in **a region with endangered species (IUCN)** .

Its impacts on biodiversity are mainly **indirect (emissions, microplastics, energy)**

Key ESG risk: transition risk related to plastics and regulation

Key ESG measures: circularity + emission reduction + microplastic prevention

11.2.2 Total built-up area

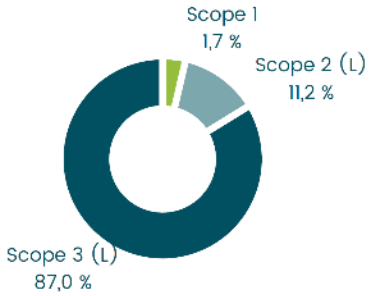
	unit	flat
Total area of Hanwha	m2	58,614
Built-up area of buildings		23,713
Built-up area of the road		22,616
Total built-up area		46,329
Total nature-oriented area within the site		12,285

11.2.3 Emission

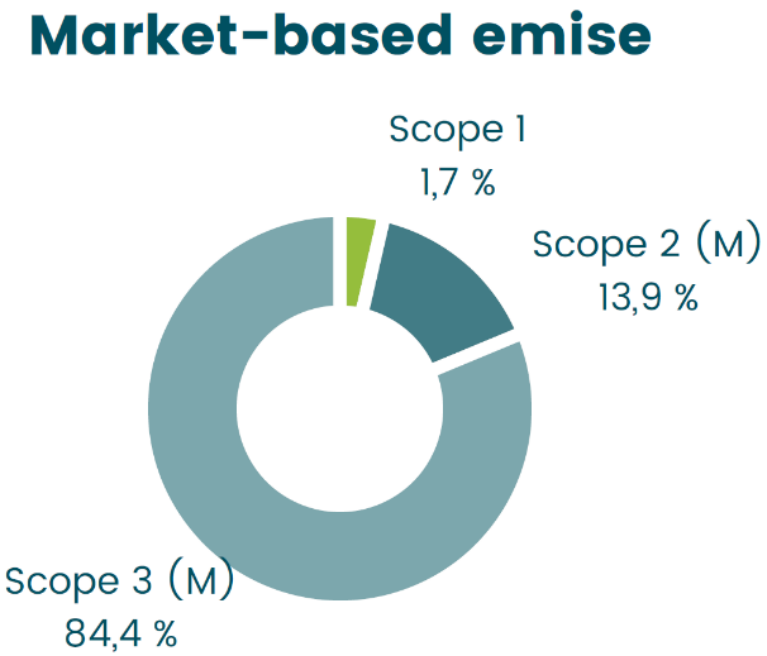
Členění emisí dle Scopes

Scope	*Location-based*		Market-based	
Scope 1	*404,1 t CO_2e*	*1,7 %*	404,1 t CO_2e	1,7 %
Scope 2	*2 648,4 t CO_2e*	*11,2 %*	3 389,4 t CO_2e	13,9 %
Scope 3	*20 517,0 t CO_2e*	*87,0 %*	20 519,7 t CO_2e	84,4 %
Celkem	*23 569,6 t CO_2e*	*100,0 %*	24 313,2 t CO_2e	100,0 %
Scope 1+2	*3 052,6 t CO_2e*	*13,0 %*	3 793,5 t CO_2e	15,6 %
Scope 1-3	*23 569,6 t CO_2e*	*100,0 %*	24 313,2 t CO_2e	100,0 %

Location-based emise

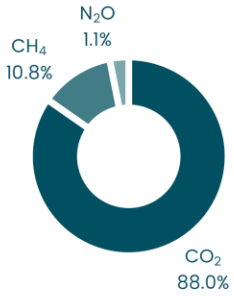


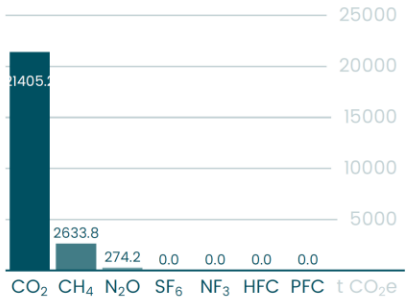
CO_2 emissions 2024 for the entire company



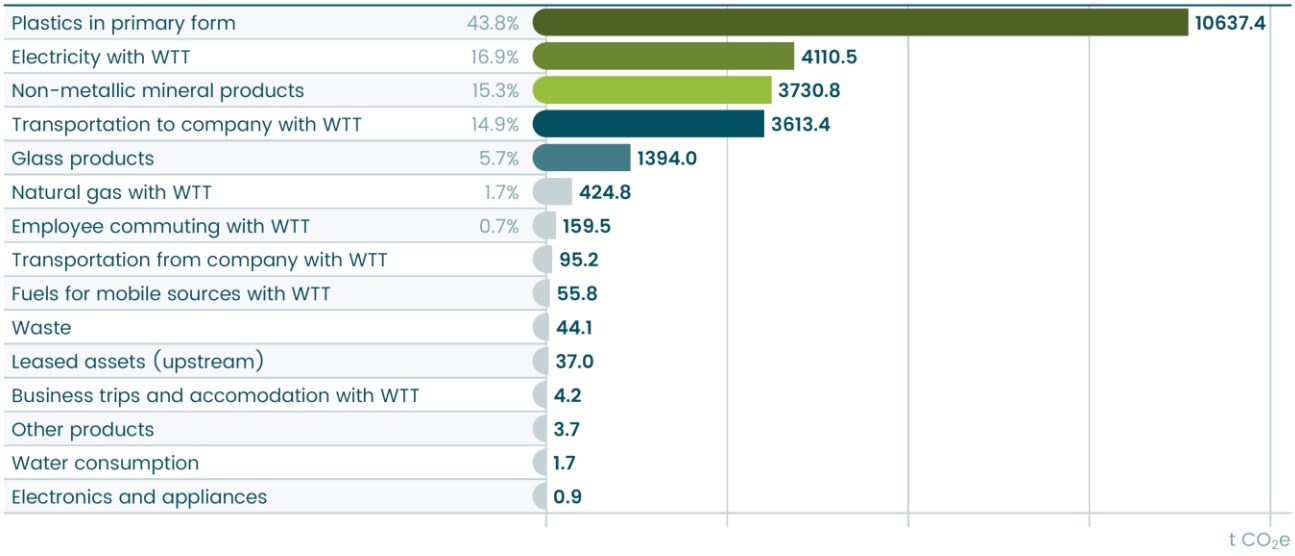
Division of emissions by gases

Gas	t	t CO_2e	Share
CO_2	21 405.2	21 405.2	88.0%
CH_4	94.4	2 633.8	10.8%
N_2O	1.0	274.2	1.1%
SF_6	0.0	0.0	0.0%
NF_3	0.0	0.0	0.0%
HFC	0.0	0.0	0.0%
PFC	0.0	0.0	0.0%

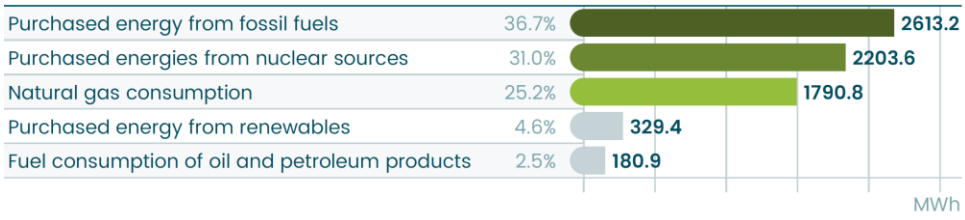


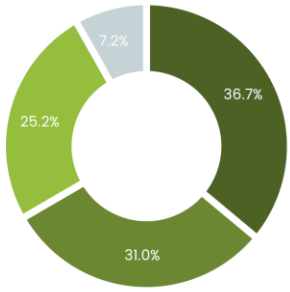


Emissions broken down by functional unit



Energy consumption





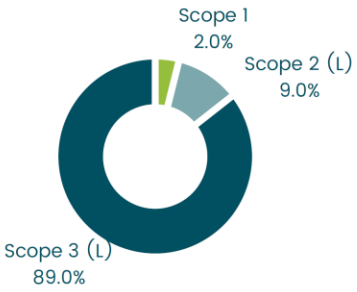
CO_2 emissions 2025 for GMT technology

Total Company carbon footprint is 18 020.0 t CO_2e
(Scope 1, 2 a 3 by method Market-based).

Division of emissions by Scopes

Scope	*Location-based*		Market-based	
Scope 1	*346.1 t CO_2e*	*2.0%*	346.1 t CO_2e	1.9%
Scope 2	*1 589.1 t CO_2e*	*9.0%*	2 033.6 t CO_2e	11.3%
Scope 3	*15 638.3 t CO_2e*	*89.0%*	15 640.3 t CO_2e	86.8%
Total	*17 573.4 t CO_2e*	*100.0%*	18 020.0 t CO_2e	100.0%
Scope 1+2	*1 935.1 t CO_2e*	*11.0%*	2 379.7 t CO_2e	13.2%
Scope 1-3	*17 573.4 t CO_2e*	*100.0%*	18 020.0 t CO_2e	100.0%

Location-based emissions



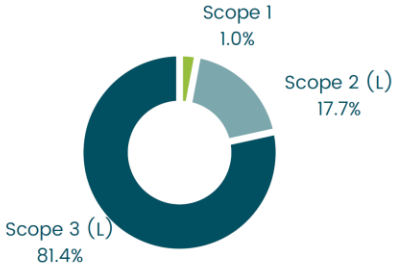
CO2 emissions $_{2025}$ for LWRT technology

Total Company carbon footprint is 6 293.2 t CO_2e
(Scope 1, 2 a 3 by method Market-based).

Division of emissions by Scopes

Scope	*Location-based*		Market-based	
Scope 1	*58.1 t CO_2e*	*1.0%*	58.1 t CO_2e	0.9%
Scope 2	*1 059.4 t CO_2e*	*17.7%*	1 355.8 t CO_2e	21.5%
Scope 3	*4 878.7 t CO_2e*	*81.4%*	4 879.3 t CO_2e	77.5%
Total	*5 996.2 t CO_2e*	*100.0%*	6 293.2 t CO_2e	100.0%
Scope 1+2	*1 117.5 t CO_2e*	*18.6%*	1 413.8 t CO_2e	22.5%
Scope 1-3	*5 996.2 t CO_2e*	*100.0%*	6 293.2 t CO_2e	100.0%

Location-based emissions



11.3 Outputs for the year 202 5

Product	Made
GMT parts	1,024,646 pcs
LWRT parts	1,327,505 pcs
HB production	1,012.7 tons

11.4 Overview of key indicators

The company's carbon footprint was calculated for 2019, 2023, 2024 and 2025. In 2020, the production of expanded polypropylene pressing was terminated, which had a positive impact on energy consumption, especially natural gas and electricity, but also water. In 2025, we have already carried out a retrospective measurement of the carbon footprint for 2019, and in the following years we will also complete the measurements for 2020, 2021 and 2022. In 2025, the production of EPP granulate was terminated.

11.5 Specific indicators

On 19.5.2019, COMMISSION DECISION (EU) 2019/62 of 19 December 2018 on a sectoral reference document on best environmental management practices, sectoral environmental performance indicators and benchmarks for the automotive sector under Regulation (EC) No 1221/2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS) entered into force.

Our company is preparing to be in the group of companies where the scope of this decision applies.

11.5.1 Table of applied specific indicators

Number	Recommended indicator	Brief description	Related EMAS key indicator ([18])	Comparison criterion	Related good environmental management practice ([19])	Filling
1	Production sites with an advanced environmental management system	Number of production sites with an advanced environmental management system (e.g. EMAS registered or ISO 14001 certified and meeting the requirements of the Good Environmental Management Practice) divided by the total number of production sites	Energy efficiency	Advanced environmental management system applied globally, in all production sites	Best practice for environmental management 3.1.1	100%
			Material efficiency			100%
			Water			100%
			Waste			100%
			Biodiversity			100%
2	Number of facilities with detailed energy management monitoring systems	Number of facilities with appropriate energy management monitoring systems. This can also be expressed as a proportion of the total number of production facilities in the company	Energy efficiency	Specific energy management plans are implemented in all production sites	Best practice for environmental management 3.2.1	100%
3	Total energy consumption	Annual energy consumption (heat, cooling and electricity) in the production area divided by the selected functional unit (for example, the functional unit can be cars produced)	Energy efficiency	—	Best practice for environmental management 3.2.2	100%
4	Share of production sites for which the potential and possibilities of using energy from renewable sources are being assessed	Number of production sites for which the potential and possibilities of using energy from renewable sources are assessed, divided by the total number of production sites	Emission	A policy is in place to ensure improvements in the use of renewable energy	Best practice for environmental management 3.2.3	30%
5	The share of the energy consumption of a given production site covered by energy supplies from renewable sources	The amount of energy consumed from renewable sources (including energy produced on site and purchased energy) divided by the total energy consumption of the production site.	Emission	Energy consumption is reported, indicating the share of energy from fossil fuels and energy from sources other than fossil fuels.	7%	7%
6	Lighting energy consumption	Annual lighting energy consumption measured at the level of individual production facilities	Energy efficiency	—	Best practice for environmental management 3.2.4	
			Emission			100%
7	Introduction of properly spaced, energy-efficient lighting fixtures	Energy-efficient lighting systems with improved layout are implemented in the production facility	Energy efficiency	The most energy-efficient lighting solutions suitable for specific workplaces are implemented in all production areas	Best practice for environmental management 3.2.4	100%, průběžně aktualizováno rozmístění
			Emission			100,00%
9	Electricity consumption of compressed air system per unit volume at the point of end use	Electricity consumption per standard cubic meter of compressed air delivered at the end-use point at the specified pressure value	Energy efficiency	Compressed air system energy consumption is less than 0.11 kWh/m³compressed air for a system operating at a pressure of approximately 6.5 bar	Best practice for environmental management 3.2.5	100%
			Emission			
11	Waste production per functional unit	Total amount of waste generated (i.e. hazardous and non-hazardous) divided by the number of selected functional units (e.g. vehicles produced)	Waste	—	Best practice for environmental management 3.2.7	100%
12	Development and implementation of a comprehensive waste management strategy, including monitoring and improvement targets	A waste management strategy is adopted at the production site level, which also includes monitoring and improvement targets.	Waste	Waste management plans are in place [at all sites]	Best practice for environmental management 3.3.1	100%
13	Waste directed to specific streams including recycling, energy recovery and landfilling	Waste production is monitored and individual quantities sent for recycling, energy recovery and landfilling are recorded.	Waste	Zero waste is sent to landfill from all production and non-production activities/areas	Best practice for environmental management 3.3.1	91%
14	Water consumption per functional unit	Total amount of water consumed in a given production facility divided by the number of selected functional units (e.g. vehicles produced)	Water	Establish a water management strategy based on a recognized instrument, such as a Director General's Water Management Order, which includes an assessment of the severity of the risk of water scarcity	Best practices for environmental management 3.4.1, 3.4.2, 3.4.3	100%
15	Share of operations in existing sites that are retrofitted with water-saving devices and use water-saving processes	Share of operations in existing sites that are retrofitted with water-saving devices and use water-saving processes out of total operations	Water	All new production sites are designed with water-saving sanitary facilities and water-saving equipment is being progressively retrofitted in all existing sites.	Best practice for environmental management 3.4.2	100%
20	Share of (direct) Tier 1 suppliers meeting required standards according to internal or external audits	Percentage of (direct) Tier 1 suppliers (by number or value of products purchased) that meet required standards according to internal or external audits	Energy efficiency	All major suppliers must have an environmental management system in order to enter into purchase contracts with the company	Best practice for environmental management 3.6.1	56,00%

11.6 Social responsibility

Our company has a long-standing commitment to supporting the community, education, the environment and working conditions of employees, especially in a regional context. Through targeted donations, cooperation with professional institutions and employee support, we contribute to improving the quality of life in our surroundings and to the sustainable development of society.

11.7 Support for sports

Volunteer firefighters from Hájov – In 2025, the company supported the purchase of firefighting equipment that serves members of all ages of the volunteer firefighters from the Hájov unit. This support contributed to the promotion of sports activities and community cohesion.

11.8 Supporting employees and the work environment

In 2025, we implemented activities focused on employee support, which included active care for quality of life, positive relationships, meaningful work and personal development. To increase employee satisfaction and support regeneration during the working day, an outdoor relaxation zone was built on the company premises.
The company also actively cooperates with the trade union, with which it regularly negotiates wage conditions and their improvement, with the aim of ensuring a fair and transparent working environment.

11.9 Support for education, culture and social activities

We provided a financial donation to support the activities of the trade union, which was used for projects in the areas of education, culture, social services, healthcare, humanitarian aid, and sports.

In 2025, we financially supported the Elementary School and Kindergarten in Frýdek-Místek – Chlebovice, where an interactive whiteboard was purchased for this support, thereby contributing to improving the quality of student education.

11.10 Environmental support

As part of its environmental responsibility, the company financially supported the organization ČSOP Salamandr, which is dedicated to nature protection in the Beskydy region. The support was focused on the care of mountain meadows, tree planting, wetland care and other activities contributing to the protection of biodiversity and the landscape.

This cooperation also included the active participation of our employees in wetland maintenance, whereby we not only supported environmental projects but also strengthened employee involvement in social responsibility activities and their relationship with nature conservation.

11.11 Scientific and academic cooperation

The company develops cooperation with the academic sphere and supports the education of the younger generation. In 2025, cooperation with VŠB – Technical University of Ostrava continued as part of the “Supporter” partnership program. The goal of this partnership is to support technical education, develop talent, and strengthen the connection between academia and industrial practice.

11.12 Conclusion

Supporting local organizations and communities is part of our long-term social responsibility strategy. Through these activities, we not only strengthen ties with our surroundings, but also contribute to their development and improve the quality of life.