Driving Sustainability:

Our Commitment to a GREENER FUTURE

2024

This year's sustainability report is prepared **voluntarily** in reference to the new Corporate Sustainability Reporting Directive (CSRD) requirements.

CONTENT

Introduction

About Tokai COBEX

For more than a century, Tokai COBEX has been a flagship of carbon and graphite products, supplying a variety of high-end products such as cathodes, furnace linings, carbon electrodes and specialty graphite.

In addition, Tokai COBEX is in the development phase of battery anode materials (BAM). The company aims to provide a clean and competitive European source of synthetic and natural graphite for lithium-ion batteries. Its advanced technology is contributing to the independence of the European automotive industry for electric vehicles (EV) and gives it an edge over its global competitors. Today more than ever the company considers it its duty to proactively address the global environmental challenges of climate change and resource scarcity while delivering the industrial applications that future markets demand. From the head office in Wiesbaden, Germany, four production sites in France and Poland, and a sales and service office in China, Tokai COBEX provides innovative solutions to customers worldwide. A highly skilled team with years of experience in product development and application assists its customers with their technical knowledge and expertise.

Tokai COBEX core competencies include wide-ranging expertise in raw materials, application know-how, and an excellent understanding of manufacturing processes in its customers' industries, including primary aluminium, pig iron, silicon metal, and ferro-alloys.

Tokai COBEX's Research and Development staff works in collaboration with its parent company Tokai Carbon Group to develop the next generation products, particularly specialty graphite and graphite powders for lithium ion battery applications. Both products facilitate the growth of major markets transitioning to sustainability: zero-emission battery-electric vehicles and photovoltaics securing green energy supply.

Tokai COBEX global network enables it to respond flexibly to both regional and industry-specific requirements and is fit to tackle the challenges of the future. While providing its customers with the highest quality products for their industrial applications, Tokai COBEX does not compromise its respect for the ecological environment, valuing all people who contribute to its operations.

Andrzej Hotlos
Chief Executive Officer

CEO Letter & Preparing for Corporate Sustainability Reporting Directive

Dear Stakeholders,

Sustainability is the foundation of our mission and drives every aspect of our operations at Tokai COBEX. It is not just a responsibility but a driving force that enables us to create inclusive growth and generate lasting value for society. In alignment with the United Nations' Sustainable Development Goals, we have set ourselves ambitious sustainability targets for 2030. Despite the challenges of the past year, I am pleased to report that we have continued to make significant progress on this journey.

As a key contributor to the success of our parent company, Tokai Carbon Group
Japan, our Smelting & Lining division plays a crucial role in delivering advanced solutions to our customers. This success is built on the dedication and expertise of our people—the cornerstone of our business.

Having been part of this company for over 30 years, I am proud to see a third generation of employees choosing Tokai COBEX as their employer of choice. Witnessing our transformation into a more ethical and environmentally responsible organization is particularly rewarding.

We firmly believe that long-term success is only possible by contributing to a sustainable society and taking decisive action to address environmental and social challenges. While obstacles remain, our proactive approach allows us to anticipate bottlenecks and develop solutions that secure both sustainability and growth.

In our pursuit of reducing our ecological footprint, we have initiated life cycle assessments to calculate the CO_2 footprint of our product categories. Our goal is clear: to reduce Scope 1 and 2 greenhouse gas emissions by 25% by 2030, compared to 2018 levels. Additionally, we have made notable progress in calculating and reporting Scope 3 emissions, with categories* 1, 3, and 6 already assessed, and category 9 to be included in the next reporting cycle. As we continue our efforts to cut emissions, we are also increasing our reliance on renewable energy.

A significant milestone in this direction is our power purchase agreement in France, which will soon start supplying green electricity. Moreover, our agreement with Dalkia marks one of the largest renewable energy deals for us in Europe, significantly reducing our carbon footprint in energy procurement. Beyond carbon reduction, we are also committed to addressing global environmental challenges, such as the water crisis, and ensuring responsible resource management.

Since its establishment in 2022, our ESG Committee has been meeting regularly to ensure that we stay on track in our sustainability commitments. Through stakeholder engagement and a thorough assessment of our operations, we have developed a comprehensive sustainability strategy that positions us as a leader in responsible business practices. Sustainability is embedded in our corporate strategy, shaping how we operate and reinforcing our commitment to delivering a full package of manufacturing and technical support.

Our first ESG Report, ***in reference to*** the new Corporate Sustainability Reporting Directive (CSRD) requirements, voluntarily provides a detailed account of our sustainability initiatives and progress. We are deepening our understanding of ESG risks and opportunities while integrating sustainability into our management processes and daily operations across all functions.

I sincerely appreciate your unwavering support throughout the year. With a strong foundation and a clear vision, we are poised to make 2025 a year of remarkable achievements for Tokai COBEX, advancing towards our ambitious sustainability goals and roadmap to 2030.

Andrzej Hotloś

SBM-1

Tokai COBEX Sustainability Overview and Strategy

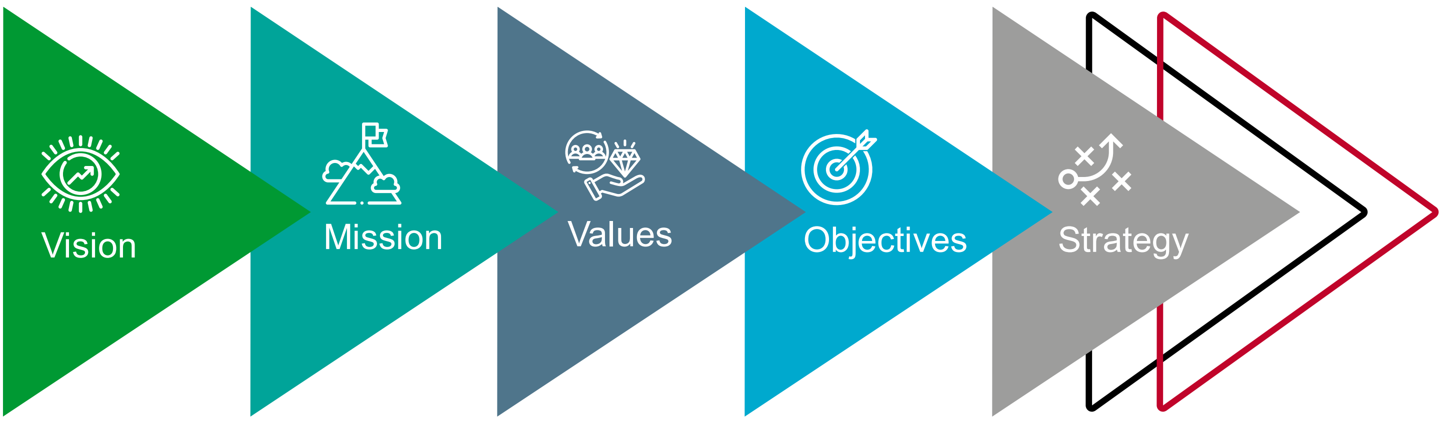
Sustainability is integral to how Tokai COBEX operates as a business. In the following sections, details of the focus areas currently guiding the company's approach and work are described. Tokai COBEX is guided by how and where it can create the most value for both society and its business. The company aims to deliver on ambitions as well as to direct efforts and resources to where it has the most potential for impact. From a societal perspective, Tokai COBEX is guided by how it can best use its position, capabilities, and reach to address its key impacts as a carbon and graphite solutions manufacturer. The company also needs to consider and address potential negative impacts on the environment and will try to mitigate as best as possible and aims to deliver positive value for all its stakeholders. From a business perspective, it is about using sustainability to help strengthen its resilience and ability to compete in a world with both, increasing stakeholder expectations and challenges. Tokai COBEX works strategically with sustainability to open new doors to customers, partnerships and new commercial opportunities. As of late, by introducing battery anode materials for the large Electric Vehicles (EV) market, the company aims to optimise its resource use and secure access to critical materials, new technologies, and talent. Furthermore, it develops resilient and strategic projects that can proactively address stakeholders' expectations, avoid delays, and meet all regulatory and legal requirements. While its products are for industrial applications, Tokai COBEX strives to make a positive contribution to all lives it directly or indirectly affects with its business activities.

Tokai Carbon Group's Vision

"Contribute to a sustainable society through advanced materials and solutions"

Sustainable Strategy

Having adopted the Tokai Carbon Group's vision and driven by external sustainability principles and frameworks, Tokai COBEX has developed its sustainability strategy. The company started with the below mentioned key elements:



Tokai COBEX's Mission

"With over 100 years of expertise in carbon manufacturing, we drive ours and our business partners' emissions to Net Zero, involving everyone who cares as we do"

With the mission of Tokai COBEX, external influences (principles and frameworks), internal responsibility for 1,233 employees from Germany, Poland, France and China, and having Tokai COBEX Group generated consolidated turnover of 396 MEUR in the fiscal year 2024, the company formulated its sustainability strategy as part of its corporate strategy through the definition of the following values and its application.

Tokai COBEX's Values

"We completed the sustainable strategy formulation with actionable values and our Sustainability Strategy is now a cornerstone of our corporate strategy which guides the entire organization"

We...

CARE	OUTPERFORM	ENERGIZE	EXPLORE
We create conditions where all our people feel safe, appreciated and have equal opportunities. We protect the environment for a sustainable Net Zero future.	*Committed to high performance, and driven by customer value, we strive for excellence in every-thing we do. We set ambitious goals and implement solutions fast.*	*We love what we do and encourage everybody to bring and execute their ideas with a positive, "can do" attitude. We learn along the way.*	*We relentlessly push our boundaries, promoting innovation by boldly challenging our products, processes, services and markets.*

together.

United in purpose, Tokai COBEX mobilizes people, teams, and partners to act as **ONE**

It encompasses all aspects of sustainability and states its ambitions related to the environment, social and human capital, governance, and Tokai COBEX's business model. The company strives to build ties of reliability with all its stakeholders such as customers, suppliers, shareholders, employees, and local communities, responding to their needs and taking their objectives into account in its decisions. Accordingly, Tokai COBEX's approach to sustainability is driven by stakeholder engagement to understand the reasonable expectations and interests of the individuals or entities that are affected by its business activities. Based on a Double Materiality Assessment (DMA), customer dialogues, and a customer survey, the company shapes its strategic focus, initiatives, and content and discloses this in its sustainability reporting.

Tokai COBEX's approach to sustainability

As a company operating worldwide, Tokai COBEX has global responsibility. It is committed to respecting the principles of the United Nations Global Compact, which have been derived from the Declaration of Human Rights of the United Nations. The company thus places particular importance on the protection of human rights.

As Tokai COBEX products are an essential part of primary aluminium production, it supports the Aluminium Stewardship Initiative's mission to improve the overall sustainability performance and reputation of the aluminium industry. The company is proud to contribute to a community aiming to reduce the impact of industrial production processes on the environment.

For the first time, Tokai COBEX is writing its sustainability report in reference to the new Corporate Sustainability Reporting Directive issued by the European Union. This new EU directive requires companies to report on their activities impacting the environment as well as on society and governance matters. To meet these requirements, a set of European Sustainability Reporting Standards (ESRS) has been adopted by the EU.

GENERAL

SBM-1

Tokai COBEX's Operations

Tokai COBEX is in the business of manufacturing carbon and graphite products from raw materials such as calcined cokes, anthracite and coal tar pitch. The production process consists of three major steps in material preparation, up to two levels of thermal treatment and machining.

In the material preparation, the raw materials are prepared according to established recipes, mixed with coal tar pitch and formed into green blanks. The first thermal treatment, baking, turns coal tar pitch into coke and solidifies the blanks.

Depending on the application, an energy efficient length-wise graphitization (LWG) may follow, where the baked blank is subdued to an electrical current to transform the carbon into graphite.

Before shipment, the baked or graphitized material is machined to the physical dimension required by the customers.

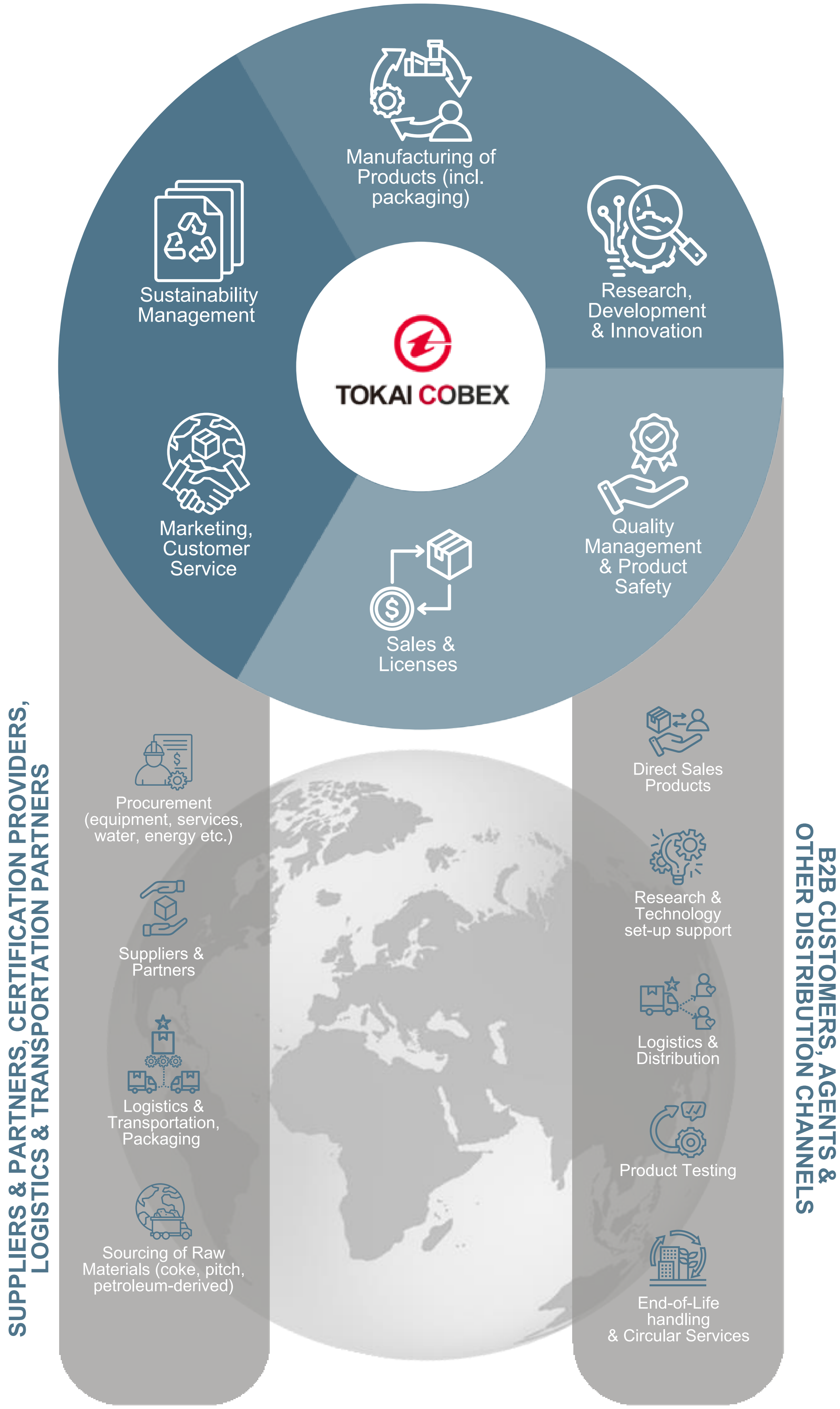
SBM-1

Value Chain

Tokai COBEX's value chain overview illustrates the assessment of material sustainability-related impacts and material sustainability-related risks across its value chain.

For this purpose, the overview focuses on direct suppliers of raw materials and services supplied to Tokai COBEX and direct customers. Due to the nature of major raw materials – such as calcined carbon materials or coal tar pitch, either the direct supplier is the origin of the raw material or is working with a wide range of suppliers of precursers which are normally not disclosed.

In the downstream value chain, Tokai COBEX is supplying critical materials to facilitate the processes at its customers from the steel and aluminium industry, but the impact on key properties of their final products is limited.


TOKAI COBEX
Manufacturing of Products (incl. packaging)
Research, Development & Innovation
Quality Management & Product Safety
Sales & Licenses
Marketing, Customer Service
Sustainability Management
SUPPLIERS & PARTNERS, CERTIFICATION PROVIDERS, LOGISTICS & TRANSPORTATION PARTNERS
Procurement (equipment, services, water, energy etc.)
Suppliers & Partners
Logistics & Transportation, Packaging
Sourcing of Raw Materials (coke, pitch, petroleum-derived)
B2B CUSTOMERS, AGENTS & OTHER DISTRIBUTION CHANNELS
Direct Sales Products
Research & Technology set-up support
Logistics & Distribution
Product Testing
End-of-Life handling & Circular Services

SBM-2

Interests and Views of Stakeholders

As a multi-national company with operations and representations in several countries, as well as a global customer base, Tokai COBEX has a broad stakeholder base as detailed in the table below. The company's stakeholder engagement underscores its commitment to listen to and engage with its stakeholders. Through ongoing stakeholder dialogue, Tokai COBEX strives to understand their positions, concerns, and expectations. This continuous interaction drives its sustainability efforts, projects, and processes, allowing Tokai COBEX to align with the interests and views expressed by its stakeholders. The insights gained from these continuous dialogues serve as input into its due diligence processes and Double Materiality Assessment.

Guided by principles of openness, transparency, and integrity, Tokai COBEX's stakeholder engagement policy and principles adhere to international norms and codes, including the United Nations Guiding Principles on Business and Human Rights, and the International Finance Corporation's Performance Standards on Social and Environmental Sustainability.

Tokai COBEX ensures that the views and interests of affected stakeholders regarding its sustainability-related impacts are regularly communicated to its Sustainability Committee through periodic committee meetings.

Engaged Party	Engagement Characteristic	Engagement Purpose	Example of Outcome
Employees	- Employment relations and occupational health and safety representation - Inclusion Charta - Annual appraisals and personal development plans - General Communication Forum	- Insight into employees' perception, experience and knowledge - Contribute to a sustainable workplace and working life - Establishing a learning organization - Transparent Communication	- Internal policy updates - Continuous improvement and action plans - Personal developments - Information sharing through newsletters and campaigns
Corporate Customers	- Customer support and guidance - Continuous reviews - Business Partner Due Diligence	- Building trust - Providing sustainable products and solutions - Enabling customers to achieve their targets	- Product and service improvements - Establishing market trends
Suppliers	- Supplier evaluation forms - Supplier Code of Conduct - Supplier Due Diligence	- Compliance with the company's Supplier Code of Conduct - Promoting responsible sourcing incl. metals and minerals - Ensuring a respectful working environment - Decarbonizing the company's supply chains	- Supplier improvement plans - Consideration of supplier expectation - Negotiating low carbon solutions

Engaged Party	Engagement Characteristic	Engagement Purpose	Example of Outcome
Shareholder	- Regular meetings and reporting - Situational meetings, exchanges (including calls and emails)	- Understanding expectations towards sustainability matters - Understanding and compliance with group policies	- Adapted internal communications incl. sustainability practices
Government and regulator	- Adherence to new laws and regulations	- Compliance with new regulations such as CSRD and supply chain laws	- Delivery of required reporting
Civic and non-profit organizations	- Collaboration on community projects - Contributions to research projects	- Contributing to local initiatives - Addressing concerns of local communities - Pooling efforts to further decarbonize the company's supply chain	- Site specific initiatives such as noise monitoring, and community development - Alignment of projects-best practices
Industry and sustainability associations	- Joint initiatives and programs - Input into strategic direction	- Enabling the expansion of renewable energies - Working to decarbonize certain materials further - Understanding views of value chain workers	- Alignment on sustainability practices and measurement standards
Local Communities	- Engagement directly through sponsoring and donation activities	- Addressing community concerns, questions and feedback - Building trust and community support - Ensuring community benefits	- Support of local projects
Universities and Research Institutes	- Cooperations, research partnerships - Funded research studies - Student thesis	- Develop new knowledge - Widened development scope - Talent acquisition	- Successful Research - Patents, general intellectual property - Young talents

TOKAI COBEX

General Basis for Preparation - ESRS 2

BP-1

General basis for preparation of the sustainability statement

The sustainability statement is prepared in reference to the new CSRD including the European Sustainability Reporting Standards (ESRS) and the EU Taxonomy requirements. All data points included in the E, S, and G sections have been assessed according to a Double Materiality Assessment including the upstream and downstream value chain. Please see below for information on the scope and methodology by which Tokai COBEX's DMA was preapred. All greenhouse gas data points (GHG scope 1-3) are reported based on the Greenhouse Gas Protocol and in alignment with the rules of Tokai Carbon Group.

Consolidation

The data is consolidated according to the same principles as the financial statements. Thus, the consolidated quantitative ESG data comprises the parent company Tokai COBEX HoldCo GmbH and all subsidiaries controlled by Tokai COBEX HoldCo GmbH.

The sustainability statement covers the value chain to the extent of one level up (direct suppliers) and one level down (direct customers).

Tokai COBEX has used the option to omit business sensitive information related to G1-6.

BP-2

Disclosures in relation to specific circumstances

Time horizons

Time horizons are in accordance with ESRS 1 section 6.4. They are as follows:

- for the short-term time horizon: the period adopted by Tokai COBEX as the reporting period in its financial statements, up to one year;
- for the medium-term time horizon: from the end of the short-term reporting period, up to 3 years years; and
- for the long-term time horizon: more than 3 years.

Value Chain estimation

Tokai COBEX's calculations included in this report are based on assessment results from direct value chain partners or data published in specialist sources (such as carbon foot print databases). In general, no value chain estimations from indirect sources have been used such as scenario or sensitivity analyses, unless explicitly mentioned:

Sources of estimation and outcome uncertainty

The following sources of estimation are used:

Estimation	Underlying Process
Scope 3 Emissions	In the calculation of Scope 3 emissions, the impact of business travel can only be estimated. Here Tokai COBEX relies on the data provided by the company's external travel agency, which comprises emission values for air travel only and is not covering all business areas. In addition, other scope 3 emission disclosures are based on data available in respective data-bases (such as Sphera®). Due to limited availability of data from the company's suppliers, no direct data could be used in this report.
Identification of IROs	Certain risks and opportunities can only be estimated due to various uncertain factors.
Climate Risk Assessment	The climate risk assessment described under E1, relies on estimation factors. The impact of potential climate hazards and the related costs can only be estimated based on best practice and historical data.

GOV-1

Tokai COBEX Management

Tokai COBEX is led by an international Management Committee consisting of six members. The objective of the committee is to set, implement and review the company vision, mission and purpose as well as manage the day-to-day business.

Andrzej Hotloś (Chief Executive Officer)

Since beginning of 2022, Andrzej is the CEO of Tokai COBEX, a fully owned subsidiary of Tokai Carbon Group, Japan. He started his career in Tokai COBEX's Polish plant in Nowy Sącz more than 30 years ago and held a variety of positions, mainly in finance.

Joseph Bertin (Chief Officer BAM)

Joseph is with the company since 2017 and leads the development of the BAM business. He has 25 years of experience in various positions within the heavy industries (e.g. steel manufacturing, metallurgical for aeronautics and more).

In between the end of the reporting period and the publication of the report Joseph Bertin has left the company.

Dennis Böttjer (Chief Financial Officer)

Dennis holds a university degree in economics from the Hohenheim University, near Stuttgart, Germany and worked in various roles in the company's predecessor company for more than 10 years before taking over the responsibility for Finance and IT in 2017 at Tokai COBEX.

Piotr Jaskierski (Chief Commercial Officer)

Piotr started his career almost 25 years ago with SGL Carbon holding various positions all over the world, mainly in the Sales and Marketing Arena. In 2021 he joined Tokai COBEX were he leads with his experience and passion the Marketing and Sales Team, ensuring that Tokai COBEX remains the partner of choice for the company's customers.

Alexander Loscher (Chief Operating Officer)

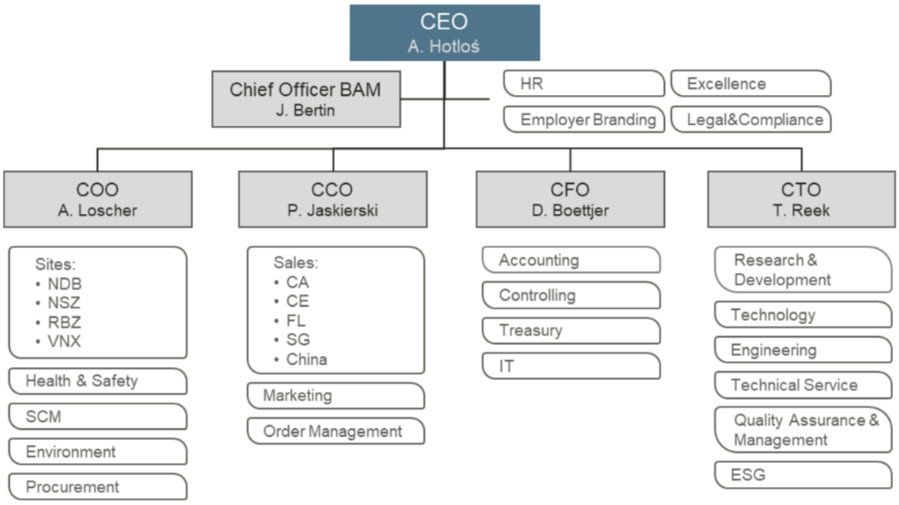
Alexander worked in different operational roles in the global carbon and graphite industry for more than 10 years. He holds a mechanical engineering and business administration degree from the Technical University of Darmstadt, Germany.

Dr. Till Reek (Chief Technology Officer)

Till has gained 20 years of experience in Tokai COBEX customer's industry before joining Tokai COBEX. He holds a degree in Metallurgy and Material Science from Rheinisch-Westfälische Technische Hochschule Aachen, Germany, as well as a PhD in Chemical Engineering from the University of New South Wales, Sydney, Australia.

From left to right:
Alexander Loscher
Joseph Bertin
Andrzej Hotlos
Dennis Böttjer
Dr. Till Reek
Piotr Jaskierski

The members are responsible for different business areas and functions.

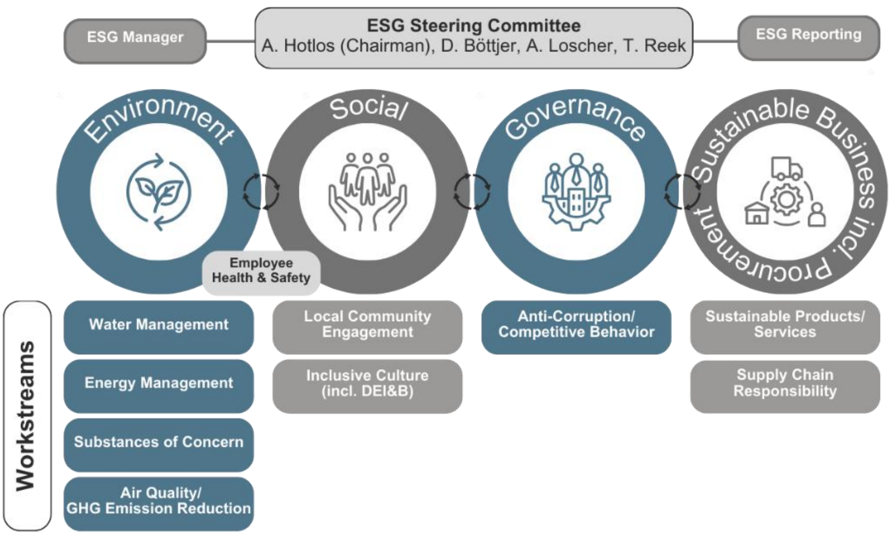


The Management Committee meets on a monthly basis together with the company's Japanese stakeholders to discuss and decide on urgent matters, respective actions and monitoring of important projects. Each meeting is documented and information and decisions are cascaded to the respective teams. According to the Delegation of Authority published and annually revised by Tokai COBEX's shareholder Tokai Carbon Group, the members of the Management Committee work closely with Tokai Carbon Group's respective functions in the approval and execution of initiatives and measures. In addition, the Management Committee reports quarterly to a representative group of Tokai Carbon Group Executives who monitor the business conduct of Tokai COBEX.

Sustainability matters addressed by Tokai COBEX Management

GOV-2

Tokai COBEX has established an ESG-Steering Committee in 2022 with the aim of addressing all sustainability matters including policies, actions and targets, on a regular basis. The members meet three times per year to review current proceedings under the special focus of ESG. Impacts and risks are



discussed quarterly on management committee level.

Additionally, workstream leaders (reporting directly to the ESG Steering Committee) meet regularly on a working basis with the ESG-Manager to discuss all sustainability related topics including impacts, risks and opportunities.

GOV-3

Integration of sustainability-related performance in incentive schemes

Tokai COBEX's renumeration system consists of a fixed salary and an additional variable component. The magnitude of the variable component is dependent on the respective management level. The variable component is linked to the business success (EBITDA & Cash Generation) and personal objectives. The personal objectives are cascaded based on company wide Top Targets.

Five out of twelve Top Targets for the fiscal year 2024 were directly linked to sustainability. The incentive scheme is based on fixed salary plus a bonus is paid out. The bonus includes company and personal goals determined and approved by management.

1. Goals linked to severity and frequency of safety incidences
2. Introduction of new safety vision
3. Establishment of CSRD conform report
4. Specific CO_2 emissions per ton of baked product to be reduced against 2023 baseline/result
5. Commercial launch of Battery Anode Material (BAM)

Those top targets are directly linked to the variable renumeration package of management bodies at Tokai COBEX Group.

GOV-4

Statement on due diligence

The core elements of due diligence are disclosed as stated in the table below

Core Eleents of Due Diligence	Paragraphs in the Sustainability Statement	Page
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-1	14
	ESRS 2 GOV-3	16
	ESRS 2 SBM-3	10
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2	15
	ESRS 2 SBM-2	9
	ESRS 2 IRO-1	18
	ESRS 2 MDR-P	20
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1	18
	ESRS 2 SBM-3	10
d) Taking actions to address those adverse im-pacts	ESRS 2 MDR-A	25-29
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-M	20
	ESRS 2 MDR-T	21

GOV-5

Risk management and internal controls over sustainability reporting

Tokai COBEX is continuously improving its risk management and internal control systems to further strengthen its sustainability reporting in the future. Potential IROs are discussed and assessed by the ESG Team and submitted for approval to the ESG Steering Committee. The ESG Team is also evaluating suitable applications for implementation for data entry and collection. The ESG Steering Committee has reviewed and approved the ESG report in its published form.

Main risks identified in the process of sustainability reporting:

Risk	Mitigation
Completeness of data	The ESG Steering Committee has established a monitoring process which consists of a regular tracking from the ESG Team together with all workstream leaders in order to assess all KPI-related topics.
Integrity of data	The ESG Steering Committee has established a monitoring process which consists of a regular tracking from the ESG Team together with all workstream leaders in order to assess all KPI-related topics. KPI-Reporting is supported by underlying evidential documentation. Multiple review instances have been established, including ESG Steering Committee members and the Financial Reporting Department.
Accuracy of estimation results	Where data is estimated, the reliability of estimates is mainly based on external sources, internal expert knowledge and historical data to present the best possible figures.
Availability of upstream and downstream value chain data	Tokai COBEX focuses on the first level of its upstream and downstream value chain. Data is gathered from direct suppliers and direct customers. The data gathering is closely monitored and managed by the respective departments, Procurement and Technical Service in particular.
Timing of the availability of the information	This year's first sustainability report based on CSRD was managed as a special project with external consultancy. The company will establish an integrated reporting timeline. Furthermore, Tokai COBEX plans to implement a sustainability reporting application for upcoming reporting periods to closely monitor the progress. The report relies on external data in several disclosures. In each instance, the latest available data is used. In case required data of the reporting year is not available, the data from the previous year is used. These cases are highlighted in the descriptive texts of such disclosures.

Double Materiality Assessment - ESRS 2

IRO-1

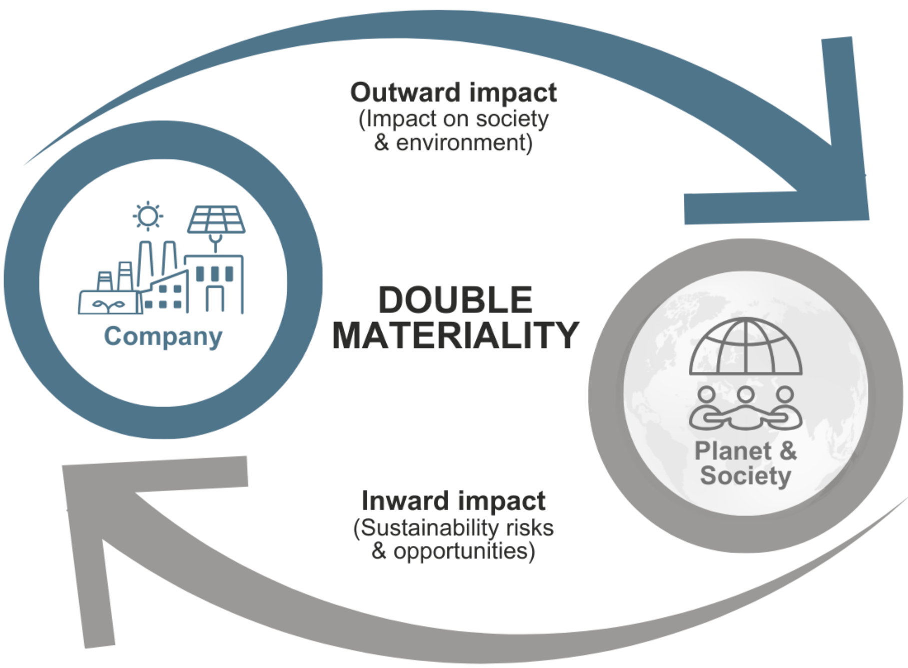
Description of the process to identify and assess material impacts, risks and opportunities

In 2024, Tokai COBEX has conducted its first Double Materiality Assessment according to ESRS guidelines and developed a step-by-step process, scoring matrices, and a model for aggregation and prioritisation. The starting point was the impact assessment (inside-out) of Tokai COBEX impacts on the environment and society, which builds on how Tokai COBEX has previously identified and assessed the sustainability-related impacts of its own operations and value chain. The company has also conducted a financial assessment (outside-in) of the sustainability related risks and opportunities it is exposed to as a business. Where possible, Tokai COBEX quantified the effects of those matters and supplemented with qualitative assessments.

As a basis, Tokai COBEX referenced the materiality assessment performed under GRI-standards in 2022 as a foundation and further developed the assessment to match the CSRD requirements. The company will be further developing and reviewing its DMA based on the final implementation guidance published by EFRAG and German legislation. The following pages provide detailed information on the results of the Double Materiality Assessment and the process applied.

Tokai COBEX has identified its impacts on the environment and society (impact materiality assessment) as well as the sustainability-related risks and opportunities that Tokai COBEX is exposed to or may benefit from (financial materiality assessment). The outcome of the DMA is aggregated per ESRS topic, showing that the standards E1, S1, and S3 are Tokai COBEX' most material sustainability matters.

The environmental impacts and risks within E, S, G are closely linked to Tokai COBEX strategic efforts to deliver high quality carbon and graphite products. The company considers it as its duty to address the global challenges of the future proactively.



The production of carbon and graphite products requires significant amounts of natural resources such as coal tar pitch, calcined petroleum coke and anthracite but also electricity and natural gas with direct and indirect negative impacts on the climate and the environment. Tokai COBEX's business activities also affect people and societies, which are reflected in the impacts and risks within S1, S2 and S3.

Tokai COBEX's products are characterized by high current and thermal conductivity, resistance to heat and corrosion, low consumption, as well as a long service life leading to maximum application performance. Utilizing the unique material properties of carbon and graphite, Tokai COBEX products find application in industries ranging from primary aluminium, steel and silicon metal, to the production of ferroalloys, lead, copper, titanium oxide and phosphorus. Tokai COBEX speciality graphite is a feedstock for a great number of applications in a technically challenging environment. The company is committed to ensuring top quality at every step of the value chain as it recognizes that the performance of Tokai COBEX's products has a significant impact on their customers' operation and thus sustainability. Therefore Tokai COBEX strives to find an overall optimum encompassing both its own operation as well as its direct partners in the value chain.

Methodology

Tokai COBEX developed its methodology with reference to the principles in the final ESRS from adoption date July 31, 2023 and other available EFRAG guidelines. EFRAG published a draft "Implementation Guidance" in December 2023, which Tokai COBEX took into account to refine its DMA methodology in 2024 including a review of its residual impact and risk approach. No transposition to national law has happened in Germany yet. Learnings from the previous report process, dialogue with peers, network, industry association meetings together with the final ESRS and newest guidance helped refine the process to ensure full alignment with the DMA-related requirements in 2024.

All assessed impacts and risks have been mapped to the relevant topical ESRS standards. The highest scored impact or risk regarding a topic determines the topic's overall materialiy ranking. The following main considerations have been applied:

- Positive and negative impacts: Both positive and negative impacts have been assessed and included in ranking a topic.
- Actual and potential impacts: Impacts have been identified as actual or potential. Most impacts assessed were actual.
- Risks and opportunities: Sustainability-related risks & opportunities were assessed in 2024.
- Tokai COBEX's own operations and value chain: Impacts and risks were assessed for its own operations as well as one step upstream and downstream in the value chain where relevant and possible.

TOKAI COBEX

Scope

For Tokai COBEX own operations, impacts on people and the environment were identified and assessed as well as potential risks to its business, focusing on specific activities whether relevant or not.

Furthermore, Tokai COBEX assessed its value chain impacts and risks, primarily focusing on upstream activities. Value chain assessments were based on internal knowledge, mainly from supplier audits, and focused on its first-tier suppliers. On this basis, impacts and risks were identified and assessed. In its impact assessment, Tokai COBEX considered both positive and negative impacts as well as actual and potential impacts related to sustainability matters. In Tokai COBEX's financial assessment, potential sustainability related risks and opportunities were assessed that could trigger a negative financial impact on its business. However, Tokai COBEX's business opportunities are directly connected to Climate Change Mitigation and described in the strategy section. Moreover, ESRS S4 is assesed as not material as Tokai COBEX's business focuses exclusively on business to business relations with no exposure to end consumers.

MDR-P

Stakeholder engagement

For Tokai COBEX's DMA, internal subject-matter experts from both business lines, as well as group functions were consulted.

In addition, Tokai COBEX directly consulted affected stakeholders to understand how they may be impacted by its business activities. The outcome of the DMA was reviewed with relevant stakeholders. Tokai COBEX has also included insights from external sources who, through continuous dialogue with key stakeholders, have a good overview of the interests and views of stakeholders.

MDR-M

Scoring & Impacts

As per EFRAG guidance, three parameters of “scale”, “scope”, and “remediability” (irremediable character) have been used in the scoring of the “severity” of the company's actual impacts:

- When scoring “scale”, Tokai COBEX assessed the severity of the impact on the environment or people.
- When scoring “scope”, Tokai COBEX assessed how widespread the impact is based on parameters such as percentage of sites, employees, or financial spend that the impact relates to.
- When scoring “remediability” (irremediable character), Tokai COBEX assessed how difficult it is to reverse the damage in terms of cost and time horizon.
- For potential impacts, an additional parameter of “likelihood” was scored.
- For actual negative impacts, each of the three dimensions above were scored and weighted equally for severity.
- For potential negative impact, the severity was reduced depending on likelihood.
- Any of the three characteristics (scale, scope, and irremediable character) can make a negative impact severe. In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood

- For actual positive impacts, “scale” and “scope” were scored and weighted equally for severity.
- For potential positive impacts, “likelihood” was also considered as for negative potential impacts.

Risks and Opportunities

When scoring risks, Tokai COBEX assessed the potential magnitude of financial effects based on different triggers, including earnings before interest and taxes, depreciation and amortization, CAPEX, and OPEX, which constituted one part of the score, and likelihood of occurrence, which constituted the other part. The company assessed the nature of these effects in different scenarios with assumptions based on input parameters from subject-matter experts. The potential magnitude of financial effects was scored as “very low”, “low”, “medium”, “high” or “very high”. Likelihood of occurrence was scored as “rather unlikely”, “likely”, “rather likely” or “very likely” using relevant time horizons of short-, mid-, or long-term. Tokai COBEX reviewed the risks identified in the DMA using the risk assessment regularly performed for business risks. However, quantification in monetary terms was supplemented with qualitative assessments to a high degree, due to the complexity of defining exact values for potential sustainability risk scenarios.

Thresholds

Tokai COBEX’s ESG Steering Committee has set the materiality thresholds based on the Double Materiality Guidelines published by the EFRAG at “important”. Impacts scored as “important”, “significant” or “critical”, and risks scored as “material”, “significant” or “critical”, and their associated ESRS topic, are deemed material overall.

Process *MDR-T*

Tokai COBEX defined process steps for conducting the DMA for impact materiality and financial materiality, respectively. The impact assessment was the starting point, and once the company had the preliminary results, the financial assessment was initiated.

<u>Impact materiality</u>

Tokai COBEX assessed the materiality of sustainability-related matters based on recent studies, benchmark reports, and internal projects. The following steps were conducted:

- Engagement of stakeholders
  Tokai COBEX created workstreams defined by the ESRS topics and identified subject-matter experts in the business and group functions with insights and deep knowledge through day-to-day work within each area. Several onboarding sessions helped to get a common understanding of the new regulation and objectives of the Double Materiality Assessment.
- Scoping of impacts
  As preparation for the materiality assessment workshops, the company consulted relevant internal stakeholders (e.g. internal impact reports, previous materiality assessments, and stakeholder findings) to scope and pre-define impacts per ESRS sub-topic. The sub-sub topics were considered and reviewed.

- Assessment of individual impacts
  Tokai COBEX conducted interactive impact materiality assessment workshops for each ESRS topic. Participants adjusted the potential impacts where relevant and added additional impacts. All impacts (negative and positive) within the company's own operations and the value chain were scored according to the developed methodology. Scoring rationales were documented, and relevant reference documents were captured.
- Calibration of material impacts
  All workshop input was aggregated to determine scores and calculate the 'degree of materiality' split into five levels. Workshop participants validated the preliminary results, and if needed, provided rationales for adjustments. Further calibration across topics took place before finalising the impact assessment.
- Management review & results
  Consolidated overviews of the sustainability related impacts were presented to and discussed with internal stakeholders and management. Finally, the determined materiality threshold yielded a list of 16 material impacts that were assessed as "important" or above

Financial materiality

As part of its efforts to prepare for CSRD reporting, Tokai COBEX performed its financial materiality assessment and focused on potential financial risks and opportunities. The company only considered risks and opportunities that relate to sustainability matters in the financial materiality assessment. The following steps were conducted:

- Engagement of stakeholders
  Tokai COBEX engaged relevant stakeholders to ensure appropriate consideration of sustainability risks. These included internal subject-matter experts in business and group functions, as well as teams responsible for corporate risk assessment.
- Scoping of financial impact
  Results from the impact materiality assessment, supplemented with additional internal resources, formed the basis for scoping sustainability risks within the context of financial materiality.
- Assessment of individual financial impact
  The initially identified risks were verified and supplemented with additional possible sustainability risks through a series of meetings between topical subject-matter experts, ESG experts, and teams responsible for corporate risk. All impacts (negative and positive) within Tokai COBEX's own operations and the value chain were scored according to the developed scoring methodology. Scoring rationales were documented, and relevant reference documents were captured.
- Calibration of material financial impact
  Workshop participants validated the preliminary results considering the financial risk view, and if needed, they provided rationales for adjustments.
- Management review & results
  Consolidated overviews of the sustainability related impacts were presented to and discussed with internal stakeholders and management. Finally, the determined materiality threshold yielded a final list of 3 financial impacts that were assessed as 'material' or above.

Material Sustainability-Related Impacts and Risks

The following tables list sustainability-related impacts and risks of topics Tokai COBEX has identified and assessed as material in the DMA process. As soon as the topic is classified as material, all IROs are reported, independently of the classification of such item. Eight out of ten ESRS topics are material to Tokai COBEX. Each material ESRS topic is presented below. Additionally, it is indicated whether the impacts and risks are in the company's own operations (OO) or value chain (VC), detailing the up-and downstream impact.

Furthermore it is disclosed whether the impacts are of positive or negative nature. All impacts are actual impacts unless stated otherwise. Tokai COBEX's respective responses to the effects of the assessed impacts and risks are detailed in the topical sections. The company's scoring of impacts and risks has included mitigation actions already established in daily operations. Thus, the impacts and risks listed in the tables show a residual impact or risk. In the final materiality scoring, only the item with the highest scoring was chosen.

In 2025, Tokai COBEX will further refine its DMA process and methodology.

DMA Summary

Standard	Sub-Topic	Financial Materiality	Impact Materiality
E1: Climate Change	Climate Change Adaptation	No	No
	Climate Change Mitigation	Yes	Yes
	Energy	Yes	Yes
E2: Pollution	Pollution of Air	No	Yes
	Pollution of Water[1]	No	No
	Pollution of Soil	No	No
	Pollution of Living Organisms & Food	No	No
	Substances of Concern	Yes	Yes
	Substances of Very High Concern	No	Yes
	Microplastics	No	No
E3: Water & Marine Resources	Water[1]	No	No
	Marine Resources	No	No
E4: Biodiversity & Ecosystems	Direct Impact Drivers of Biodiversity Loss	No	No
	Impacts on the State of Species	No	No
	Impacts on the Extent & Condition of Ecosystems	No	No
	Impacts and Dependencies on Ecosystems Services	No	No
E5: Circular Economy	Resources Inflows	No	No
	Resource Outflows	No	No
	Waste	No	Yes
S1: Own Workforce	Working Conditions	No	Yes
	Equal Treatment & Opportunities for All	No	Yes
	Other Work-Related Rights	No	No
S2: Workers in the Value Chain	Working Conditions	No	Yes
	Equal Treatment & Opportunities for All	No	Yes
	Other Work-Related Rights	No	No
	Communities' Economic, Social & Cultural Rights	No	Yes

[1] Water was identified as essential for human kind. In consequence Tokai COBEX regards it as a material despite being below respective threshold

Standard	Sub-Topic	Financial Materiality	Impact Materiality
S3: Affected Communities	Communities’ Civil and Political Rights	No	Yes
	Rights of Indigenous Peoples	No	No
S4: Consumers & End Users	Information-Related Impacts for Consumers and/or End Users	No	No
	Personal Safety of Consumers and/or End Users	No	No
	Social Inclusion of Consumers and/or End Users	No	No
G1: Business Con-duct	Corporate Culture	No	Yes
	Protection of Whistleblowers	No	Yes
	Animal Welfare	No	No
	Political Engagement	No	No
	Management of Relationships with Suppliers	No	Yes
	Corruption & Bribery	No	Yes

Impacts, Risks and Opportunities

Environment E1: Climate Change

	Material Impact or Risk	Description & Actions
Climate Change Mitigation		
Negative impact (OO)	Tokai COBEX operations cause CO_2 process emissions in the range of 200 - 400 kt/a (depending on production volume)	The emissions originate from manufacturing, as well as fuel and energy related activities (fossil fuels). Tokai COBEX addresses this impact through strategic targets and actions to decarbonize.
Risk (OO)	High CAPEX and consequently OPEX efforts to lower/mitigate emission output	To reduce and mitigate CO_2 emissions, certain investments have to be made. The company manages planned CAPEX and OPEX diligently in view of CO_2 reduction.
Energy		
Opportunity (OO)	Lowered energy costs from increasing energy efficiency	Increased energy efficiency is resulting in decreasing unit-specific energy consumption. This can be a business advantage for increases competitiveness or a mitigation for increasing energy prices.
Risk (OO&VC)	High dependency on volatile gas and electricity markets	Current and future European price levels for energy can severely impact business performance and future outlook. It needs to be closely managed to mitigate risks of energy price peaks, which can occur for unforeseen reasons.

Environment E2: Pollution

Pollution of Water is covered in the topic Water.

	Material Impact or Risk	Description & Actions
Pollution of Air		
Negative impact (OO&VC)	Emission sources close to urban areas	Tokai COBEX has a monitoring system for Pollution of Air in place and accordingly manages to avoid negative impacts in urban areas close to the company's operations.
Risk (OO)	High CAPEX and OPEX costs due to current as well as increasing legal requirements	Legal requirements are continuously increasing, resulting in needs for treatment systems upgrades.
Pollution of Water		
Topic covered in the section "Water".		
Substance of Concern		
Negative impact (OO&VC)	Majority of Tokai COBEX's products is based on coal tar pitch, a substance of very high concern.	In the thermal treatment process in its operation or at its customers', pitch is converted to normal coke, an unclassified material. Major concern is in case of spillage, where appropriate counter measures are in place.
Risk (OO)	The usage of pitch in the EU is regularly discussed by the authorities. In case of a ban, this may result in severe business harm.	Potential severe financial impact due to missing alternatives.

Environment E3: Water and Marine Resources

	Material Impact or Risk	Description & Actions
Water		
Positive impact (OO)	Usage of as little water as possible in company processes (e.g. closed loop system in one site).	Tokai COBEX targets to minimize extraction of water resources
Negative impact (OO&VC)	Emission sources close to significant water ways.	As emission sources are located close to significant water ways, any spillage or accident could have a significant impact
Risk (OO)	High remediating costs from potential spillage accidents (clean-up, lawsuits, etc.).	As emission sources are located close to significant water ways, any spillage or accident could have a significant impact

Environment E5: Circular Economy

	Material Impact or Risk	Description & Actions
Waste		
Negative impact (VC)	Main products result in a hazardous waste after use	Products are contaminated during their use-phase resulting in hazardous waste. Customers have established local methods of disposal for the generated wastes.
Risk (VC)	Transport and treatment of waste technically and legally difficult as well as costly	Products are contaminated during their use-phase resulting in hazardous waste. Customers have established local methods of disposal for the generated wastes.

Social S1: Own Workforce

	Material Impact or Risk	Description & Actions
Working Conditions		
Positive impact (OO)	Tokai COBEX has high standards concerning Working Conditions in order to secure worker health, safety & satisfaction.	High working condition standards are in place and have a significant impact on employee satisfaction resulting in a healthier working environment and better performance.
Negative impact (OO)	Reputational damage in case of poor Working Conditions	Monitoring is in place. The potential impact is spread over several sites.
Risk (OO)	Potential lawsuits and/or reputational damage as a result of decreased Working Conditions (e.g. accidents)	Safety and compliance are a priority at Tokai COBEX. Health and Safety, as well as compliance, are managed on a central level to apply the same standards across all sites. Incident reporting is in place as well as monitoring procedures and reporting to Tokai Carbon Group.
Equal Treatment and Opportunities for All		
Positive impact (OO)	Tokai COBEX hires and promotes independently of individual traits. No matter which race, gender, sexual orientation and other individual traits, everyone is welcome and treated equally.	"Tokai COBEX Diversity, Equality, Inclusion and Belonging Charter" issued, communicated and 'lived'.
Negative impact (OO)	Reputational damage in case of unequal treatment or misconduct of Tokai COBEX Diversity Charter	A whistleblowing hotline is in place. Tracking and monitoring of reported incidents is implemented by Legal and Compliance Department.
Risk (OO)	Potential lawsuits in case of unequal treatment	Managed and monitored by Legal and Compliance Department.

Social S2: Workers in the Value Chain

	Material Impact or Risk	Description & Actions
Working Conditions & Equal Treatment and Opportunities for All		
Positive impact (VC)	Tokai COBEX aims at treating all workers equal, independently of direct employment, contracted work or being employed in the value chain. For suppliers, a formal Code of Conduct is in place.	Tokai COBEX creates a close alignment between internal HR and Procurement (upstream value chain), as well as Sales and Technical Service (downstream value chain) to facilitate a matching level of equal treatment for all. Tokai COBEX whistleblowing hotline is available to all stakeholders.
Negative impact (VC)	Tokai COBEX has limited influence on certain suppliers.	Procurement department is in the lead here to track, manage and monitor. Supplier Code of Conduct implemented to ensure compliance of suppliers with Tokai COBEX's standards.
Risk (VC)	Major suppliers can be single source.	Supplier Evaluation forms are used to identify risks and a classification of suppliers is in place to monitor and minimize potential impacts.

Social S3: Affected Communities

	Material Impact or Risk	Description & Actions
Communities' Economic, Social and Cultural Rights		
Positive impact (OO)	Tokai COBEX invests into and supports the effected local communities, aiming at a harmonious coexistence, building strong relationships between the company and the community	Local HR is managing sponsoring and donation process in agreement with the respective company policies.
Negative impact (OO)	Reputational damage amongst employees and potential employees in case of non-caring behaviour.	Any respective indications are monitored by HR and Legal and Compliance.
Opportunity (OO)	Improved opportunities to source workforce	As a long standing partner of the communities, Tokai COBEX has been able to establish itself as a trusted employer.
Communities' Economic, Civil and Political Rights		
Positive impact (OO)	Tokai COBEX enables all employees to speak out, form or join unions or assemble in any other way.	Compliance to all legislation as well as respective internal policies is governed by HR.

Governance G1: Business Conduct

	Material Impact or Risk	Description & Actions
Corporate Culture, Protection of Whistleblowers and Management of Relationships with Suppliers incl. Payment Practices		
Positive impact (VC)	Corporate Culture: Tokai COBEX has established its own Code of Conduct in alignment with the Global Code of Conduct of Tokai Carbon Group. Living the values of these Code of Conducts is an integral part of the Corporate Culture Protection of whistleblowers: Tokai COBEX has established a whistleblowing system which enables internal and external personnel to anonymously submit incidences and report violations of laws and legal regulations. Management of relationships with suppliers: A Supplier Code of Conduct is in place which requires acknowledgement from every supplier.	Tokai COBEX has high standards towards a compliant business conduct, which are documented in respective policies.
Negative impact (VC)	A breach of Corporate Culture standards and other relevant standards may lead to a negative impact on the public perception of Tokai COBEX and may constitute a violation of laws.	All relevant personnel are regularly trained with regards to compliant behaviour.
Risk (VC)	Potential costs from legal actions, fines and litigations in case of non-compliant behaviour.	Legal and Compliance department is actively monitoring and advising on current issues.
Corruption & Bribery		
Negative impact (VC)	Appropriate levels of transparency in payments to governments or individuals are to be ensured. A neglection of such may have a negative impact on the public perception of Tokai COBEX and may constitute a violation of laws.	Negative public perception may impact the full value chain "We care, we help" policy, which regulates sponsoring and donation, is in place.
Risk (VC)	Potential costs from legal fines and litigations in case of non-compliant behaviour.	Legal and Compliance department is actively monitoring and advising on current issues.

EU Taxonomy

In December 2019, the European Commission presented the "European Green Deal", which includes the goal of making the European Union climate neutral by reducing net greenhouse gas emissions in the EU to zero by 2050. To support this goal, companies in the EU fullfilling certain criterias regarding number of employee, asset value and turnover are required to report on the alignment of their business acitvities. Hence the EU Taxonomy Regulation (EU 2020/852 or "EU Taxonomy") classification system for defining environmentally sustainable economic activities was applied to Tokai COBEX's business activities in accordance with:

- The Climate Delegated Act published in the Official Journal on 9 December 2021 and applicable since January 2022.
- The Complementary Climate Delegated Act published in the Official Journal on 15 July 2022 and applicable since January 2023.
- The Environmental Delegated Act published in the Official Journal on 21 November 2023 and to apply as of January 2024.
- The amendments to the Climate Delegated Act published in the Official Journal on 21 November 2023 and to apply as of January 2024

For the first time in 2024, Tokai COBEX publishes a non-financial report and provides information on the taxonomy-eligible activities' turnover, capital expenditure and operating expenses in accordance with the EU Taxonomy, see detailed tables in annex. Tokai COBEX provides this information voluntarily. The key figures have been assessed in terms of their environmental sustainability. Each product category was assessed for its taxonomy eligibility and end-use approach. Tokai COBEX reports a taxonomy-eligible turnover of 20 MEUR for fiscal year 2024. The company has completed all the steps for taxonomy-eligibility, alignment, minimum safeguards as well as the questionnaire detailing technical screening and substantial contribution criteria.

Tokai COBEX identified the following economic activities and products as taxonomy-relevant and as described by the EU Taxonomy in connection with the environmental goal of *climate mitigation/adaption (CCM/CCA):*

- Manufacture of batteries - 3.4* (CCM/CCA):
  Tokai COBEX products include: BAM – battery anode materials. Four production entities are part of the manufacture process towards "battery anode materials". The company treats battery anode materials (as a sub-group of Battery Active [cathode & anode] material). There was so far no turnover generated from BAM; it is in the forecast for 2025 as well as CAPEX budget for 2025.
- Manufacture of other low carbon technologies - 3.6* (CCM/CCA):
  Tokai COBEX products include: RuC© – Ready to use cathodes. Cathodes with copper design ready for immediate installation and use, reducig energy consumption at its customers.
- Transport by motorbikes, passenger cars and light commercial vehicles - 6.5* (CCM/CCA):
  The company leases company cars. Some light weight vehicles are in use at different production entities.
- Acquisition and ownership of buildings - 7.7* (CCM/CCA):
  Tokai COBEX leases office building at locations in Germany and

* The numbers mentioned relate to the EU Taxonomy IDs

China. Majority of buildings at the production entities in Poland and France are owned.

- Close to market research, development and innovation 9.1* / 9.2* (CCM + CCA):
  Tokai COBEX Research & Development and Technology department's work at the production entities in Poland and France.

No taxonomy-eligible products were identified under the environmental goals pollution prevention, circular economy, biodiversity and water & marine resources.

Determining the taxonomy – eligible key figures

Reporting on the nature of taxonomy-eligible as well as taxonomy-aligned economic activities was carried out in accordance with the EU Taxonomy Regulation (EU 2020/852 or "EU Taxonomy"). The key figures are the categories of taxonomy-eligible and taxonomy-aligned turnover, capital and operating expenses. Tokai COBEX uses the reporting tables provided in Annex II of Regulation (EU) 2021/2178 for this disclosure. The data collection is based on consolidated group data. Double counting in the allocation of turnover, CAPEX and OPEX was avoided. If a clear allocation of data was not feasible when calculating the key figures, a respective allocation key was used. The EU Taxonomy defines turnover as net sales of goods or services including tangible assets.

Capital Expenditures (CAPEX)

Defined by the EU taxonomy as additions to property, plant and equipment and intangible assets in the financial year under review before depreciation, amortization and revaluations. Taxonomy-eligible CAPEX relate to assets or processes associated with taxonomy-eligible economic activities or transform those into taxonomy-aligned economic activities. They also relate to the acquisition of products from the same and individual measures that carry out the target activities in a low-carbon manner or reduce greenhouse gas emissions.

Operating Expenses (OPEX)

Defined by the EU taxonomy as direct, non-capitalized costs relating to research, development, maintenance, short-term leasing and repair. Taxonomy-eligible OPEX relate to assets associated with taxonomy-eligible economic activities or are included in a plan to expand taxonomy-aligned economic activities or transform those into taxonomy-aligned economic activities. They also relate to the acquisition of products from the same and individual measures that carry out the target activities in a low-carbon manner or reduce greenhouse gas emissions and individual building renovations, if applicable.

Assessment of taxonomy-compliance

Economic activities are considered taxonomy-aligned if they make a significant contribution to at least one environmental goal (they comply with technical screening criteria). In addition, economic activities must not cause significant harm to the broader environmental objectives. All products were reviewed with regard to the description of the activity according to (EU) 2021/2800 Annex I. Stakeholders from Health & Safety, Environmental Office as well as Technology & Development were consulted. A further quality review

* The numbers mentioned relate to the EU Taxonomy IDs

was undertaken to avoid any material adverse effects. The results were documented.

Minimum safeguards

As defined by the EU taxonomy, the minimum safeguards include the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Labor Organization Core Labor Standards, and the International Bill of Human Rights. Tokai COBEX's Code of Conduct and Supplier Code of Conduct commit to respecting and protecting human rights. Tokai COBEX has completed the checklist and addressed all items of the minimum safeguards. This was completed in a workshop meeting together with the ESG Team, a Management Committee member, Tokai COBEX's Legal & Compliance Director and an external consultant.

Outlook

Tokai COBEX will refine its approach to the evaluation progress in the next years with the clear aim to increase its share of EU taxonomy-eligible and -aligned activities. When evaluating targets for such a process, it has to be considered, that Tokai COBEX is operating in an industry that is based on long-term development cycles as well as proven technologies. Therefore, future progress will be a continuous, but slow process. Tokai COBEX does not anticipate any changes to its operating model.

The tables that show the details of the taxonomy-eligible and aligned parts of Tokai COBEX's turnover, CAPEX and OPEX for the fiscal year 2024, presented as required by the legislator (EU 2021/2178) are presented in the appendix.

ENVIRONMENT

Tokai COBEX's environmental laboratories measure and monitor the impact of its operations on the environment at all sites on a regular basis, responding accordingly in case intervention is required. Through the Double Materiality Assessment, the company identified four out of five ESRS environmental topics with a total of seven sub-topics as material.

Tokai COBEX recognizes the preservation of the global environment as a precedence, while the company strives to achieve harmony between business activities and the environment, and engages in activities aimed at achieving a sustainable recycling-oriented society. The company's ambition is to make its operations continuously cleaner and more efficient, reducing the environmental impact of its own production, storage, and transportation, as well as the impact of the usage of its products.

E1 - Climate Change

As outcome of the DMA, the following two sub-topics are material to Tokai COBEX's business:

- Climate Change Mitigation and
- Energy

Integration of sustainability-related performance in incentive schemes *GOV-3*

Five targets linked to variable renumeration package of management bodies in 2024 were directly linked to sustainability. Two of these relate directly to Climate Change Mitigation:

- Specific CO_2 emissions per ton of baked product to be reduced against 2023 baseline/result (based on scope 1 + 2 emissions without Guarantees of Origin for electricity)
- Commercial launch of Battery Anode Material (BAM)

As sustainability related targets are reflected in personal objectives, a general percentage of sustainability related incentives cannot be provided

Transition plan for Climate Change Mitigation *E1-1*

Tokai COBEX's overarching environmental target is to run its business operations CO_2-neutral by 2050. This is in line with the targets set by its parent company Tokai Carbon Group, and the group's overall aim to contribute to the realization of a CO_2-neutral society. These targets are aligned and compatible with limiting of global warming to 1.5 °C in line with the Paris Agreement.

<u>GHG Emissions Reduction</u>

An intermediate goal on Tokai COBEX's path to net-zero CO_2 emissions by 2050 is to achieve emission reductions of 25% by 2030 (compared to the baseline year 2018, covering scope 1 and scope 2 emissions).

To achieve the target of (net) carbon neutrality, Tokai Carbon Group, including Tokai COBEX, is implementing a comprehensive decarbonization program, which includes the whole life cycle assessment (LCA), evaluation of raw materials and energy use in the manufacture of the products. It is characterized by a clear hierarchy of measures:

- First priority: Measures with which CO_2 emissions can be reduced or avoided.
- Second priority: Tokai COBEX targets to flexibilize its energy uptake to enable an increasing share of renewable electricity
- Finally, unavoidable CO_2 emissions are planned to be offset in selected cases through climate protection projects that meet respective international standards. Alternatively, Tokai COBEX is investigating the feasibility of introducing carbon capture to its processes.

In order to steer Tokai COBEX's activities in an environmentally compatible way, the company implemented an environmental management system based on the ISO 14.001 international standard company-wide and obtained the corresponding certificate for all plants. Tokai COBEX continuously calculates CO_2 emissions across all sites and has started to establish a standardized internal process of tracking CO_2 emissions for the whole business unit. This will allow the company not only to report its CO_2 emissions more accurately, but also define a baseline for tracking the CO_2 emission reductions the company achieves through the projects currently in progress. Tokai COBEX aims to continuously measure and report the company's progress towards the 2030 CO_2 reduction target. As a precedent, the company took the decision in 2021 to compensate 100% of the CO_2 emissions caused by the electricity consumption of the two plants in Poland through respective Guarantees of Origin guaranteed by the Polish government. Recognizing this as an intermediate solution on the path of emission reduction, the company took the decision to internally benchmark its processes and improvements against an uncompensated CO_2 footprint of the electricity used.

Tokai COBEX is aware that total CO_2 emissions are expected to rise with production of BAM, but the production process will have a carbon footprint significantly lower than global average and the competition.

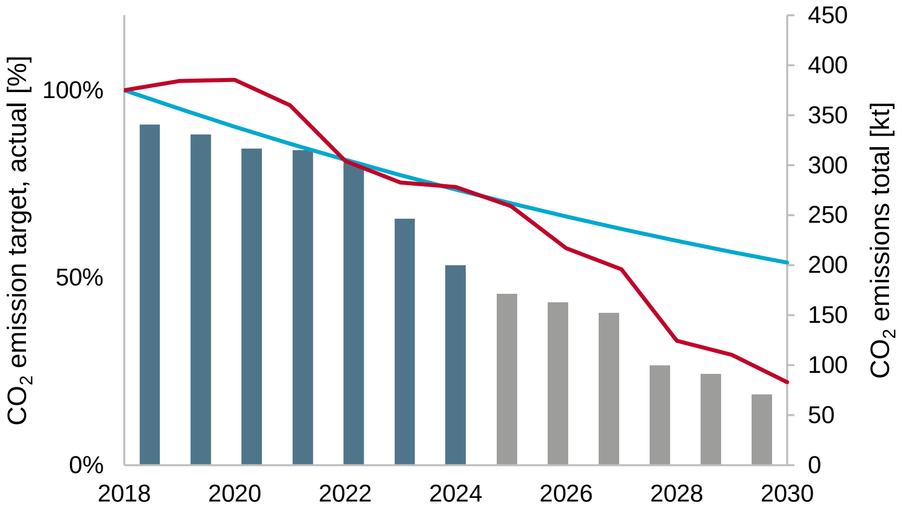
In the recent past, Tokai COBEX has undertaken substantial investments in various equipment and installations to reduce the environmental impact of the production processes and logistics. Over the past years, 6.5 MEUR have been invested across all sites in various projects and initiatives – internal and together with Tokai COBEX business partners. Amongst others, investments concluded in 2024 include:

- Photovoltaic: Installation of a 1.67 MWh PV system at one site is completed. The assumed annual energy production from this installation is 1,420 MWh which equates to annual CO_2 savings of 1,153 tCO_2/year.
- Compress air modernization: A new installation has been in operation since February 2024. Annual CO_2 savings are 1,674 tCO_2/year.
- Improved insulation: The task included insulating the thermal oil pipes and mixers in a green workshop. The work was finished in June 2024 and annual CO_2 savings amount to 488 tCO_2/year.

For the years up to 2030, Tokai COBEX plans further investments of 108 kEUR that will help the company reduce its impact on the environment even more and be linked to the EU Taxonomy for assessment of eligible economic activities.

Tokai COBEX is working on technical solutions and feasibility projects with the potential to reduce CO_2 emissions more than 50% in total. Projects are projected to be investigated and executed until 2030, if feasible.

The **long-term objective (LTO) reduction project (graphic below)** shows Tokai COBEX strategic focus on CO_2 reductions overall. The graph includes scope 1 & 2 emissions and is calculated without Guarantees of Origin. *E1-4*



Total CO_2 emissions [kt], CO_2 Reduction potential [%], Reduction target [%]

Key projects include:

- Heat Recovery from several process steps across all sites and re-use it to susbstitute fossil energy usage. Estimated CO_2 savings 7,631 tCO_2/year from year 2026 onwards.
- Connection to gas grid and conversion from heavy fuel to natural gas. This task encompases the constructing of a gas pipe to one Tokai COBEX site which is not connected yet. The project is planned to be executed by a consortium among Tokai COBEX, other industries and the local government. While considered only a bridge technology, converting its operation from heavy fuel oil to gas has a significant CO_2 reduction impact. Estimated CO_2 savings 6,000 tCO_2/year from year 2027 onwards.

Tokai COBEX Steering Committee and workstream members meet every four months to discuss the transition plan, track the progress of actions, agree on required decisions and tasks. Quarterly, the Management Committee performs a risk assessment including the resilience aspect of the business to evaluate any financial implication caused by risks and specifically includes the climate impact on the business. Material IROs and the interaction with strategy and business model (ESRS2 SBM-3), and whether each material climate-related risk is considered to be a physical or transition risk, is included in the DMA result and the climate risk assessment.

Material IROs and their interaction with strategy and business model *IRO-1*

In 2024, Tokai COBEX has conducted its first DMA according to ESRS guidelines and developed a step-by-step process, scoring matrices, and a model for aggregation and prioritization. During the screening of business activities at all site locations, two sub-topics – Climate Change Mitigation and Energy – (of the topic Climate Change) were identified as material in the scope of the following Double Materiality Assessment.

Tokai COBEX has identified one negative impact and one risk in the sub-topic Climate Change Mitigation. The negative impact relates to CO_2 process emissions caused by Tokai COBEX production across the 4 production sites in the range of 200,000 tCO_2/year to 400,000 tCO_2/year (dependent on production volume). The company addresses this impact through strategic targets and actions to decarbonize. As a risk, Tokai COBEX has flagged potentially high CAPEX efforts to lower emissions. To reduce and mitigate CO_2 emissions, investments have to be made. Tokai COBEX manages its CAPEX and OPEX plan in view of CO_2 reduction.

For Energy, the company has identified one opportunity and one risk. The opportunity relates to lowered energy costs from improvements in energy efficiency. In order to gain such energy efficiency, the impact on demand towards the energy suppliers need to be managed to save such costs. The risk identified relates to high dependency on volatile gas and electricity markets. To manage this, current and future European price levels for energy have to be monitored not only to manage costs, but also to avoid bad contract management which could lead to a detrimental situation for the business.

SBM-3 In addition, Tokai COBEX has performed a Climate Risk Assessment in accordance with CSRD requirements. The results include a review of the assets and business activities and its relation to identified climate-related hazards, transition risks and events. The following temperature, wind, water and solid mass related risks show a summary of the assessment with mitigation actions in place:

Mitigating actions for risks:

- High dependency on **volatile gas and electricity markets:** Tokai COBEX is following the exchanges for gas and electricity in its operational regions closely and applies a mid-term hedging strategy to mitigate exposure to unforeseen price hikes while not exposing itself to oversupply.
- **High water level of rivers** have occurred in Poland and in particular are a concern for the Raciborz site. The city has implemented protection measures to avoid the risk of flooding for the city in general. Tokai COBEX has benefitted from that and can therefore see that risk as minimized.
- High remediating costs from **potential spillage accidents**. Security system to avoid and measurements to detect such accidents are in place with envirnonmental safety being a top target for Tokai COBEX.
- **Treatment of waste** is technologically difficult and costly. Potential price increases for waste and waste treatments may lead to higher operating costs for Tokai COBEX in the near future. Close monitoring and focus on waste management and mitigation is intended to be implemented.

E1-2

Policies related to Climate Change

A comprehensive environmental policy was compiled in 2024 including several key aspects of the sub-topics in the environmental areas such as Greenhouse Gas Emissions, Pollution, Energy, Water and Waste. Key targets and actions are discussed in detail in all sub-topic sections. The long-term goal, as given by Tokai Carbon Group, is to achieve GHG emission reductions of 25% by 2030 (compared to the baseline year 2018, covering scope 1 and scope 2 emissions). No targets have been set yet for scope 3. The company's action and targets are aligned and compatible with limiting global warming to

1.5 °C in line with the Paris Agreement. The company is reviewing SBTI conformity and adoption.

Annual Targets in the policy include specific GHG emission reductions, with ongoing monitoring of progress.

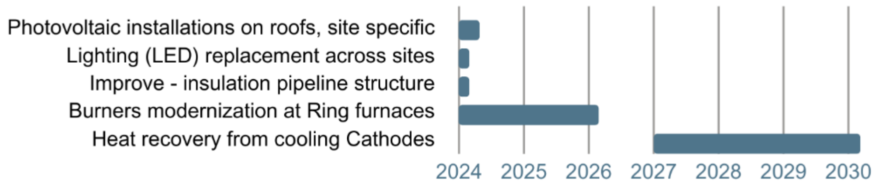
An action plan outlines initiatives aimed at achieving emission reduction goals, including employee training and community engagement.

Projects and actions in relation to climate change polices

E1-3

- Heat recovery project from cooling of cathodes after baking planned in future years.
- Modernization of burners at ring furnaces ongoing.
- Improvement of insulation of pipeline structure completed in 2024.
- Exchanged the traditional lighting system for LED lighting in two plants finished, allowing a significant reduction of energy needed for lighting in the plants.
- Photovoltaic and solar panels installations on roofs have been completed at one site in 2024.

All projects are tracked and monitored by the workstream leaders and the performance is discussed and reviewed every four months in a groupwide progress meeting followed up by a dedicated Steering Committee meeting. Detailed planning is shown in the transformation roadmap below:



Energy Management

E1-5

Energy management has a high managerial priority at Tokai COBEX due to the energy-intense nature of its industrial production processes and the extensive increases of costs in recent times. The majority of the energy the company consumes is used in thermal treatment processes. Pursuing Tokai COBEX's net zero target, and recognizing resource scarcity as a major societal challenge, the company continuously improves the efficiency of its energy usage through implementing advanced technologies and optimizing its processes. All plants run with the best available technology (BAT) in compliance with the EU Industrial Emissions Directive and meet the relevant emission standards. Tokai COBEX implemented an ISO 50.001 certified Energy Management System in all plants to take a systematic approach to energy management, effectively improving its performance and measuring its progress. To further improve its energy management and facilitate future reporting on energy usage and related emissions, a new process is currently implemented for collecting energy-related data across all sites in a centralized way.

It is Tokai COBEX's ambition to obtain all energy from renewable sources mid-term. Today, most of its electric power already stems from non-fossil energy supplies. In one country, the company is procuring 60% of its electricity from nuclear power sources to reduce scope 2 CO_2 emissions. In addition, a renewable power purchase agreement was signed in 2024 to further decrease associated CO_2 emissions. In another production country, Tokai COBEX eliminated all heavy oil input, converting to gas as an intermediate step until more sustainable solutions become feasible to implement. To reduce its energy consumption further, Tokai COBEX has already realized the following projects:

- Replaced an air compressor at one plant, reducing energy required by 0.7 GWh with a CAPEX of 0.4 MEUR.
- Initiated a project to press cathodes with different groove materials reducing energy required by 1.0 GWh.
- Replaced boilers for Green Workshops at one plant, reducing energy consumption by 0.56 GWh.

Aiming to further optimize its energy consumption, several projects are currently in planning. For example, Tokai COBEX plans to recover heat from a thermal process at one plant, reducing energy uptake by 5.5 GWh. A modernization of burners at ring furnaces at the same plant is targeted to reduce energy by 6.8 GWh, at another plant by additional 6.0 GWh. All projects are targeted to be completed by 2027.

Tokai COBEX's energy consumption mix is detailed in the table below:

Energy consumption		2024
(1)	Fuel consumption from coal and coal products [MWh]	0
(2)	Fuel consumption from crude oil and petroleum products [MWh]	3,221
(3)	Fuel consumption from natural gas [MWh]	193,579
(4)	Fuel consumption from other fossil sources [MWh]	0
(5)	Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources [MWh]	4,389
(6)	**Total fossil energy consumption [MWh] (calculated total lines 1 to 5)**	**201,189**
Share of fossil sources in total energy consumption [%]		***44.5***
(7)	Consumption from nuclear sources [MWh]	73,512
Share of consumption from nuclear sources in total energy consumption [%]		***16.3***
(8)	Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) [MWh]	2,194
(9)	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources [MWh]	173,950
(10)	The consumption of self-generated non-fuel renewable energy [MWh]	770
(11)	**Total renewable energy consumption [MWh] (calculated total 8 to 10)**	**176,915**
Share of renewable sources in total energy consumption [%]		***39.2***
Total energy consumption [MWh] (calculated total 6 + 11)		***451,616***

Energy consumption figures have not been validated by third-party assurance at the time of reporting.

Energy intensity and net turnover from climate impact is mentioned in the tables below:

Energy intensity per net turnover	**2024**
Total energy consumption from activities in high climate impact sectors** per net turnover from activities in high climate impact sectors [MWh/MEUR]	1,140

Net turnover from activities in high climate impact sectors used to calculate energy intensity	**2024**
Net turnover (other) [MEUR]	396***
Total net turnover (Financial statements) [MEUR]	396

Greenhouse Gas missions

E1-6

The calculation includes gross scopes 1, 2, 3 and total GHG emissions, whereas Scope 1 + 2 are mainly calculated for the 4 production facilities, located in Poland and France.

Scope 1

Aggregation of direct GHG emissions from business activities from energy sources and non-energy sources (emissions from industrial processes). As a general rule, GHG emissions from non-energy sources are calculated based on the volume of raw materials and secondary materials used, and net inflows and outflows of products and waste with appropriate factors for carbon content and conversion to CO_2.

Raw materials and fuel:
Total Tokai COBEX emissions in 2024 95,536 tCO_2

**Tokai COBEX is in the high climate sector Regulation (EC) No 1893/2006 Annex I NACE REV.2_ISIC2790_manufacture of carbon and graphite electrodes.

***Tokai COBEX did not differentiate net turnovers from net turnovers other high climate impact related.

Scope 2

Indirect GHG emissions from energy consumption in business activities, including Guarantees of Origin. The Company uses the GHG Protocol location-based standard for 2024. From 2025 onwards, market-based standard emissions factors published by each electric power supplier will be used. In case the power supplier has not yet published recent data, the company defaults to the latest data published by either the provider or an alternate credible source.

Purchased electricity:
Total Tokai COBEX emissions in 2024 was 3,248 tCO_2*

Scope 3 GHG emissions

Scope 3 assessment includes the following categories:

Category 1 (purchased goods and services):
244,293 tCO_2 (2023 data)

Category 3 (fuel and energy related activities not incl. in scope 1 + 2):
12,082 tCO_2 (2023 data)

Category 6 (Business Travel):
Flights: 665 tCO_2.
The CO_2 emissions for business travel include Germany and Poland as provided by the travel agency. France and China are excluded from this calculation.

Categories 1 + 3 are aligned with and provided by Tokai Carbon Group.

Total GHG emissions disaggregated by Scopes 1 + 2 and significant Scope 3 in accordance with the table below, as it relates to Tokai COBEX in tCO_2-eq:

	Retrospective		**Milestones and target years**			
	Base Year 2018	**Comparative year 2023**	**2024**	**2025**	**2030**	**Annual % target / base year**
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions [tCO_2-eq]	188,484	N/A	95,536	N/A	N/A	N/A
Scope 1 GHG emissions from regulated emission trading schemes [%]	N/A	N/A	N/A	N/A	N/A	N/A
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions [tCO_2-eq]	154,830	N/A	3,248	N/A	N/A	N/A
Gross market-based Scope 2 GHG emissions [tCO_2-eq]	N/A	N/A	N/A	N/A	N/A	N/A
Significant scope 3 GHG emissions						
Total Gross indirect (Scope3) GHG emissions [tCO_2-eq]	N/A	256,375	665	N/A	N/A	N/A
Category 1: Purchased goods and services	N/A	244,293	N/A	N/A	N/A	N/A
Category 3: Fuel and energy-related Activities (not included in Scope 1 + 2)	N/A	12,082	N/A	N/A	N/A	N/A
Significant scope 3 GHG emissions						
Total GHG emissions location-based [tCO_2-eq]	N/A	256,375	99,454	N/A	N/A	N/A
Total GHG emissions market-based [tCO_2-eq]	N/A	N/A	N/A	N/A	N/A	N/A

GHG intensity per net revenue: 898,55**

~~* with Guarantees of Origin of electrical~~ energy that has been entered into the distribution network, has been produced from wind sources in a renewable energy source installation, as confirmed by TAURON Sprzedaż sp. z o.o

**Total GHG emissions (location/market-based) per net revenue (355,824 tCO2eq/ 396 MEUR/ Monetary unit)

E2 - Pollution

Pollution is an environmental issue that affects ecosystems, people's health, and sustainability. Addressing pollution in sustainability reports demonstrates Tokai COBEX's commitment to reducing its environmental impact, providing transparency on its efforts to manage and mitigate harmful emissions and waste. This standard applies to various forms of pollution, including pollution of air, water, and soil, and is designed to help stakeholders understand the company's environmental footprint and its efforts to reduce pollution.

In 2024, Tokai COBEX has conducted its first DMA according to ESRS guidelines and developed a step-by-step process, scoring matrices, and a model for aggregation and prioritization. During the assessment - including stakeholder involvement - at all site locations, four sub-topics of the topic Pollution – Pollution of Air, Water and Substances of Concern/ Very High Concern – were identified as material.. The topic Pollution of Water is covered in more detail in the chapter E3 - Water. *IRO-1*

Tokai COBEX has identified one negative impact and one financial risk in the sub-topic Pollution of Air. The negative impact relates to emission sources close to urban areas. To control the effectiveness of mitigation efforts, the company has installed a pollution of Air monitoring system which is managed accordingly and identifies such negative incidents, should they occur. As a financial risk, the company has flagged potentially high CAPEX and OPEX costs associated with increased legal regulation and requirements.

For Pollution of Water, Tokai COBEX has identified one negative impact and one financial risk. The negative impact relates to emission sources close to significant waterways and potential critical pollution incidents. To avoid that impact on natural resources, the company is managing and monitoring relevant and potential emission sources. The risk identified relates to theoretically high remediating costs for potential spillage accidents. In 2024, no accidents have occurred and the company manages and monitors closely to prevent incidents in the future.

For the sub-topic Substances of Concern/ Very High Concern, Tokai COBEX has identified one negative impact and one financial risk. The negative impact relates to the fact that the majority of its products are based on coal tar pitch, in itself already a substance of very high concern. For most of the products, coal tar pitch is transformed thermally to non-classified coke in Tokai COBEX's production process. The company has decided to monitor the usage and regulation status of coal tar pitch closely and seeks for alternatives that are less harmful. However, up to date no alternative has been found that delivers properties that are acceptable to the customers. The risk associated relates to a possible ban of pitch in the EU, this may result in business harm and potential severe financial impacts.

Policies related to Pollution

E2-1

Policies covering Pollution of Air and Water are in place. Current efforts are ongoing to merge individual policies, covering key topics of the policy such as pollution, water consumption, air emissions and waste management into one single environmental policy document.

Furthermore an action plan that outlines initiatives to achieve emission reduction, including employee training and community engagement is included with the following actions:

- Mitigation of negative impacts related to Pollution of Air, Water and Soil including prevention and controls;
- Substituting and minimizing the use of Substances of Concern, and phasing out Substances of Very High Concern, in particular for non-essential societal use and in consumer products where possible and feasible; and
- Avoiding incidents and emergency situations, and if they occur, controlling and limiting their impact on people and the environment.

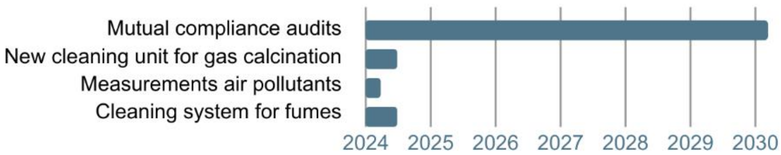
These action items are addressed and included annual update of the policy.

E2-2 Projects and actions related to pollution are shown in the chart below:

- New cleaning systems for fumes have been installed.
- Measurement devices for air pollutants have been put into operations.
- A new cleaning unit for gas calcination has been integrated into the production processes.
- Mutual compliance audits are performed annually in order to verify the data and its measurement mechanism.

All projects are tracked and monitored by workstream leaders and performance is discussed and reviewed every four months in a groupwide progress meeting and follow up dedicated Steering Committee including CAPEX and OPEX management.

E2-3 Annual Targets are included in the policy such as:



- Setting specific air emission reduction targets and continuously monitoring progress to fulfill regulatory requirements.
- Noise level limits ensuring noise levels at the plant boundary do not exceed regulatory limits.
- Monitoring frequency rate of noise in accordance with legal requirements.
- Mitigation measures for noise reduction such as barriers, silencers, and operational adjustments to achieve target noise levels.
- Community engagement by establishing a communication channel for community feedback and complaints regarding noise, and responding promptly to concerns.

Tokai COBEX targets to continuously adhere to applicable laws and regulations in its own operations.

E2-4 Total mass of pollutants emitted to air in 2024 is summarized in the table below, no comparative data for previous years is provided in the report yet. The measurement methodology is aligned in all four sites. Measures are done in accordance with local regulations in the respective country. Measurements are based on European ISO standards. The measurements are done by specialized, accredited laboratories that have authorization to perform those measurements. Tokai COBEX executes this procedure in two different ways.

In France, external laboratories are engaged to perform the testing, while in Poland internal laboratories are utilized that have been accredited by the Polish Accreditation Centre. This accreditation has been kept up to date since 2011. Specialized, in-house laboratory staff ensure the quality of measurements.

Hazardous substances such as SOx, NOx and TVOC are all measured in accordance with Group procedures at all four site locations. Data source is the same at all four site locations as well. The level of emissions is reported monthly internally and to the parent company Tokai Carbon Group. The process of data collection is managed by the company's Environmental Manager.

		Breakdown per site:			
Pollution/Substances in t	**Total**	**RBZ**	**NSZ**	**NDB**	**VNX**
SOx	**143**	48	72	12	11
NOx	**96**	40	40	5	11
TVOC	**18**	1	10	6	1
Total	**257**	**49**	**122**	**23**	**23**

Substances of Concern and of Very High Concern

E2-5

Tokai COBEX uses Substances of Concern and Very High Concern. The material group of substances are polyaromatic hydrocarbons (PAH) contained in coal tar pitch. The table below lists total amounts of Substances of Concern and Substances of Very High Concern that are procured, used and generated during production:

Total in t per year	**Procured**	**Used**	**Generated***	**Emissions**
Substance of Concern	1,875	1,916	813	438
Substance of Very High Concern	25,336	25,228	21,200	2

The measurement of metrics in all sub-topics is in accordance with national laws and regulations. An external verification body was not consulted for validation purposes.

* generated as green product in the green department after forming and before baking

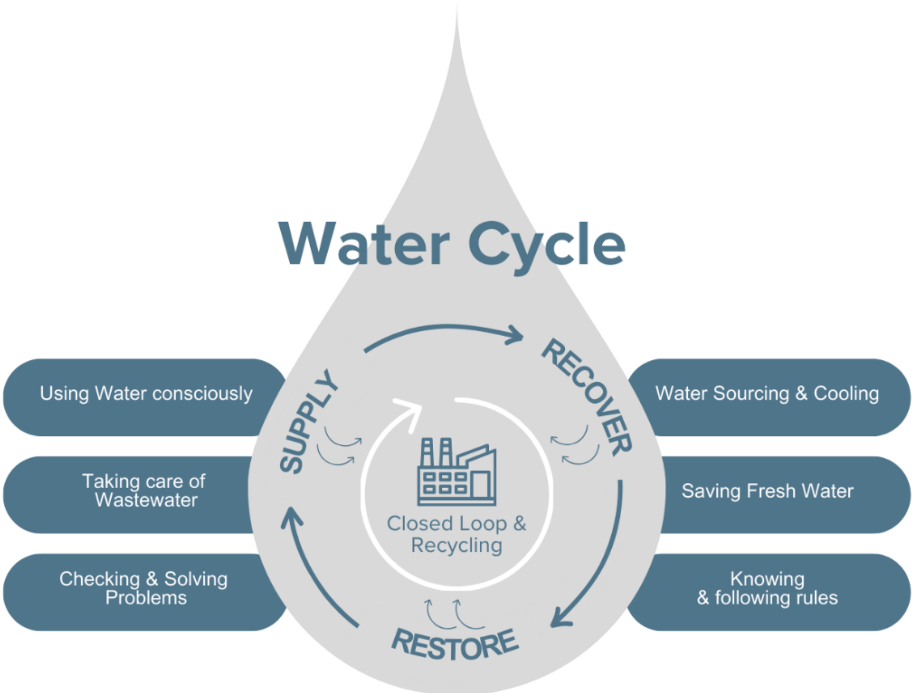
TOKAI COBEX

E3 - Water & Marine Resources

Water and Wastewater Management

Water is used in Tokai COBEX production processes primarily for cooling. As the company recognizes freshwater reserves as a precious resource that is to be preserved, it limits its impact on water bodies, going beyond the strict legal requirements that Tokai COBEX is subject to and complies with. Tokai COBEX Water & Wastewater Management focuses on reducing water consumption and enabling water circularity.

At all plants, the company has established a closed cycle of cooling water to reuse the water as long as possible and thus minimize the amount of water extraction. The plants in France and Poland have their own wells or make use of the possibility to withdraw and prepare water from nearby rivers to use it for cooling. This reduces the consumption of drinking water in favor of self-extracted water. At both sites in Poland, the company has its own Wastewater Treatment Plant that serves to collect, process, and clean water in advanced treatment systems before it is discharged after usage in production. At one site, the WWTP is also capable of treating social sewage.



IRO-1 During the double materiality assessment and stakeholder consultation across all four site locations, one sub-topic of the topic Water and Marine Resources – Water – was identified as material.

Tokai COBEX has identified one positive impact, one negative impact and one financial risk in the sub-topic of Water. The positive impact relates to usage and extraction of water, hereby using as little water as possible and making use of closed loop systems. The negative impact relates to emission sources close to significant water ways. As financial risk, Tokai COBEX has flagged potentially high remediating costs associated with potential spillage accidents.

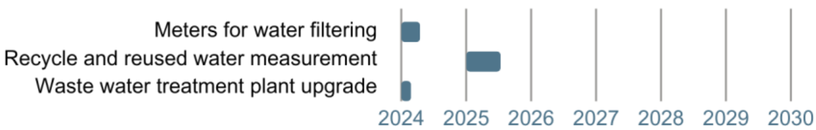
E3-1 Tokai COBEX's policies for environmental management, which also covers Water and Wastewater management, address the following actions and targets:

- Water management
- Use and sourcing of water in its operations
- Water treatment
- Prevention and abatement of Water Pollution
- Commitment to reduce material water consumption in areas of water risk in its operations and along the value chain.

The projects and actions related to water are shown in the chart below: *E3-2*

- Meters for water filters will be installed in Poland in 2025.
- Recycle and reused water measurement devices are planned to be put into operations in Poland and France in 2025.
- Waste water treatment upgrades to improve efficiency in processing have been put into place at all plants in 2024.

All projects are tracked and monitored by workstream leaders and their progress is discussed every four months in a groupwide progress meeting and followed up by a dedicated Steering Committee meeting including CAPEX and OPEX management.



Targets and actions:

Tokai COBEX has set the voluntary company wide target to reduce fresh water consumption by 30% until 2030 in comparison to 2023. *E3-3*

Tokai COBEX uses several company wide KPIs and metrics to track and monitor its water consumption and usage. Its water consumption and intensity KPI are shown in the following table: *E3-4*

Amount of Water	**2024**
Total consumption in m^3	1,042,200
Areas of high-water stress	N/A*
Recycled or reused	N/A*
Stored	N/A*
Intensity in m^3 per MEUR net turnover	2.6

* Currently not monitored, targeted to be reported for 2025.

E4 - Biodiversity and Ecosystems

The term biodiversity (from "biological diversity") refers to the variety of all life on earth in general, from genes to ecosystems, and can encompass the evolutionary, ecological, and cultural processes that sustain life. Biodiversity includes not only species considered rare, threatened, or endangered but also every living being – from humans to organisms about which not much is known, such as microbes, fungi, and invertebrates.

E4-1 In the DMA, biodiversity was not classified as material for Tokai COBEX, hence only the mandatory disclosure requirements are included in this section, as mentioned below.

E4-2 Tokai Carbon Group has issued a biodiversity policy in November 2024 which is cited in extracts:.

E4-3

- Understanding and evaluating impacts, dependencies, risks and opportunities
  We will strive to understand the impacts and dependencies our business activities have on biodiversity, while identifying and assessing the risks and opportunities associated with our business activities.
- Contributing to Nature Positive through business activities
  We will contribute to Nature Positive by avoiding and reducing the negative impact of our business activities on biodiversity, while increasing the positive impact through our products and services.
- Promoting educational activities
  We will provide appropriate education and training to our group executives and employees, enabling them to deepen their understanding of biodiversity and its importance.
- Collaboration with stakeholders
  We will work in collaboration with our stakeholders, including employees, customers, business partners, shareholders, and local communities, to implement this policy.
- Information Disclosure
  We will proactively disclose information about our initiatives based on this policy.

E4-4 It is Tokai COBEX's target to adopt this policy in 2025.

IRO-1 The following material biodiversity and ecosystem related IROs, together with the sub-topics have been assessed during the 2024 DMA analysis:

- Direct impact drivers of biodiversity loss,
- Impacts on the state of species,
- Impacts on the extent and condition of ecosystems, and
- Impacts and dependencies on ecosystems services

E4-5 More details can be found in the general section for detailed results. These results include actual and potential impacts and dependencies as well as risks and opportunities. The transition and physical risks have been assessed at site level including value chain implications, up- and downstream and biodiversity-sensitive areas impacts, see climate risk assessment results. No Tokai COBEX site is located near any biodiversity-sensitive area.

E5 - Resource Use and Circular Economy

Tokai COBEX's Waste Management

In the face of growing environmental challenges, Tokai COBEX is taking decisive steps toward sustainable development. The company is not only investing in modern technologies but also upgrading its production processes to minimize environmental impact. In recent years, multiple initiatives have been implemented to enhance energy efficiency, reduce waste, and lower emissions into the air, soil, and water, employee education and new warehouse construction. Plans include further investments in renewable energy sources and the development of innovative solutions to protect the planet.

Environmental Decisions as the Foundation of Operations

Environmental decisions form the cornerstone of Tokai COBEX's environmental efforts, guiding operations across its production facilities. While the European Union provides a unified framework, there are notable differences in how specific issues are approached across member states. Recognizing these difference, Tokai COBEX's strategy is shape by these frameworks, addressing critical areas such as Waste Management and Wastewater treatment.

Tokai COBEX's Approach to Waste Management

Tokai COBEX is committed to reduce waste and improve waste management efficiency. To build a unified approach within Tokai COBEX, the scope of waste-related activities was defined – a task that proved neither simple nor straightforward due to legislative differences across countries of operation.

Consequently, Tokai COBEX decided to standardize waste management practices. In all plants, designated individuals are now responsible for overseeing waste management, particularly waste storage. This has significantly streamlined the process of waste supervision, preparation for shipment, packaging, and proper labelling.

The first step involved identifying the types of waste generated at all plants. Once waste types were identified, the next step was to maintain comprehensive statistics and records. By collecting detailed data, the company can track progress, set future targets, and make informed decisions. An important metric, independent of production volume, is the recycling ratio of generated wastes. It is calculated as the amount of waste sent for recycling or reuse, divided by the total amount of waste generated. Monitoring and maintaining a high recycling rate allows the company to refine the waste management strategies effectively.

As part of its sustainable development strategy, Tokai COBEX prioritizes recycling and collaborates with local recycling companies to ensure as much waste is repurposed as possible. Starting 2024, the firm's waste from packaging in Poland is dispatched to specified businesses recycling it into new products. In 2024 alone, approximately 450 tons of packaging waste from Racibórz were reused and / or recycled. Materials like wood, pallets and other wooden packaging, plastics, paper and cardboard, metals, and steel are collected separately to be directly repurposed. This reduces the need for primary raw materials by relying on secondary resources obtained through recycling

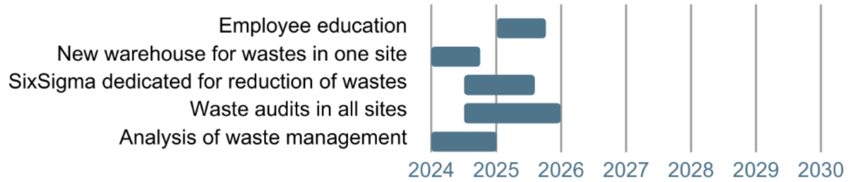
During the screening of business activities at all site locations, one sub-topic of the topic Circular Economy and Resource Use – Waste –was identified as material. *IRO-1*

SBM-3 Tokai COBEX has identified one negative impact and one financial risk in the sub-topic Waste. The negative impact relates to hazardous waste resulting from the usage of products at Tokai COBEX's customers and its disposal on customer level. As a financial risk, potentially high costs for the treatment and transportation of waste was flagged.

E5-1 Tokai COBEX's policies for environmental management, which also covers waste management, addresses the following projects and actions:

- Completion of waste management analysis with the focus on costs and hazardous waste in 2024
- Waste audits are performed in all sites. Follow-up actions are tracked and monitored.
- A six sigma project dedicated for reduction of waste in general generated at one site was started in 2024 and is ongoing.
- A new storage for waste was built in one site in 2024.
- Employee education and management strategy includes educating employees and partner companies about waste reduction and responsible practices*.

E5-2 All projects and actions are tracked and monitored by workstream leaders and the performance is discussed every four months in a groupwide progress meeting and followed up by a dedicated Steering Committee meeting including CAPEX and OPEX management.



<u>Targets and actions:</u>

E5-3 Tokai COBEX's target is to have a voluntary recycling ratio of minimum 50% of all company's generated waste.

E5-5 At Tokai COBEX, all waste, as mentioned below, is considered as resource outflow and measurements are in accordance with respective local laws and regulations and are subject to governmental audits. Furthermore, a monthly reporting is provided to Tokai Carbon Group. In 2024, Tokai COBEX did not differentiate waste diverted from and to disposal. In total 4,945 t waste was generated from own operations, spilit into the following categories:

- Hazardous waste amounted to 650 t and represents a ratio of 13%
- No radioactive waste was generated
- Non-hazardous waste was 4,295 t

Of the total waste generated,

- 2,698 t were sent for recycling or reuse which represents a ratio of 55%,
- 176 t were sent to landfill disposal,
- 2,071 t were sent to other disposal.

Disposal strategies such as other recovery operations and incineration were not utilized. The total amount of and percentage of non-recycled waster were: 2,247 t and 45%.

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* Specific lecturing about environmental impact at companies at the Cracow University of Technology is scheduled for early 2025. Planned training sessions and workshops will raise awareness about the importance of reducing waste and managing it responsibly. The company believes that every team member plays a vital role in advancing the company's environmental initiatives.

Social

S1 - Own Workforce

Tokai COBEX recognizes the valuable contribution of its employees in creating high quality and innovative products, and is committed to protect their safety and promote their wellbeing and success in the workplace. The company believes in building strong relationships with its employees and continuously works to strengthen a supportive working culture of continuity, cohesion and effective feedback. Tokai COBEX involves all its employees in the development of the business and act on their feedback. In 2024, the company held feedback trainings for all managerial employees to improve providing and receiving constructive feedback.

Tokai COBEX aims at creating a safe working environment in which all employees put utmost care for their own and each other's safety. It is the company's priority that all employees finish their work in good physical and mental health. To facilitate this, employees are encouraged to speak up to address issues where they see potential for improvement and come forward with suggestions. Based on these suggestions in the previous years, Tokai COBEX launched several initiatives to foster physical health and wellbeing. Currently benefits offered (at all or some of the company sites) include:

Extended medical care, including the services of a company doctor and nurse

- Private healthcare
- Subsidized on-site meals

Tokai COBEX's focus areas are and remain:

- Learning and personal development
- Employee health & safety
- Families and work-life-balance

Tokai COBEX's employees are aware of the environmental challenges society faces. As a company, Tokai COBEX sees it as its responsibility to further educate its employees about climate change, biodiversity loss, resource scarcity, waste management, and other pressing issues through webinars and workshops. At the same time, Tokai COBEX profits from the knowledge, insights, and ideas of its workforce. With the new CSRD requirements and the hiring of an ESG Manager, sustainability has increased in importance in 2024. Several workstream leaders and project teams have worked together in numerous occasions to address the topics, gather new knowledge and collect metrics as needed.

During the screening of business activities at all site locations, two sub-topics of the topic Own Workforce – Working Conditions and Equal Treatment and Opportunities for All were identified as material.

SBM-2 Tokai COBEX's vision, mission and values forms the basis of its business strategy for all social and cultural aspects. They shape the work experience of the company's employees and are critical to the success of Tokai COBEX's business. Tokai COBEX believes in understanding and addressing employees' views, in order to successfully create a productive, innovative, and sustainable business environment. Established measures are regular feedback channels to gain employees' input through surveys, idea and suggestion processes, and open-door policies. Tokai COBEX supports and closely collaborates with employee representations, such as unions and work councils, which offers the company's employees a voice in the decision-forming and decision-making processes in accordance with the legal obligations.

SBM-3 All people, for example employees, contractors and other hired help, in Tokai COBEX's own workforce who could be materially impacted through the company's own operations and value chain are included in the scope of the disclosures under ESRS 2.

Any material risks and opportunities arising from impacts and dependencies on Tokai COBEX's own workforce are addressed in the DMA as well as ISO reviews and audits, specifically included in national collective agreements and addressed by national labor laws.

Tokai COBEX does not differentiate operational processes at the four production sites and two office locations. All potential incidents are treated and investigated in the same manner. It is Tokai COBEX's policy to treat all people in the workforce the same, whether own workforce or in the value chain, as addressed in its Code of Conduct and related training.

S1-1 The key disclosures concerning IRO management include policies related to Tokai COBEX's own workforce. Processes for engaging with its own workers and workers' representatives about impacts and concerns, as well as measures to remediate these, are in place.

S1-2 Tokai COBEX HR policies relating to its own workforce are aligned with relevant internationally recognized guidelines such as:

- UN Guiding Principles on Business and Human Rights,
- Code of Conduct,
- Whistleblower Guideline,
- DEIB (Diversity Equity, Inclusion and Belonging) Charta.
- Health & Saftey procedures

These principals aim to effectively eliminate discrimination including harassment and promoting equal opportunities. Commitments related to inclusion and its vulnerability for the own workforce are covered in the policy. The HR policies are managed by the Group HR Director and in addition by the HR Director of the respective country, if different from Group because of national regulation.

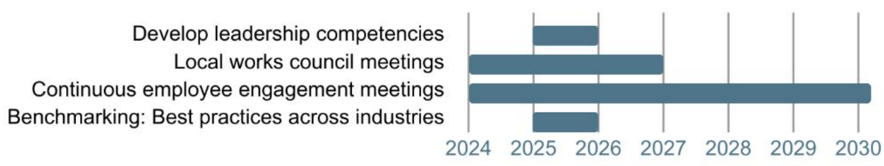
Tokai COBEX's Code of Conduct describes the fundamental ethical principles guiding the behaviour within the company and towards customers, partners and other external stakeholders including human rights. The Code of Conduct emphasises respect, fairness, honesty and transparency. It lies within the management's responsibility to demonstrate its adherence to the Code of Conduct and to establish organisational structures to ensure its implementation. Commitment against discrimination such as children's work and forced labour is covered in this policy.

The Code of Conduct has been implemented throughout the company for several years and was revised and updated in 2020, following the acquisition by Tokai Carbon Group. The document is available in all main company languages (English, Polish, French). Furthermore, Tokai COBEX provides training on its content, both as part of the induction process as well as regularly for all employees. All new employees receive a copy of the Code of Conduct and document their alignment via signature.

A whistleblower guideline and hotline is in place and known by the workforce, as well as externals, to raise concerns. It acts as a prevention mechanism to counter discrimination and advance diversity and inclusion in the workplace. Complaints handling is actioned, monitored and reported to Tokai Carbon Group on a monthly basis, also for a safe place distinct to Tokai COBEX. Negative impacts on employees of its own workforce and workers in the value chain are identified, followed up and remedied. *S1-3*

Actions for managing material IRO's and the effectiveness of those actions are addressed during the exchange meeting with members of the ESG Steering Committee and the workstream leaders three times per year including CAPEX and OPEX management. Key disclosures concerning metrics related to Tokai COBEX own workforce are included in the transformation roadmap. Additionally, a clear cascading process was established to ensure relevant information is distributed to the entire workforce: *S1-4*

- Monthly and quarterly employee meetings are used for engagement, HR related updates and other regulation and local law conformity. Potential material impacts, decisions and other actions are shared with Tokai COBEX's own workforce. Larger meetings such as local townhall meeting occur minimum once a year.
- Local Work Council meetings are used to disseminate information about impacts and its remediation and monitoring as required by local laws and regulations.
- A redefine Competence Model is targeted to be rolled out and used throughout the company. Leadership@TCX program for Tokai COBEX managers is target to be re-launched.
- Further benchmarking is used to identify best practices from industry leaders to have a comparison and transparency within the organization towards its employees.



The following targets are defined by Tokai COBEX across the company: *S1-5*

- ZERO Accidents per year
- Strengthen Tokai COBEX's leadership identity
- Strengthening internal communications and engagement in town halls, work councils, and ESG progress meetings.
- Establish transparent and formalized communications.

- Enhancement of feedback culture
- Measure Net Promoter Score via engagement survey

The targets strengthen leadership, hereby reducing potential negative impacts on the own workforce and advancing positive impacts. With an improved feedback culture, material risks that could arise are mitigated and opportunities are developed.

S1-6 **Key Characteristics of Tokai COBEX's workforce:**

Tokai COBEX is dedicated to build a diverse workforce, particularly focusing on gender and age representation across all functions and roles and in particular in leadership positions. Metrics such as number of employees, gender characteristics and renumeration are as of year-end 2024. Tokai COBEX methodology is to use headcount figures:

Number of employees (Headcount)

	Female	Male	Other	Total
Poland	104	672	0	776
France	53	348	0	401
Other	21	24	0	45
Total:	**178**	**1,044**	**0**	**1,222**

The table below shows the split into permanent and temporary headcount:

	Female	Male	Other	Total
Number of permanent employees				
Poland	80	582	0	662
France	48	344	0	392
Other	21	24	0	45
Sub-Total:	149	941	0	1,099
Number of temporary employees				
Poland	24	90	0	114
France	5	4	0	9
Other	0	0	0	0
Sub-Total:	29	94	0	123
Total:	**178**	**1,044**	**0**	**1,222**

As of 31.12.2024, Tokai COBEX does not employ any non-guaranteed hours employees.

In 2024, 85 employees left the company which represents 7.0% of the total workforce, from which the majority relates to retirement.

S1-8 **Collective bargaining coverage and social dialogue**

For Tokai COBEX's operation in France 100% of employees are covered by CBA National for Chemical industries; 99% of employees in Poland are covered by national collective bargaining agreements. No such agreement exists for employees outside these two countries. The measurement is in line with national laws and regulations, and subject to external assurance validation. An European Works Council formation was agreed in 2024 and will be established in 2025. The European Works Council will be formed with other European subsideries of Tokai Carbon Group.

Diversity metrics

S1-9

Tokai COBEX recognizes and embraces the value of diversity, seeing it as a source of strength for both its employees and the success of its business. The company's focus is on fostering an inclusive and collaborative work environment that promotes trust, continuous learning, and knowledge-sharing, while emphasizing mutual respect and dignity among all team members. The company's aim is to cultivate a work culture that is both inclusive and attractive in the labour market, enabling its employees to thrive.

Tokai COBEX is a supporter of equal opportunity and stands against any form of discrimination based on age, race, ethnicity, skin colour, gender, sexual orientation, religion, belief, or disability. These values guide all the decisions related to recruitment, employment, training, promotions, compensation, benefits, and disciplinary procedures. Tokai COBEX's Code of Conduct strictly prohibits any instances of harassment, including sexual harassment. Employees are encouraged to report any unethical or discriminatory behaviour, either directly or anonymously. Reported cases are investigated confidentially and are handled impartially. When planning training programs, especially training programs leading into personal development plans, participation of underrepresented groups of employees are considered and encouraged to enable the development towards a more balanced distribution. Additionally, the company aspires to enhance female representation across all employee levels, including shop floor workers.

Gender distribution at Tokai COBEX top management, defined as Director and above:

	Female	Male
Director and above	8	17

Tokai COBEX has always been a unique company that recognizes the needs of employees throughout their careers and builds strong relationships with them, as well as suppliers and external communities. This approach results in a high level of loyalty, with employees of the entire workforce staying with the company for an average of 17 years. The number of voluntary departures has never exceeded 1% of the total workforce per year. In terms of age diversity, Tokai COBEX has fostered a harmonious environment that encompasses a wide range of age groups, see table below:

Age distribution (employees)

	< 30	30 – 50	> 50
Poland	51	449	276
France	45	152	194
Other	0	29	16

Adequate wages

S1-10

All employees of Tokai COBEX are paid adequate wages. Tokai COBEX adheres to all national laws and regulations regarding minimum pay. Tokai COBEX aims to be a well-recognized employer and appreciates the benefits and value of long-term employment of its workforce. Therefore, the company targets to offer a comprehensive compensation package above the market average with a reasonable salary spread based on seniority for positions having the same impact on the company. To achieve and implement this Tokai COBEX is working with external consultants for ranking positions and to receive external salary benchmarks.

S1-12 **Persons with disabilities**

At Tokai COBEX, the well-being and integration of Tokai COBEX's own employees with disabilities is a priority and the company remains committed to expanding their presence in the workforce, particularly in the facilities in Poland. Currently, all employees across all sites with disablities constitute 2.4% of the total workforce, a voluntary disclosure.

S1-13 **Learning and development**

Tokai COBEX supports and encourages employee learning and development. Training and coaching are provided, so employees can achieve their personal development and career goals. The company offers a wide range of opportunities to gain new knowledge, skills and competencies. Trainings encompas in-house as well as academic training in areas such as communication, leadership, Six Sigma, negotiation and others. In addition to the various training opportunities available to all groups of employees – both face-to-face and online – Tokai COBEX implemented a comprehensive leadership development program:

- Leadership@TCX is a program offered to young leaders and high potential employees.
- LEADERS of the FUTURE talent management program, in which young talent across the company undergo an in-depth competency assessment and is offered as an accelerated development path to leadership roles. A mentoring program dedicated to train and develop young talents is also offered as part of the program.
- Mastering the Art of Giving Feedback training series designed to foster a culture of open communication and effective culture, empowering all managers to enhance team collaboration and performance.

Tokai COBEX offers its employees trainings designed to meet their individual needs, based on annual development plans. These include self-assessments, feedback and review sessions with the direct manager, focusing on assessing the employee's competencies and planning the most effective development for the coming year. Additionally in 2024, Tokai COBEX has developed a new model of values along with corresponding competencies and observable behaviors that the company aims to encourage and recognize in its employees. The respective metrics required by S1-13 will be reported in due time.

S1-14 **Health & Safety**

Protecting the health and safety of Tokai COBEX employees is of highest importance for the company. All potential sources of risk to the health and safety of its employees are closely monitored and effectively mitigated through technical or organisational measures, appropriate training and information to employees, as well as a high degree of employee involvement in safety management processes. Tokai COBEX pays special attention to all transport processes which require the use of forklifts and cranes, as well as all maintenance work, since these have been identified to pose the highest risks to its employees' safety. Tokai COBEX has set **ZERO Accidents** as a top target for the company and all its employees.

In addition to complying with all applicable legal regulations, Tokai COBEX is committed to establish, maintain, and improve systems to ensure excellent, industry-leading standards of employee safety. The company maintains an Employee Health and Safety network of specially trained employees. All managers and supervisors have the duty to instruct, train, and support their teams in order to ensure that Health and Safety objectives are met. All employees are represented in Health and Safety commissions, where representatives of the management and the workforce meet once every quarter at all plant locations of Tokai COBEX. The commissions involve the respective plant managers, union representatives, and safety specialists. Further regular safety meetings with supervisors, managers, and the safety team are held to discuss safety issues, exchange on how to best deal with them and decide on specific actions.

The company has a standardized safety observation program (the "STOP program") which has been implemented in all plants in France and Poland. The program has been running for many years. A group of trained specialists observes work processes and records findings in a software tool that allows identifying weak spots and produces statistical analysis and reports. These in turn are used to manage and mitigate the weak spots effectively. Safety audits are regularly undertaken by cross-departmental teams of safety inspectors. During the audits, best practices are shared between sites and workshops. Risks and mitigations are discussed on the shopfloor. Corrective and preventive actions are defined and execution tracked.

Additionally, for several years the company has implemented safety audits, involving all employees in the continuous improvement of safety. Moreover, Tokai COBEX puts emphasis on documenting and sharing lessons learned of safety incidents including near misses. For each documented safety incident or accident on Tokai COBEX premises, the responsible team prepares a safety lesson. A short presentation explaining the case, its root cause, and the actions taken to prevent it in the future are distributed to all employees and external contractors Tokai COBEX collaborates with. For several years, the company was able to reduce the number of lost time accidents (LTAs) at all plants, with only five incidents among employees in 2024. Tokai COBEX was able to reduce both, the frequency rate and the severity rate at all plants every year since 2018. A thorough analysis of injury-related data points showed that the most important measure to ensure the highest safety standards is to engage all employees. The employees themselves know the potential hazards from their daily work. Tokai COBEX launched several initiatives involving all employees.

Quantitative disclosures for the year 2024 are:

(a) 100% of people of its own workforce are covered by Tokai COBEX health and safety management system based on legal requirements and recognized standards or guidelines, such as ISO 45.001;

(b) Zero fatalities as a result of work-related injuries and work-related ill health.

(c) 5 recordable accidents, resulting in a rate of 2.40 / 1 Mio hours worked.

(d) Tokai COBEX has two incidents of recordable work-related ill health with regard to its employees in 2024.

(e) 678 days lost from work-related injuries or accidents, and 366 days lost from work-related ill health.

S1-15

Work-life balance

Tokai COBEX targets to be a long-term employer of choice for talented people who want to grow and build their careers, and also harmoniously combine work and private life. Promoting new ways of work and responding to employee needs, Tokai COBEX has increased remote work days per month and offers part-time work for those whose personal circumstances or preferences require it. Further remote work regulations in all locations are granted and go hand in hand with IT upgrades so that Tokai COBEX employees are well-equipped to work off-site. The respective metrics required will be reported in due time.

S1-16

Remuneration metrics and gender pay gap

The gender pay gap is defined as the difference of average hourly pay levels of male and female employees, devided by the average hourly pay level of male employees. The annual total remuneration ratio is defined as the highest paid individual's salary devided by the median annual total remuneration of all employees excluding the highest-paid individual.

Country	Pay Gap in %*	Remuneration Ratio
Poland	-25%	20
France	-7%	7
Other	53%	6

For both Poland and France, female employees are mainly in white collar or managerial positions while the production departments are mainly staffed with male employees. Therefore, the average wage for female employees is expected to be higher than the average for male employees.

The team size in category "Other" is non-material compared to Poland and France. In addition, female and male employees are nearly evenly split. However, most members of the Management Committee are grouped in this category. As currently all members of the Management Committee are male, this is significantly impacting the average salary for male employees.

S1-17

Incidents, complaints and severe human rights impacts

Work-related incidents of discrimination, complaints and severe human rights impacts metrics are tracked and monitored through the whistleblower system. The Legal and Compliance department oversees this process.
For 2024, Tokai COBEX reported zero incidents, complaints or severe human rights impacts.

* Based on average gross hourly pay level

S2 - Workers in the value chain

Tokai COBEX does not differentiate among its own workforce and workers in the value chain. Equal treatment of all employees plays a pertinent role for the company. As a global company, Tokai COBEX's stakeholder engagement underscores its commitment to engage with its stakeholders, especially in the value chain. Examples of workers in the value chain are described as:

- Workers of outsourced services working such as security services or contractors who perform regular or individual tasks on Tokai COBEX premises.
- Upstream: workers of suppliers contracted by Tokai COBEX working on the supplier's premises using the supplier's work methods. Workers further up in the value chain such as individuals working on extracting commodities that are then processed into components that go into Tokai COBEX's products.
- Downstream: workers within the value chain of Tokai COBEX's customers.

During the screening of business activities at all site locations, two sub-topics of the topic Workers in the Value Chain – Working Conditions and Equal Treatment & Opportunities for All – were identified as material. *IRO-1*

Policies related to workers in the value chain *S2-1*

The Tokai COBEX's Supplier Code of Conduct clearly defines company rules and expectations related to social and environmental issues addressed to the company's suppliers. This document strives to implement fair, ethical labour practices and protect the environment amid global warming.

Tokai COBEX has no separate human rights policy and adheres to the corporate policy from Tokai Carbon Group. Tokai Carbon Group believes that consideration for human rights is particularly important for realizing its corporate philosophy of "Ties of Reliability." Tokai COBEX promise is to deliver products of the highest quality and safety standards, responding with flexible solutions to
Tokai COBEX customers' needs. Further, Tokai COBEX supports and establishes close relationships with its neighbouring local communities, seeking to intensify stakeholder dialogues in the future. Based on the Universal Declaration of Human Rights (UDHR), the Guiding Principles on Business and Human Rights and other international regulations on human rights established by various treaties of the International Labour Organization (ILO), the company understands human rights issues properly from a corporate standpoint, embeds an awareness of "respect for fundamental human rights" within the group, and promotes the building of bright and lively societies. For 2024, Tokai COBEX reports no incidents in this regard. This Policy provides specific guidelines regarding respect for human rights, forced labour and children's work within the group, applies them to all employees and business sites, and requires its business partners to comply with it. In addition, Tokai COBEX has its own Code of Conduct which incorporates aspects of the group human rights policy and due diligence aspects.

Tokai COBEX treats all its employees equal. For workers in the value chain, certain contractual, legal and other regulations apply as compared to Tokai COBEX's own workforce. The company has different arrangements in place and operates them regularly, such as framework agreements, Supplier Code of Conduct and annual supplier evaluations, mainly managed by Group *S2-2*

Procurement with national support from HR. A due diligence process is also applied when engaging with suppliers, especially value chain workers who could be materially impacted and are working on company premises and are not part of the company's own workforce. Certain workers in the value chain are more vulnerable to negative impacts such as mine workers extracting raw materials.

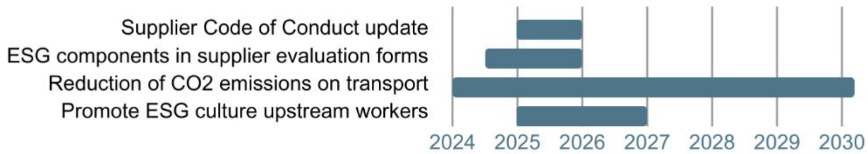
S2-3 Tokai COBEX has established processes for individuals to raise concerns and remediate negative impacts through the following channels:

- A whistleblower system has been established for all stakeholders including workers in the value chain. It is monitored by Tokai Carbon Group and the Legal and Compliance Director of Tokai COBEX. Through monthly reporting channels, different stakeholders of the Management Committee level are informed and actions are taken, if necessary.
- The Supplier Code of Conduct binds companies in the upstream value chain to rules and regulations concerning their workforce.
- Supplier Evaluations give Tokai COBEX and its suppliers the opportunity to address matters and engage in stakeholder dialogue.

S2-4 Tokai COBEX manages its relation with workers in the value chain through projects and actions, as mentioned below:

- Promotion of an ESG culture, for example in form of charity and local community events for workers in the upstream value chain and the supplier market.
- Inclusion of ESG related components into the supplier evaluation forms for evaluation.
- The Supplier Code of Conduct is due for its annual review in 2025.

All projects and actions are tracked and monitored by workstream leaders and the performance is discussed every four months in a groupwide progress



meeting, followed up by a dedicated Steering Committee meeting. No human rights risks were reported to Tokai COBEX for 2024 from the value chain.

S2-5 Targets are set on company level, tracked and monitored on a quarterly basis by the procurement department and the Steering Committee :

- Supplier Code of Conduct to be signed by 75% for all suppliers over 50 kEUR/year untill year-end 2025.
- CO_2 emissions on transport (Raw Materials & inter company) to be reduced by 20% by end of 2026 by using more rail transport vs. the traditional shipping by ferry or lorry.

S3 - Affected Communities

Tokai COBEX fosters a harmonious coexistence with local communities, for example, local clubs, organizations, neighbours and children's institutions and has established close ties for decades. This mirrors the approach of its parent company, Tokai Carbon Group. The company strives to be a trusted and reliable member of every society in which it operates, with a strong commitment to making meaningful social contributions. Local community dialogue is encouraged as part of the company's commitment to corporate citizenship and Tokai COBEX seeks to understand and respond to the needs of its immediate social environment

During the screening of business activities at all site locations, two sub-topics of the topic Affected Communities – Communities' Economic, Social, and Cultural Rights and Communities' Civil and Political Rights – were identified as material. *SBM-3*

Tokai COBEX's policies and procedures include the "We Care, We Help" Procedure, Supplier Code of Conduct, Whistleblower Guidelines, and the Human Rights Policy. These procedures ensure that the interests, views, and rights of affected communities are respected in accordance with the company's strategy and business model. *S3-1*

Processes and key positive impacts, such as investments in local communities, contribute to stronger relationships between Tokai COBEX and local residents. This enhances opportunities for workforce recruitment and development. As per European and national legislation, employees are empowered to voice concerns, form or join unions, and engage in assembly without restrictions. In the assessment, one negative impacts on affected communities, the reputational damage amongst employees and potential employees in case of non-caring behaviour, was identified. To mitigate this, the company is: *S3-2*

- Holding regular meetings between management and local community representatives,
- Establishing local community consultation committees at all production sites,
- Implementing formal dialogue mechanisms to systematically assess the impact on the local environment and communities,
- Addressing community concerns, ensuring the company focuses on what truly matters to local stakeholders.

There were zero severe human rights issues or incidents reported in 2024, and no disclosures regarding affected communities were required.

Risk assessment and remediation identified no significant risks regarding community impact. The Code of Conduct, Supplier Code of Conduct, and Whistleblower Guideline, as described in detail in the Governance section, align with internationally recognized standards. The Legal and Compliance Team actively monitors human rights compliance. In regards to the extent and the nature of human rights violations at Tokai COBEX, the company is not aware of any reportable cases of such violations in 2024 in its own operations or its value chain. *S3-3*

In 2024, Tokai COBEX implemented or strengthened several projects focused on supporting local culture, education, health and environmental protection across all its locations. *S3-4*

These initiatives include:

- **Support for Local Organizations & Cultural Promotion**
  Financial support is granted for local organizations and events, including fire services, brass bands, song and dance groups, fishing clubs, sports clubs, and competitions. In addition, Tokai COBEX targets to promote local culture through sponsorships for concerts and theater festivals, specifically tailored to the locations.
- **Charity & Social**
  Donations are made to local organizations supporting individuals with disabilities, severe illnesses, and senior citizens. "We Help Locally" is an employee-led initiative where committees of the staff decide which organizations to support and collaborate with on various projects.
- **Educational**
  Regular cooperation with universities and local high schools is facilitated, including student visits to Tokai COBEX production sites. Educational programs in general and specifically for children are supported through donations in Germany.
- **Environmental**
  "Green Way to Work" is a motivational program encouraging employees to adopt environmentally friendly commuting methods. 31% of the employees across relevant sites are participating. Initiatives concerning endangered species conservation as well as tree-planting programs are supported through donations.

Other ongoing initiatives aim at promoting healthy and eco-friendly lifestyles among local communities. These activities help to strengthen relationships with local authorities and key stakeholders. Such activities include organizing sports, charity, and community engagement events with employees and other stakeholders. Tokai COBEX targets to continue the above initiatives in the future to further strengthen its relation with all communities it is part of and operating in.

Projects and Actions:

S3-5 Tokai COBEX has established monitoring and performance tracking of its targets. A specific ambition for Tokai COBEX has been the implementation of a groupwide community support budget, which has been formalized through the “We care, We help” policy.

The budget has been established for several years and will continue throughout 2025. A local community project budget of 38 kEUR for each country was prepared in 2024. For 2025, the budget is 18.5% lower.

GOVERNANCE

G1 - Business Conduct

Governance of its business conduct is valued at Tokai COBEX, its employees and management for many reasons. It is the company's responsibility to conduct business in accordance with the existing legal framework and its Code of Conduct. It is the company's firm belief, that this is the only path to developing a successful and sustainable business. Tokai COBEX strives to maintain a healthy Corporate Culture with a high level of integrity in its workforce. In this believe, Tokai COBEX implemented its Code of Conduct, which provides guidance to all employees with regards to expected behavior and for interactions with stakeholders. The Legal and Compliance Director oversees the process of Governance at Tokai COBEX.

During the screening of business activities at all site locations, four sub-topics of the topic Governance were identified as material in the scope of the Double Materiality Assessment – Corporate Culture, Protection of Whistleblowers, Management of Relationships with Suppliers and Corruption & Bribery. *IRO-1*

The following policies relate to Governance and Business Conduct at Tokai COBEX: *G1-1*

- Code of Conduct,
- Anti-Trust Policy,
- Supplier Code of Conduct,
- Privacy, Gifts & Entertainment policy,
- Whistleblower Guideline,
- Credit Management policy.

These policies address topics such as bribery, kickbacks, sponsorship and donations, entertainment and conflicts of interest. They are overseen by the Legal and Compliance Director. The roles of the administrative, management and supervisory bodies related to business conduct at Tokai COBEX are fulfilled by the CEO, the Management Committee, and the Legal and Compliance Director, who lead the company with their expertise in these business conduct matters.

Suppliers are managed by the Procurement Director and team according to the Supplier Code of Conduct. This policy governs supplier management, the company's relationship with the suppliers within the value chain, and includes sustainability impacts for customers. Payment practices are further detailed below in section G1-5. Supplier selection is a process within the procurement team and department. The environmental, social and governance criteria are included in the supplier evaluation forms as part of the selection process. *G1-2*

The Tokai COBEX Whistleblower Policy describes the mechanisms in place to encourage all employees to raise integrity issues and breaches of business conduct. Misconduct can be reported to line managers, local Legal & Compliance Counsel or through an external, confidential whistleblowing system that allows for anonymous reporting. The system is open to all Tokai COBEX employees as well as customers, suppliers and other third parties. Whistleblowers have the right to be informed of the manner in which the reported matter will be dealt with. The company does not tolerate any form of discrimination or retaliation against whistleblowers. Data privacy and Protection of Whistleblowers is of highest importance to Tokai COBEX.

G1-3

Prevention and detection of Corruption and Bribery

The entire organization of Tokai COBEX is committed to prevent all forms of corruption and bribery in its business dealings. Tokai COBEX does not promise nor give payments, improper gifts or other benefits to induce employees of companies, government agencies or public officials to grant an improper business advantage. Tokai COBEX is committed to fair and free competition in all its markets and will compete on the merits of its products and services.

The company strictly complies with laws that promote and protect competition and do not participate in prohibited agreements or cartels. Tokai COBEX does not exchange or discuss confidential information with competitors. This includes prices, price policies, terms of sale and performance, costs and profit margins, capacities, marketing strategies, territories, customers, research and development projects, or any other relevant information. Everyone working for or in association with Tokai COBEX must comply with all applicable anti-corruption laws. This is overseen by the Legal and Compliance Department.

All employees are required to participate in a business conduct training as part of their onboarding process and the acknowlegdment process by siganture is mandatory. The training covers a wide range of topics, providing explanation of Tokai COBEX's policy on good business conduct, including anti-corruption principals and ethical guidelines. In 2024, an online training on export control and trade compliance was conducted for all employees in positions with contact to international customers or suppliers. Training material was distributed to all participants for reference afterwards. Furthermore, the Management Committee and senior management of Tokai COBEX receive in-depth anti-corruption and anti-trust training regularly to ensure they can effectively fulfill the implementation of its policies and procedures. Furthermore, Tokai COBEX fosters leadership competencies related to its vision, mission and values through respective training and coaching.

In 2024, Tokai COBEX was internally audited by its parent company Tokai Carbon Group. The objective of the audit was to recognize and review the appropriateness of the Group Governance Framework. In scope were the functions of Corporate Governance, Group Governance and Business Management. The audit did not reveal any material weaknesses in the Governance set-up of Tokai COBEX.

Tokai COBEX's Legal & Compliance Director is responsible for managing the company's whistleblower system. In this function, the Director directly reports and relates to the respective function in the parent company. The company's employees and other associates may report any offense, such as cases of bribery, fraud, and other inappropriate or illegal conduct through the company's whistleblower system. In 2024, five cases were reported through the whistleblower hotline. They were all investigated and concluded as not being substantial.

G1-4

Incidents of Corruption or Bribery

Tokai COBEX carefully tracks incidents of corruption and anti-trust. In 2024, there were no confirmed incidents or convictions of corruption, and no legal actions pending or completed regarding anti-competitive behavior, anti-trust, or monopoly practices, nor were any fines imposed or paid.

Payment practices

G1-6

Tokai COBEX uses the right to omit detailed reporting on average payment time to pay an invoice as it perceives this information as business sensitve.

The company pays its suppliers within the terms agreed in the respective contracts and agreements which are in line with national laws. In 2024, there were no legal proceedings with regards to Tokai COBEX's payment practices.

Responsible Sourcing

Supply Chain Responsibility and Due Diligence

At Tokai COBEX, sustainable society and management of relationships with suppliers play a significant role. Promoting sustainable growth by providing essential products that enable the production of sustainable solutions for societal challenges, such as energy security and mobility is at the heart of Tokai COBEX's responsible sourcing strategy. For instance, the BAM (Battery Anode Material) development aims to supply products that are crucial for the electric mobility industry, with significantly lower CO_2 emissions compared to other market suppliers.

The commitment to sustainability is embedded in the corporate strategy and business agreements, extending to all partners, joint ventures, and suppliers. Compliance with the Code of Conduct is ensured by integrating it into contractual agreements. Additionally, climate requirements are being incorporated into contracts with key suppliers to further promote sustainability. Customers are assisted in setting up or improving their production processes towards efficiency and sustainability. For example, the "ready-to-use Cathodes (RuC®)" eliminate hazardous practices by simplifying the production steps at Tokai COBEX's customers and enabling tailor-made solutions, resulting in improved efficiency and reduced energy consumption for customers. Continuous efforts are made to implement more sustainable practices, including the use of PAH-free materials to reduce health risks at customer sites. The focus is on innovation and sustainability, with the aim of providing high-quality products that meet ethical, legal, and sustainable standards while surpassing industry norms.

Tokai COBEX is committed to responsible sourcing and supply chain transparency. The company pledges to avoid the use of "conflict minerals" and upholds ethical standards throughout its production processes. The Supplier Code of Conduct emphasizes the importance of legal compliance, anti-corruption measures, and respect for human rights. The goal is to have all major suppliers align with ethical standards and undergo screening processes based on social and environmental criteria to ensure sustainable practices across the supply chain. As a manufacturer specialized in high-quality carbon-based products, Tokai COBEX acknowledges the pivotal role that raw material sourcing plays in upholding its commitment to sustainability and product excellence. The strategic raw materials, including synthetic graphite, anthracite, pitch, and coke, form the core of the company's operations. It is imperative to responsibly and sustainably source these materials to reduce environmental impact and meet the stringent standards expected by customers. The sourcing strategy prioritizes the responsible procurement of carbon-based raw materials, excluding suppliers that do not adhere to strict environmental and ethical standards.

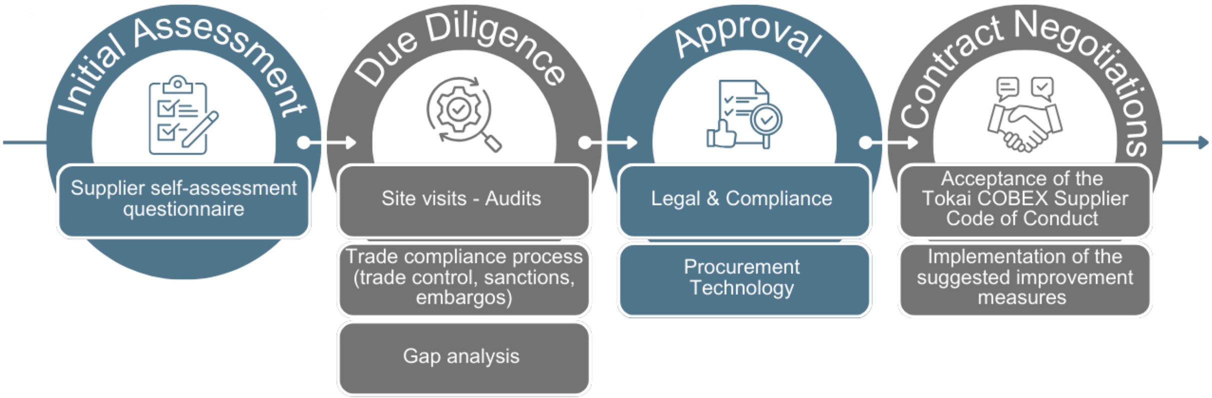
By addressing sustainability risks such as resource depletion, environmental harm, and human rights issues, Tokai COBEX aims to minimize its ecological footprint while promoting transparency and accountability. The company remains vigilant in addressing challenges such as political instability in sourcing regions to ensure a secure supply chain and operational continuity. Strategies are in place to address sustainability risks, improve transparency in the supply chain, and uphold the exceptional quality of products. These efforts underscore the company's commitment to driving innovation and advancing sustainable and responsible sourcing in the future. Tokai COBEX actively works on enhancing the traceability of raw materials and the overall sustainability practices of its suppliers. Tokai COBEX Procurement conducts due diligence audits at supplier sites to assess ESG criteria, quality, and supply chain risks. The company believes in fostering close and direct collaboration with business partners to collectively contribute to a sustainable and responsible future, striving to develop solutions that benefit society as a whole.

Tokai COBEX implemented a supplier evaluation process with a four-tiered approach. The selection of new suppliers always starts with an initial assessment step where a questionnaire is sent to the prospective supplier for self-assessment. Next, Tokai COBEX performs a due diligence, including site visits, trade compliance checks and a gap analysis. This step is tailored to the scope of supply, considering factors such as volume, turnover and criticality of the supply. After the due diligence process, the approval step is carried out within the company, involving Legal and Compliance, Procurement, Technology and the CEO if needed. Once the approval is granted, contract negotiations begin, and if successful, they are completed to establish a new supplier relationship.

The table and graphic shows Tokai COBEX's supplier evaluation process and highlights major steps:

Data points	Unit	2024
Audit of strategic raw material suppliers	%	75 (4 audits planned – 3 conducted)
Supplier performance evaluation for major suppliers	--	All
Compliance with Tokai COBEX's "Supplier Code of Conduct" for major suppliers	%	91

Tokai COBEX aims to develop an IT Supplier Relationship Management solution in the coming years, enabling management of all process steps into one tool:



Raw Materials Sourcing

Tokai COBEX places focus on the sustainable sourcing of its key raw materials such as Coke, Pitch, Synthetic Graphite and Anthracites. Carbon and Graphite manufacturing is a raw material intensive activity. The company sources raw materials in the best possible way and prefers to source raw materials directly from mines and refineries. By simplifying and shortening its supply chains, the company improves the traceability of its raw materials and enables a more direct relationship with each individual supplier.

Appendix

List of Acronyms

A	Actions
asi	Aluminium Steward Initiative
B2B	Business to Business
BAM	Battery Anode Materials
BAT	Best Available Technology
BP	Business Process
CA	Cathodes
CAPEX	Capital Expenditures
CCA	Climate Change Adaption
CCM	Climate Change Mitigation
CCO	Chief Commercial Officer
CE	Carbon Electrodes
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CO2	Carbon Dioxide
COO	Chief Operations Officer
CSRD	Corporate Sustainability Reporting Directive
CTO	Chief Technical Officer
dB(A)	Decibel Frequency Filter A
DEIB	Diversity, Equality, Inclusion and Belonging
DMA	Double Materiality Assessment
EFRAG	European Financial Reporting Advisory Group
ESG	Environment Social Governance
ESRS	European Sustainability Reporting Standards
EU	European Union
EUR	Euro
EV	Electric Vehicles
FL	Furnace Linings
GHG	Greenhouse Gas
GOV	Governance
GWh	Gigawatt Hours
HR	Human Resources
ILO	International Labor Organization
IRO	Impact, Risk & Opportunity
ISO	International Organisation for Standardization
IT	Information Technology
kEUR	Thousand Euro
KPI	Key Performance Indicator
LED	Light emitting diode
LTA	Lost time accidents
LTO	Long-Term Objectives
LWG	Length-Wise Graphitization
M	Metrics
MDR-	Minimum Disclosure Requirements
MEUR	Million Euro
MWh	Megawatt hours
NDB	Site Notre Dame de Briançon (France)
NOx	Nitrogen Oxides
NSZ	Site Nowy Sącz (Poland)
OECD	Organisation for Economic Co-operation and Development
OO	Own Operations
OPEX	Operational Expenditures
P	Policy
PAH	Polyaromatic Hydrocarbons
PhD	Doctor of Philosophy
PV	Photovoltaic
RBZ	Site Racibórz (Poland)
RuC©	Ready to Use Cathode
SBM	Strategic Business Model
SBTI	Science Based Targets Initiative
SCM	Supply Chain Management
SG	Speciality Graphite
SOx	Sulphur Oxides
T	Targets
t	Metric Ton
TVOC	Total Volatile Organic Compounds
UDHR	Universal Declaration of Human Rights
VNX	Site Vénissieux (France)

Taxonomy Tables

Economic Activities	Code	Substantial Contribution Criteria: Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Taxonomy aligned proportion of total turnover, FY 2024	Category (enabling activity)	Category (transitional activity)	Absolute turnover in €	Proportion of Turnover in %
TURNOVER																			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	7.7	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	0%		T	0	0%
Close to market research, development and innovation	9.1/ 9.2	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	0%	E		0	0%
Manufacture of batteries	3.4	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	0%	E		11.019	0%
Manufacture of other low carbon technologies	3.6	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	5%	E		19.951.992	5%
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	0%		T	0	0%
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**5%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**N**	**N**	**N**	**N**	**N**	**Y**	**5%**	**5%**	**0%**	**19.963.011**	**5%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																		**0**	**0%**
Total (A.1+A.2)																		**19.963.011**	**5%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities																		**375.809.881**	**95%**
Total (A+B)																		**395.772.892**	**100%**
CAPEX																			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings (CapEx A)	7.7	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	6%		T	1.474.521	6%
Close to market research, development and innovation (CapEx A)	9.1/ 9.2	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	0%	E		0	0%
Manufacture of batteries (CapEx A)	3.4	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	3%	E		739.436	3%
Manufacture of other low carbon technologies (CapEx A)	3.6	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	1%	E		160.506	1%
Transport by motorbikes, passenger cars and light commercial vehicles (CapEx A)	6.5	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	2%		T	397.498	2%
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**12%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**N**	**N**	**N**	**N**	**N**	**Y**	**12%**	**4%**	**8%**	**2.771.961**	**12%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																		**0**	**0%**
Total (A.1+A.2)																		**2.771.961**	**12%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities																		**21.217.585**	**88%**
Total (A+B)																		**23.989.546**	**100%**
OPEX																			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings (OpEx A)	7.7	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	0%		T	292.356	0%
Close to market research, development and innovation (OpEx A)	9.1/ 9.2	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	1%	E		2.706.827	1%
Manufacture of batteries (OpEx A)	3.4	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	2%	E		7.802.473	2%
Manufacture of other low carbon technologies (OpEx A)	3.6	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	5%	E		18.837.553	5%
Transport by motorbikes, passenger cars and light commercial vehicles (OpEx A)	6.5	Y	N	N	N	N	N	Y	N	N	N	N	N	Y	0%		T	0	0%
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**7%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**N**	**N**	**N**	**N**	**N**	**Y**	**7%**	**7%**	**0%**	**29.639.209**	**7%**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																		**0**	**0%**
Total (A.1+A.2)																		**29.639.209**	**7%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities																		**366.708.483**	**93%**
Total (A+B)																		**396.347.692**	**100%**

*This is Tokai COBEX's first sustainability report prepared **voluntarily** in reference to the new **Corporate Sustainability Reporting Directive (CSRD)** requirements with the application of the **European Sustainability Standards (ESRS).***