



Sustainability
Report
2025

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General Information

B1 - Basis for preparation

This sustainability report has been prepared in accordance with Option B, covering both the Basic Module and the Comprehensive Module of the Voluntary Sustainability Reporting Standard for SMEs (VSME). Certain data such as our annual turnover has been omitted in accordance with provision B1 24(b) where the disclosure of such information would compromise confidentiality.

This report has been prepared on an **individual basis**, focusing exclusively on **Graphit Kropfmühl GmbH** and its main production site in **Kropfmühl, Germany**. During the reporting period, Graphit Kropfmühl GmbH was part of AMG Critical Materials N.V.

GK's primary operations, production facilities, and research & development centre are located at its headquarters in Kropfmühl, Germany, representing the site of the company's principal assets. All other operations listed are owned, leased, or managed by entities within the GK Group but are not included in this report.

The company is registered as a limited liability company. Its NACE code, according to Thru.de, the German Environmental Data Portal maintained by the Federal Environment Agency (UBA), is 08.99 – Other mining and quarrying n.e.c.

As of 31st December 2025, the company employed 126 people. Total and net turnover figures are excluded from this report due to confidentiality.

As a subsidiary of AMG, GK is committed to adhering to the ethical standards and principles defined in AMG's Code of Conduct and Human Rights Policy. These policies are publicly accessible on the AMG website and apply to all subsidiaries within the AMG Group.

Site	Address	Postal Code	City	Country	Coordinates
Location of primary operations – Registered office & Industrial plant	Langheinrichstr. 1	94051	Hauzenberg	Germany	48.62211° N 13.65981° E
Warehouse	Von-Linne-Str. 11	22880	Wedel	Germany	53.57431° N 9.73494° E
Subsidiary – Registered office & Industrial plant	Bogala Mines	71041	Aruggammana	Sri Lanka	7.11692° N 80.31053° E
Subsidiary – Registered office	No. 19 Miaoling Road, Laoshan District	266061	Qingdao	P.R. China	36.10008 ° N 120.46289° E
Subsidiary – Industrial plant	Li Jialou Village	266706	Pingdu	P.R. China	36.73 ° N 119.92° E

Sustainability related certifications and labels

Certification / Label	Description	Latest Audit / Assessment / Validity	Contribution to Sustainability
Directly sustainable DIN EN ISO 50001:2018	Energy Management System	Latest Audit: 4 Nov 2025 Valid until 21 Nov 2028 Monitoring audit: 26 Oct 2026	Supports systematic energy management, improving efficiency and reducing GHG emissions
Socially sustainable DIN EN ISO 45001:2018	Occupational Health & Safety Management	Latest Audit: 4 Nov 2025 Valid until 21 Nov 2028 Monitoring audit: 26 Oct 2026	Enhances workplace safety, reduces accident risks, and protects employee health
Indirectly sustainable DIN EN ISO 9001:2015	Quality Management System	Latest Audit: 4 Nov 2025 Valid until 21 Nov 2028 Monitoring audit: 26 Oct 2026	Promotes efficiency, continuous improvement, and resource conservation through reduced waste
EcoVadis Bronze Medal	International sustainability rating evaluating environment, labour & human rights, ethics, and sustainable procurement	Latest Assessment: 18 Mar 2025 Valid until 18 Jun 2026	Bronze medal, score 61/100, placing the company in the 69th percentile among peers; demonstrates transparent ESG performance
REPASACK “Resources Saved” Certificate	Recycling program for used paper bags in Germany	2025 (annual certification)	Documented savings of 53,044 kg primary resources and 925 kg CO ₂ e; supports circular economy and waste reduction
Integrity Next Sustainability Profile	Sustainability and compliance platform assessing environment, human rights, ethics, and supply chain practices	2025 (quarterly ongoing updates)	Promotes supply chain transparency, ethical practices, and compliance with environmental and social standards

B2 & C2 - Practices, policies and future initiatives for transitioning towards a more sustainable economy

The table below provides an overview of existing sustainability-related practices, policies, and future initiatives at GK, in alignment with disclosures B2 and C2 of the VSME framework.

Sustainability issue	Existing sustainability practices/policies/ future initiatives that address the issue [YES/NO]	B2		Description of practices or policies and their consequent actions	C2	Specification of future initiatives or targets
		Publicly available [YES/NO/PARTIALLY]	Policies have targets [YES/NO]			
Climate Change	YES	PARTIALLY	YES	<ul style="list-style-type: none"> AMG expects suppliers to promote environmental responsibility, including responsible energy and water use Climate change is a key focus; AMG reduces GHG emissions and develops solutions to help customers lower CO₂ Energy efficiency is integrated into all planning and operations, with continuous improvement and resource allocation All binding environmental obligations are observed, forming GK's operational framework 		<ul style="list-style-type: none"> Overall Kropfmühl Plant: Reduce total energy consumption Dispersion Area: Reduce electricity usage Expansion Area: Reduce overall energy consumption Flotation Area: Reduce heating oil and electricity usage Mining Area: Reduce electricity usage Training: Increase environmental and energy efficiency training for employees
Pollution	YES	PARTIALLY	YES	<ul style="list-style-type: none"> AMG expects suppliers to establish procedures to identify environmental impacts, prevent incidents, and implement response plans through a documented environmental management system AMG is committed to embedding sustainability in all business activities to protect the environment and climate, ensuring future generations' right to an unrestricted and high-quality life 		<ul style="list-style-type: none"> CO₂ Emissions: Reduce carbon footprint per ton of graphite Renewable Energy: Increase share of renewable electricity in overall consumption Wastewater: Reduce wastewater generation and promote recycling, e.g., reuse of cooling water Training: Intensify environmental and energy efficiency training for employees

Sustainability issue	B2		C2		
	Existing sustainability practices/ policies/ future initiatives that address the issue [YES/NO]	Publicly available [YES/NO/PARTIALLY]	Policies have targets [YES/NO]	Description of practices or policies and their consequent actions	Specification of future initiatives or targets
Water and Marine Resources	YES	PARTIALLY	YES	<ul style="list-style-type: none"> • AMG expects suppliers to promote environmental responsibility, including responsible energy and water use • Water is a global concern; AMG protects access to water as a human right and encourages recycling • Mining tailings are managed in TSFs with focus on community rights, lifecycle risk management, governance, emergency response, and transparency • TSFs are monitored via regular inspections, external engineering checks, and third-party audits; findings trigger corrective actions 	<ul style="list-style-type: none"> • Wastewater Reduction: Minimize wastewater discharge and prevent direct release of mine water • Recycling: Promote wastewater reuse, e.g., cooling water • Additional Goal: Further reduce overall wastewater load
Biodiversity and Ecosystems; Circular Economy	YES	PARTIALLY	YES	<ul style="list-style-type: none"> • AMG expects suppliers to support circular economy, minimize waste, and ensure responsible disposal or recycling • Suppliers must assess environmental impacts, prevent incidents, and have documented response plans • Resource efficiency and circular economy are key focus areas; recycled materials and secondary metals are prioritized • Waste management maximizes reuse, recycling, and minimizes landfill; renewable resources and sustainable sourcing are encouraged 	<ul style="list-style-type: none"> • Waste Reduction: Minimize waste generation • Process Optimization: Expand pneumatic conveying to reduce internal packaging of intermediate products • Training: Implement waste management concept trainings • Reusables: Explore use of reusable big bags with suppliers

Sustainability issue	B2			C2	
	Existing sustainability practices/ policies/ future initiatives that address the issue [YES/NO]	Publicly available [YES/NO/PARTIALLY]	Policies have targets [YES/NO]	Description of practices or policies and their consequent actions	Specification of future initiatives or targets
				<ul style="list-style-type: none"> Compliance with REACH ensures safe chemical handling; hazardous chemicals replaced when possible High-conservation areas follow strict standards: avoid, minimize, or mitigate impacts; restore habitats where needed Major projects undergo environmental assessments with mitigation plans; international standards applied Employees trained in environmental responsibility; all waste tracked, segregated, and recycled; soil/water contamination prevented Pallets reused, chemical waste documented, office waste recycled 	
Own Workforce	YES	PARTIALLY	YES	<ul style="list-style-type: none"> Hazardous tasks replaced with safe procedures; training and PPE provided Safety, health, and ethical standards apply to all employees and contractors Fair competition, anti-bribery, and compliance with laws enforced; whistleblower protection in place Diversity, inclusion, respect, and wellbeing promoted; misconduct addressed Fair pay, working hours, leave, and social dialogue comply with laws and agreements 	<ul style="list-style-type: none"> Zero Accidents: No accidents or downtime; target 2025: 0 Safety & Training: Root-cause analyses, updated procedures, awareness campaigns, 12h safety training per employee, >70% follow-up on safety measures Employee Wellbeing: Sick leave <5%, high satisfaction >80%, participation in health programs Promote inclusion, advise leadership, monitor diversity

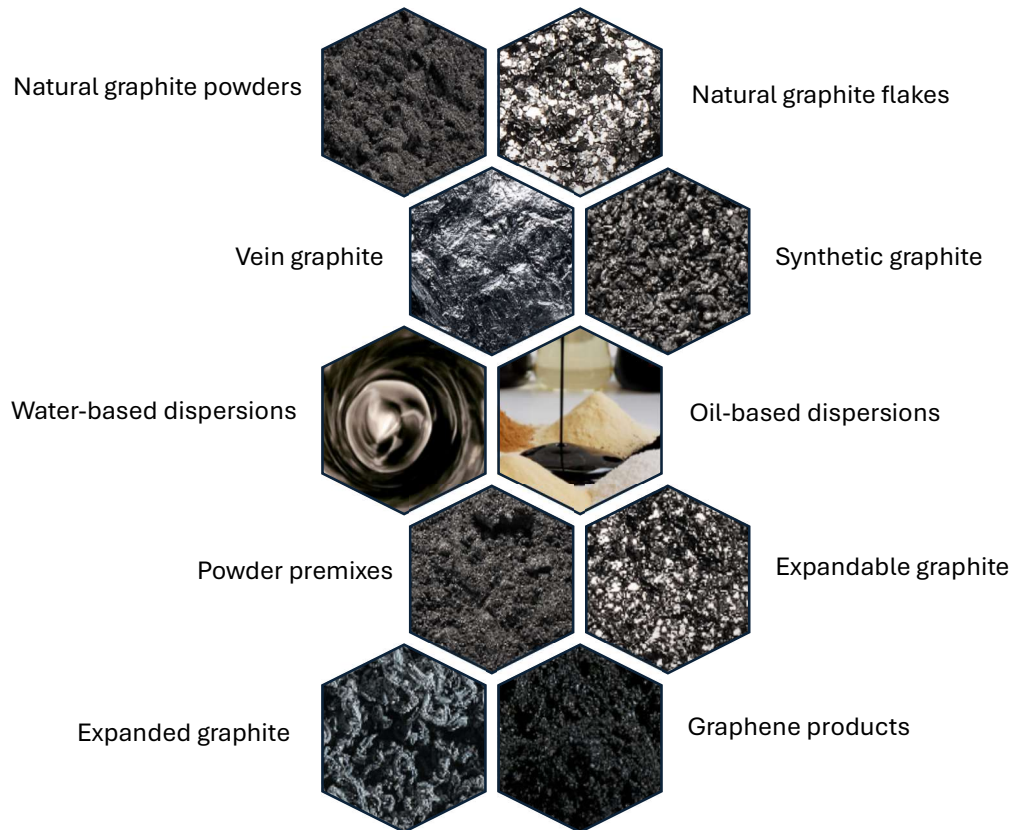
Sustainability issue	B2			C2	
	Existing sustainability practices/ policies/ future initiatives that address the issue [YES/NO]	Publicly available [YES/NO/PARTIALLY]	Policies have targets [YES/NO]	Description of practices or policies and their consequent actions	Specification of future initiatives or targets
				<ul style="list-style-type: none"> Transparent vacation and work-time management with supervisor approval 	<ul style="list-style-type: none"> Board & Leadership Targets: ≥30% gender representation on boards; women in leadership >30% by 2030 Talent & Recruitment: Diverse hiring, balanced nationalities, succession planning
Workers in the Value Chain	YES	PARTIALLY	NO	<ul style="list-style-type: none"> Suppliers must follow laws, international standards, and respect human rights No child/forced labour; freedom of association upheld Ensure safe, healthy workplaces with risk management and hygiene Employees must act ethically, inclusively, and without harassment or discrimination Promote diversity, inclusion, accessibility Uphold business integrity, anti-bribery, and whistleblower protection Supply chain partners must meet human rights and environmental standards Fair pay, legal working hours, flexible work, parental leave, and wellbeing programs Equal opportunities and support for people with disabilities Regular training on Code of Conduct, compliance, and human rights Social dialogue with employees, works councils, and unions 	

Sustainability issue	B2			C2	
	Existing sustainability practices/ policies/ future initiatives that address the issue [YES/NO]	Publicly available [YES/NO/PARTIALLY]	Policies have targets [YES/NO]	Description of practices or policies and their consequent actions	Specification of future initiatives or targets
Affected Communities	YES	YES	NO	<ul style="list-style-type: none"> • Suppliers encouraged to support social and economic development and community sustainability, including indigenous communities • Obtain Free, Prior, and Informed Consent (FPIC) where applicable • Treat community members with dignity, respect, and transparency • Zero tolerance for threatening behaviour, violence, coercion, sexual exploitation, or abuse • Engage with local communities to understand perspectives, ensure transparent planning, and seek mutual agreement for sustainable development 	
Consumers and end-users	YES	NO	NO	<ul style="list-style-type: none"> • Product and service quality is critical for GK's competitiveness • Management system aligned with international standards, especially DIN EN ISO 9001 • Commitment to always meet customer requirements • Employees are trained to support quality objectives • Continuous employee involvement in improvement processes for quality, service, cost, and technology optimization 	

Sustainability issue	B2		C2		
	Existing sustainability practices/ policies/ future initiatives that address the issue [YES/NO]	Publicly available [YES/NO/PARTIALLY]	Policies have targets [YES/NO]	Description of practices or policies and their consequent actions	Specification of future initiatives or targets
Business Conduct	YES	PARTIALLY	YES	<ul style="list-style-type: none"> • Suppliers must compete fairly, avoid corruption/bribery, and disclose conflicts of interest • Maintain accurate records, meet quality/safety standards, and follow ESG reporting requirements • Use AMG’s “Speak Up” platform; respond promptly to inquiries; comply with export/sanctions laws • AMG enforces integrity, fairness, and legal compliance; whistleblowers are protected • Ethical culture: open communication, diversity, inclusion; misconduct is investigated and sanctioned 	<ul style="list-style-type: none"> • Conduct all necessary compliance trainings to ensure employees are informed about legal, ethical, and company standards • Prioritize the use of reliable and high-performing suppliers for raw materials, while minimizing dependence on less reliable sources • Ensure that auxiliary materials, operating supplies, and service providers are sourced from dependable and qualified suppliers, maintaining quality and continuity • Implement proactive planning and inventory management to secure continuous availability of raw materials, avoiding supply shortages and supporting smooth operations

C1 - Strategy: Business Model and Sustainability – Related Initiatives

GK is a globally active graphite producer offering a wide range of high-performance carbon-based materials and customized solutions for industrial applications. We serve business-to-business customers worldwide and are recognized for our technological expertise, vertical integration, and commitment to responsible resource management. GK’s key products, which are tailored to meet the specific needs of customers in different industrial sectors, include:



Main Markets:

We operate globally with production sites and subsidiaries in Europe and Asia. Our principal customer industries include the automotive, chemical, and construction sectors. While our sales network reaches customers around the world, our operations are built on close and long-term relationships with industrial partners.

Business Relationships

Our business model is based on close collaboration with industrial clients and suppliers. We primarily work through direct sales and project partnerships, offering tailor-made solutions and technical expertise.

One of our key customers is BASF, with whom we maintain strategic cooperation on product development and sustainability initiatives. Due to the confidential nature of our B2B operations, other key clients are not publicly disclosed.

Our suppliers operate in relevant raw material and equipment sectors and are carefully selected based on quality, reliability, and compliance with our sustainability standards.

Sustainability and Strategic Integration

Our corporate strategy combines economic resilience with environmental and social responsibility.

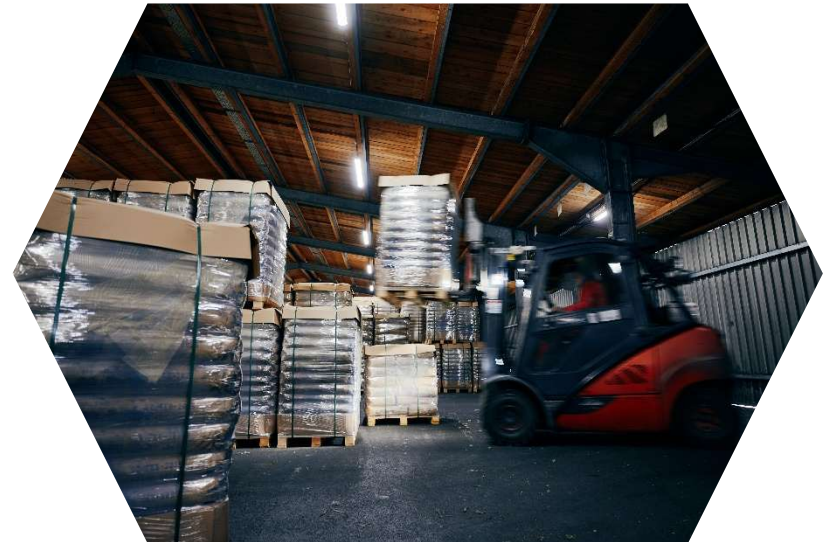
Vertical integration - including ownership of graphite mines and local production - ensures a secure and transparent supply chain, supporting both business continuity and sustainability objectives.

We are actively engaged in CO₂ reduction initiatives, such as our agreement with BASF to reduce the product carbon footprint using renewable energy certificates.

Sustainability principles are anchored in our corporate policies and daily operations.

Our guidelines emphasize:

- Protection of natural resources and biodiversity when expanding facilities
- Efficient use of resources and continuous improvement of production processes
- Systematic energy management and long-term reduction of energy consumption
- Responsible waste management and material recycling
- Product responsibility, ensuring that all graphite materials are environmentally safe and chemically inert



Environment metrics

B3 – Energy and greenhouse gas emissions

To accurately assess and monitor our total energy consumption, we collect comprehensive data expressed in megawatt-hours (MWh). Energy use is divided into two main categories:

- **Electricity** (based on supplier invoices and origin certificates)
- **Fuels and Combustion Energy** (including fuel oil, natural gas, propene, diesel and gasoline)

All quantities measured in liters, cubic meters, or tons are converted into MWh using appropriate heating values to ensure consistency across energy sources.

ENERGY CONSUMPTION BY TYPE (MWh)

Energy type	2025
Fuels and Combustion Energy	4.920
Electricity	19.841
Total	24.761

Carbon Footprint Calculation (Scope 1-3)

We calculate the Product Carbon Footprint (PCF) for all products at our Hauzenberg site.

Scope 1 and 2 emissions are determined using recognized emission factors for fuels and electricity, while Scope 3 emissions (categories 1-9) are based on supplier data, alternative sources, or AI estimates where needed.

Non-relevant categories (10-15) are excluded to maintain focus on verifiable emissions.

The GHG emissions presented below additionally account for the energy consumption and related emissions of our Wedel branch plant. The remainder of this report is limited to the Hauzenberg site only as stated in B1 - Basis for preparation.

GHG EMISSIONS (t CO₂e)

Scope	2025
Scope 1	1.230
Scope 2	7.024
Scope 3	22.648
Total	30.902

GHG intensity per revenue is not calculated, as sales figures cannot be disclosed due to confidentiality agreements.

B4 – Pollution of air, water and soil

We are required to report pollutant emissions within our environmental management systems.

All emissions are therefore formally documented and submitted according to applicable regulations.

To ensure comprehensive coverage, we identify all relevant emission sources, including electricity consumption, fuel combustion, transportation, industrial processes, agriculture, and waste.

Appropriate calculation methods are selected for each source, such as direct measurement, continuous monitoring, emission factors, mass balance, or estimation based on activity data. Activity data - including production volumes, fuel use, mileage, and input materials - are collected systematically.

Emission factors are applied to these data to calculate emissions in kg CO₂e, and pollutants are listed according to their respective medium, ensuring transparency, traceability, and comparability across reporting periods.

Pollutant	Emissions (t)	Release Medium (Air, Water, Soil)
Carbon Monoxide	0,243	Air

B5 – Biodiversity

Biodiversity Assessment

We assess whether our own or managed sites are in or near areas of sensitive biodiversity.

Based on this evaluation, none of our sites - including Germany, Sri Lanka and China - are in or in the immediate vicinity of areas with sensitive biodiversity.

Specifically, Natura 2000 searches conducted via the Bavarian State Office for the Environment indicate that no sites overlap with Natura 2000 areas.

None of the sites are situated within UNESCO World Heritage sites, known KBAs, or nationally designated protected areas. This confirms that our operations do not directly impact sensitive biodiversity areas.



LAND USE BY TYPE – Area (ha)

Land-use type	2025
Total sealed area	5,82
Total nature-oriented area on-site	14,65
Total nature-oriented area off-site	65,68
Total use of land	86,15

B6 – Water

Wastewater Management and Water Risk

All process wastewater is treated in sedimentation ponds, where solid particles settle to the bottom and clarified water is discharged into the Aubach stream.

These ponds primarily handle mineral-based wastewater from mining and chemical processes that are neutralized with lime.

As no biodegradable carbon is present, these wastewater streams do not generate CO₂ emissions. The clarification process relies solely on gravity, without any chemical reactions that would release carbon dioxide.

During the neutralization of acids with calcium hydroxide [Ca(OH)₂], only water and calcium ions are formed, resulting in no direct CO₂ emissions.

Consequently, only the upstream emissions related to lime production are accounted for.

Germany, and specifically Bavaria, generally face low water stress.

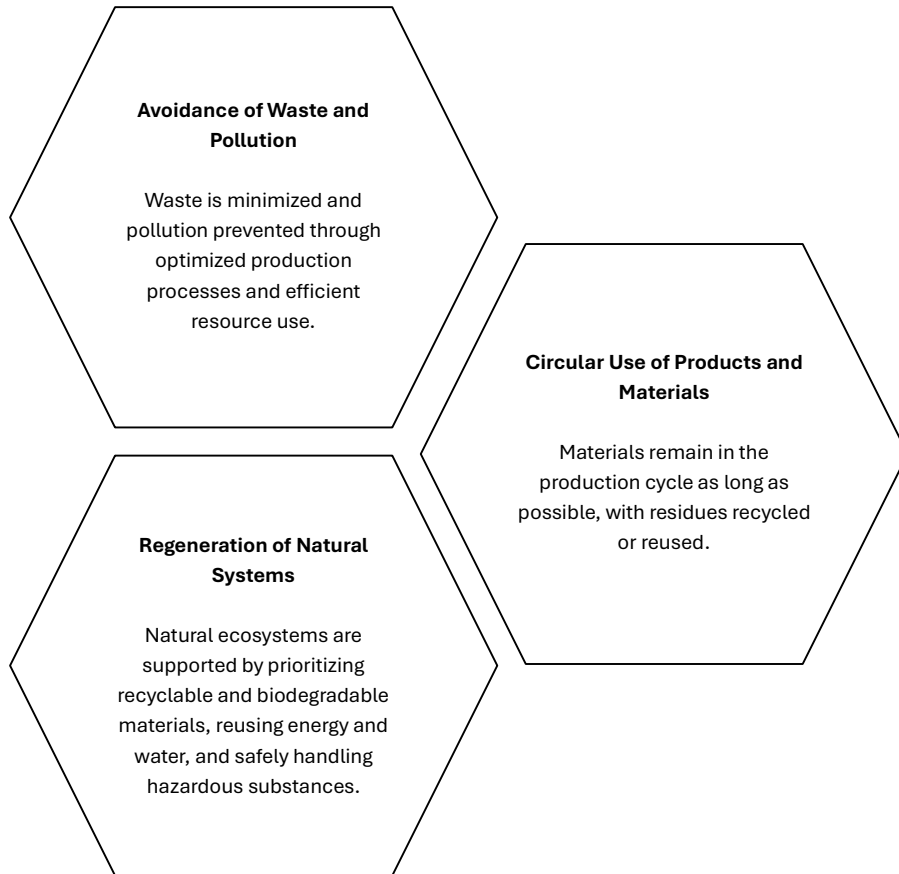
According to the Aqueduct Water Risk Atlas, the regional water stress level in Bavaria is below 40%, which is classified as a low-risk category.

	Water withdrawal (m ³)	Water consumption (m ³)
Kropfmühl plant	1.531.703	93.215

B7 – Resource use, circular economy and waste management

The circular economy is a core part of our sustainability strategy.

We apply circular economy principles across all relevant areas, particularly in material selection, production, waste management, and packaging.



- **Waste Reduction Measures:**

All waste is managed in compliance with regulations, and process improvements are continuously applied to reduce total waste generation. Water from production processes is cleaned and reused within the facility.

- **Measures for Circularity:**

We keep materials in circulation by reusing production scrap, replacing problematic materials with recyclable or biodegradable alternatives, and optimizing packaging to reduce volume and enable multiple life cycles.

- **Environmental and Safety Aspects:**

Hazardous waste is carefully managed according to EWC and Annex II of the Waste Framework Directive. Hazard pictograms ensure safe handling, and disposal follows SFDR and local regulations.

We classify all waste according to the European Waste Catalogue code (EWC code). Both non-hazardous and hazardous waste streams are carefully monitored:

WASTE GENERATED (tonnes) 2025

Waste Type	diverted to recycle	diverted to disposal	Total
Non-hazardous waste	267,2	577,7	844,9
150103 – Wooden packaging		219,4	219,4
170201 – Wood		2,4	2,4
200301 – Mixed municipal waste		111,2	111,2
170107 – Mixed construction and demolition waste	45,8		45,8
170101 – Concrete	22,6		22,6
200307 – Bulk waste		4,6	4,6
170302 – Bituminous mixtures	124		124
200101 – Paper and cardboard	2,6		2,6
150101 – Paper packaging	2,1		2,1
170405 – Iron and steel	43,9		43,9
170407 – Mixed metals		10,8	10,8
200201 – Biodegradable waste	26,2		26,2
170504 – Soil and stones		195	195
170904 - Mixed construction and demolition wastes		1,7	1,7
160306 – Off-specification, rejected or unused inks		32,6	32,6
Hazardous waste	0	33,8	33,8
150202 – Absorbents, filter materials, wiping cloths, and protective clothing contaminated by hazardous substances		1,9	1,9
130507 – Oily water from oil/water separators		1,5	1,5
130205 - Non-chlorinated mineral oil-based machine, gear, and lubricating oils		0,9	0,9
150110 - Packaging that contains residues of hazardous substances or is contaminated by hazardous substances		0,1	0,1
070608 - other reaction and distillation residues		11,5	11,5
170605 - asbestos-containing building materials		15	15
170204 – Glass, plastic, and wood containing or contaminated with hazardous substances		2,9	2,9
Total	267,2	611,5	878,7

The annual mass flow information is not disclosed due to confidentiality reasons, as publishing such data could reveal insights into our proprietary manufacturing processes. This omission is made in accordance with provision B1 24(b) of the EFRAG Voluntary Sustainability Reporting Standard for non-listed SMEs.

C3 – GHG reduction targets and climate transition

The following table summarizes our targets for the reduction of greenhouse gas (GHG) emissions, based on the values and objectives defined in our Corporate Guideline and yearly Energy Report:

Site / Area	Environmental / Energy Target	Scope	Unit	Key Measures
Kropfmühl – Overall	Reduce total energy consumption	1,2	per ton of product	Process optimization, energy-efficient technologies
Kropfmühl - Production	Reduce electricity consumption	2	per ton of product	Equipment optimization, energy use monitoring, operational efficiency, process improvements
Kropfmühl - Production	Reduce heating oil consumption	1	per ton of product	Fuel efficiency measures, energy monitoring, process adjustments and optimization
Mine	Reduce electricity consumption	2	per ton of ore	Energy efficiency measures, operational optimization
All Sites	Reduce CO ₂ emissions	1,2,3	t CO ₂ / t graphite	Renewable electricity, process efficiency, fuel optimization
All Sites	Increase share of renewable electricity	2	%	Renewable energy sourcing
All Sites	Reduce waste (excluding large external deposits)	3	t / t graphite	Pneumatic conveying, reusable packaging, employee training
All Sites	Reduce wastewater discharge	3	m ³ / t graphite	Water recycling, cooling water reuse, wastewater load reduction
All Sites	Enhance employee environmental & energy training	1,2,3	hours per employee	Training programs, new modules, continuous improvement

C4 – Climate risks

Our approach to identifying and managing climate-related risks and transition events is based on our Risk and Opportunity Catalog and the procedures outlined in our Risk and Opportunity Management. Each risk and opportunity is assigned to a responsible owner, who continuously monitors emerging issues and updates the register as necessary.

The evaluation process aims to determine whether action is required. Using a standardized risk and opportunity table, each item is assessed in two dimensions: the maximum potential loss or gain and the likelihood of occurrence. Probabilities are defined across six levels, ranging from “very unlikely” (1 %) to “very likely” (95 %), with non-applicable fields set to zero. At a minimum, the maximum loss or gain at a 1 % probability must be documented.

Based on these assessments, the maximum loss/gain (HS/HG) and the overall expected value (GEW) are calculated. The ratio of GEW to HS/HG determines the classification within the risk/opportunity portfolio, which is divided into four classes:

- Class 1: High HS/HG and high GEW – potentially existential, requires immediate reporting to management.
- Class 2: High HS/HG but low GEW – rare but potentially severe, insurance or contractual measures recommended; reporting to management.
- Class 3: Low/medium HS/HG and high GEW – frequent minor impacts, process optimization measures required.
- Class 4: Low/medium HS/HG and low GEW – low significance, initially negligible.

Classifications are automatically determined via the Hyperlink Index and may change according to economic conditions. Through this structured approach, climate-related risks and opportunities are continuously identified, evaluated, and prioritized, ensuring that mitigation, adaptation, and strategic responses are implemented appropriately.

At our Kropfmühl site, the following climate-related risks have been identified and are subject to ongoing monitoring and management:

Storm Damage

The Kropfmühl site is exposed to strong winds, gusts, and storms, which may cause damage to buildings and operational facilities, such as roof lift-offs. The risk is continuously present and can have a material impact for approximately two months.

Risk management is primarily ensured through insurance. Existing measures include structural calculations of buildings and ongoing maintenance. Planned mitigation actions focus on continued maintenance and roof renovations of warehouse facilities.

Flooding – Administrative and Electrical Buildings

Heavy, prolonged rainfall may lead to flooding from the Aubach stream, affecting the ground floor of the administration building and the electrical switchgear. The risk is continuously present, with potential impacts lasting up to two weeks. Mitigation measures include sandbags, a pipe from the switchgear to the Aubach, and an earth wall between the administration and technical buildings. Indicators include weather forecasts and storm warnings. Planned measures include clearing the Aubach channel between the site boundary and the administration bridge by the end of 2025.

Snow Events

Heavy snowfall during winter months may damage buildings and operational facilities, including the risk of roof collapses. The potential impact duration varies between one and five months depending on the winter season. Existing measures include snow-proof roofs on multiple warehouse halls, the workshop, administration, mine buildings, flotation, and V2 forehall. Planned measures focus on renovating remaining roof areas to enhance snow resistance.

Process Water Supply Shortages

Extended droughts can lead to constraints in process water supply, potentially affecting cleaning, grinding, and flotation operations. The risk becomes relevant after approximately three months of dry conditions, with a potential impact duration of one month.

Securing process water supply is the key mitigation measure.

Damage to the Aubach Stream

The Aubach may be affected by the discharge of non-neutralized wastewater during operational incidents, including acids or high salt loads. The risk is continuously present, with potential impacts lasting up to six months. Management relies on complex, redundant technical and organizational controls. Indicators include signs of fish mortality. Planned measures involve diverting water from the main shaft sump through intermediate basins to detect potential oil residues.

Social metrics

B8 – Workforce – General characteristics

All employee figures presented in this report are shown as headcounts, representing the average number of people employed during the year.

At GK, we value motivated, ambitious, and trustworthy individuals who share our commitment to quality, sustainability, technical excellence, and customer satisfaction.

We look for people who enjoy flat hierarchies, collaborate openly with colleagues and supervisors, take responsibility for their work, and view challenges as opportunities for creative solutions. Employees who are open to change and eager to explore new performance horizons fit particularly well into our team.

We aim to offer permanent, full-time contracts wherever possible.

Temporary contracts are used only for clearly defined reasons, such as covering absences or specific operational needs. Requests for fixed-term contracts from employees are accommodated as appropriate. In addition, we provide flexible arrangements when life circumstances change, such as part-time contracts alongside studies or other commitments.

For those who see working with international partners as enriching beyond purely business relationships, GK offers a stimulating and collaborative environment.

NUMBER OF EMPLOYEES BY CONTRACT TYPES (headcount)

Type of contract	2025
Temporary contract	1
Permanent contract	125
Total number of employees	126

NUMBER OF EMPLOYEES BY COUNTRY OF EMPLOYMENT CONTRACT (headcount)

Country of employment contract	2025
Germany	125
Total number of employees	125



The gender distribution of our personnel has formed naturally. The proportion of male employees is relatively high, reflecting the characteristics of the industrial and manufacturing sector.

However, we place particular emphasis on promoting diversity in our apprenticeship and training programs, actively encouraging candidates of all genders to apply.

NUMBER OF EMPLOYEES BY GENDER (headcount)

Gender	2025
Male	90
Female	36
Other	0
Not specified	0
Total number of employees	126

Employee turnover is calculated by dividing the number of employees who left during the reporting year by the average number of employees over the same period. Seasonal workers are not included in the turnover calculation.

EMPLOYEE TURNOVER RATE (%)

	JAHR
Turnover rate	0,03

B9 – Workforce – Health and safety

At GK, occupational health, safety, and employee wellbeing are essential for achieving our corporate goals. Maintaining and enhancing employees’ performance and commitment is key to sustainable business success.

We ensure that all employees work under safe and healthy conditions. Health and safety are considered in all planning and operations, with preventive measures in place to avoid injuries and work-related illnesses.

Responsibility is shared by management, supervisors, and employees, who are encouraged to act responsibly and raise awareness of safety issues. Our management system is certified according to DIN EN ISO 45001:2018, supporting our social sustainability objectives.

SAFETY METRICS

Metric	2025
Number of recordable work-related accidents	3
Rate of recordable work-related accidents*	2,96
Number of fatalities as a result of work-related injuries and work-related ill health	0

**The rate of recordable work-related accidents represents the number of respective cases per 100 full-time workers over a yearly timeframe and assumes that one full-time worker works 2 000 hours per year*



B10 – Workforce – Remuneration, collective bargaining and training

At Graphit Kropfmühl GmbH, all employees are covered by a company-level collective agreement, which is based on the IGBCE sector-wide collective agreement for the chemical industry and is regularly reviewed and updated.

This agreement defines job classifications and influences employee pay. We comply fully with national labour legislation and respect the rights of all employees.

All employees receive at least the statutory or collectively agreed minimum wage applicable in Germany. Our pay system is based on the collective agreement, and all salaries are above the minimum levels defined therein.

Equal pay for equal work is a key principle of our remuneration policy.

EMPLOYEES COVERED BY COLLECTIVE AGREEMENTS – (%)

	2025
Percentage of employees	83,3

AVERAGE NUMBER OF ANNUAL TRAINING HOURS BY GENDER – (h / person)

	2025
Male employees	14,91
Female employees	6,04

We ensure that all employees receive sufficient training to perform their work safely and efficiently. Opportunities for continuous professional development are provided to support the growth of individual competencies. New employees receive comprehensive onboarding, and knowledge transfer is organized through a company-wide skills and knowledge matrix, which helps identify expertise across teams and facilitates targeted learning and mentoring.

Training at Graphit Kropfmühl GmbH includes topics such as occupational safety, environmental protection, quality management, and new machinery or system operations. Internal training programs are organized based on identified needs and employee requests. Employees also have access to external training programs and industry networks, enabling further professional development.

All training sessions are evaluated and documented to monitor and ensure training quality.

The goal of all training activities is to strengthen employee engagement, develop professional skills, and support innovation in daily work.

C5 & C9 – Additional workforce characteristics

The management team drives the implementation of our strategy and ensures that daily operations reflect our business objectives and core values. They are also responsible for overseeing risk management and monitoring overall company performance.

At the C-level, the gender ratio is balanced, with one woman and one man holding executive positions during the reporting period.

Thomas Junker – CEO

Thomas Junker, a mechanical engineer specializing in manufacturing technology, joined Graphit Kropfmühl GmbH in 2008 and has been leading the company since.

He has extensive experience in the graphite industry, including previous board roles abroad.



Ulla Neunzert – CFO

Ulla Neunzert has been CFO of Graphit Kropfmühl GmbH since 2020.

She has extensive international finance experience, having worked in Europe for several global companies before returning to Germany.



C6 – Additional own workforce information - Human rights policies and processes

Code of Conduct and Human Rights Policy

AMG has a comprehensive Code of Conduct and Human Rights Policy that ensure respect for human and labor rights, compliance with laws, and ethical behavior across all operations.

All employees must read and follow the Code, which is signed together with the employment contract to confirm shared commitment to AMG’s values.

AMG is supporting human rights, freedom of association, fair working conditions, and zero tolerance for child labor, forced labor, and human trafficking.

Complaint-Handling Procedures

AMG provides reliable mechanisms for employees to report concerns.

Complaints can be made named or anonymously through:

- an Internal Complaint Channel operated by HR, and
- a third-party Whistleblowing Channel for anonymous reporting.

Designated managers handle cases based on their nature. All reports are treated confidentially and resolved in accordance with regulations and AMG’s ethical standards.

Aspect	Main Principles and Practices
Child Labour	AMG does not employ or tolerate child labour. National minimum age laws and international labour standards are respected. The company supports education, apprenticeships, and youth development.
Forced Labour	Employment is entirely voluntary. AMG does not engage in forced or compulsory labour. Employees may leave the company freely with standard notice.
Human Trafficking	AMG strictly complies with laws against human trafficking and modern slavery. Supply chain risks are monitored to prevent human rights violations.
Non-Discrimination	AMG enforces zero tolerance for discrimination and harassment. Employment is based on merit, regardless of gender, origin, or belief. Equal rights for women and minorities are promoted. Violations may result in disciplinary action.
Occupational Health & Safety	Health and safety are key priorities. Accident prevention and well-being are integrated into all planning. Every employee shares responsibility and contributes to continuous safety improvement.



C7 – Severe negative human rights incidents

We are **not aware of any confirmed incidents** involving our own workforce in relation to **child labor, forced labor, human trafficking, or discrimination**. Similarly, **no confirmed incidents** have been identified involving workers in the value chain, affected communities, consumers, or end-users.

AMG and its subsidiaries, including Graphit Kropfmühl GmbH, maintain strict policies to uphold human rights and ethical labor practices throughout all operations and supply chains. Our suppliers are required to comply with the AMG Supplier Code of Conduct, which addresses all key human rights topics. Suppliers with an annual business volume exceeding USD 100,000 receive the AMG Supplier Code of Conduct by email and are required to confirm that they have received and read it, in line with AMG's internal requirements.

Regular assessments and audits help us monitor compliance, detect potential risks and prevent violations at an early stage.

CONFIRMED INCIDENTS IN OUR OWN WORKFORCE RELATED TO THE TOPICS

Topic	Number of confirmed incidents
Child labour	0
Forced labour	0
Human trafficking	0
Discrimination	0
Others	0



Governance metrics

B11 – Convictions and fines for corruption and bribery

In the reporting year, no convictions or fines were imposed on GK for violations of anti-corruption or anti-bribery laws.

Our company operates with strict integrity standards and adheres to AMG’s Code of Conduct, which prohibits any form of corruption, bribery, or improper advantage. We follow the principle of reasonable hospitality, do not give or receive unlawful payments or benefits, and ensure full compliance with applicable laws and fair competition practices.

CONVICTIONS AND FINES FOR CORRUPTION AND BRIBERY

	2025
Total number of convictions	0
Total number of fines	0

AMG and its subsidiaries conduct their business ethically and transparently. Employees are encouraged to report any suspected misconduct through the established Speak Up Channel, ensuring protection from retaliation and full confidentiality in accordance with EU and national regulations.

In addition, employees may submit reports via the physical drop box located at our plant or provide information verbally.

All case handlers are formally appointed and appropriately trained to ensure confidentiality and the protection of all information received.



C8 – Revenues from certain sectors and exclusion from EU reference benchmarks

GK is not active in any of the sectors listed below and is fully compliant with sustainable and ethical standards:

INVOLVEMENT IN CONTROVERSIAL SECTORS

Sector	Involvement
Controversial weapons (anti-personnel mines, cluster munitions, chemical or biological weapons)	NO
Tobacco cultivation and production	NO
Fossil fuels (coal, crude oil, natural gas)	NO
Pesticides and other agrochemical products	NO

This demonstrates the company's commitment to operating sustainably and responsibly across all business areas.

Furthermore, GK is not excluded from any EU reference benchmarks aligned with the Paris Agreement.

AMG and its subsidiaries continue to operate in a sustainable and ethically responsible manner, maintaining full compliance with relevant environmental, social, and governance standards.



Graphit Kropfmühl GmbH
Langheinrichstr. 1
94051 Hauzenberg, Germany

www.gk-graphite.com