SBO

Our precision. Your opportunities.

ANNUAL REPORT 2024

Highlights 2024

Financial Highlights

in MEUR	2024	2023	2022	2021	2020
Sales	560.4	585.9	501.2	292.8	291.2
EBITDA	101.9	131.3	129.1	60.0	27.1
EBITDA margin (%)	18.2	22.4	25.8	20.5	9.3
EBIT	70.1	102.3	96.2	28.2	-28.0
EBIT margin (%)	12.5	17.5	19.2	9.6	-9.6
Profit before tax	63.6	94.2	93.3	23.4	-31.2
Profit after tax	45.3	71.6	75.2	21.0	-21.7
Earnings per share[1] (in EUR)	2.88	4.55	4.78	1.33	-1.38
Free Cash Flow	66.8	33.1	27.1	-17.0	80.1
Cash and cash equivalents	314.7	162.4	287.8	291.8	314.0
Net debt + / Net liquidity -	56.0	92.3	-34.5	-9.9	-9.5
Equity	492.7	448.0	425.0	340.9	287.0
Total assets	986.1	836.4	903.1	805.6	777.9
Dividend per share (in EUR)[2]	1.75	2.00	2.00	0.75	0.00

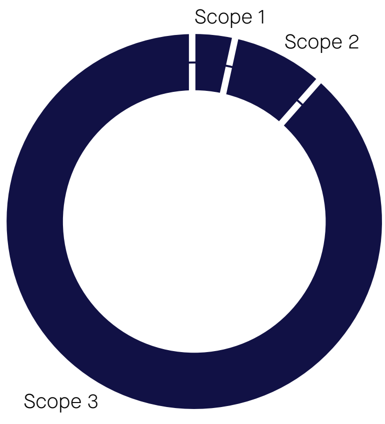
1 Based on average shares outstanding
2 Dividend proposed 2024

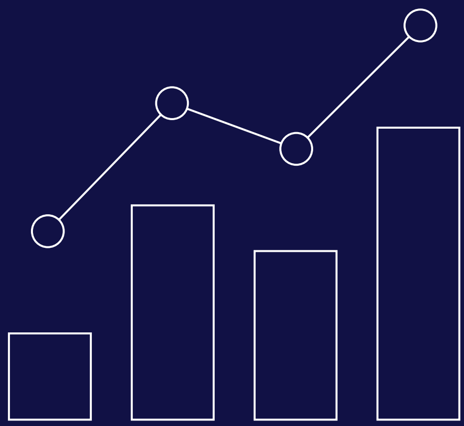
Emissions

	Unit	2024	2023
CO_2 emissions			
Scope 1 (direct)	CO_2e in tons	4,120	4,041
Scope 2 (indirect)[3]	CO_2e in tons	9,210	9,610
Scope 3 (indirect)[3]	CO_2e in tons	106,249	102,828
Emission intensity Scope 1+2	CO_2e in tons/ 1 MEUR sales	23.8	23.3
Emission intensity Scope 3	CO_2e in tons/ 1 MEUR sales	189.6	175.5

3 market based; calculated based on GHG Protocol

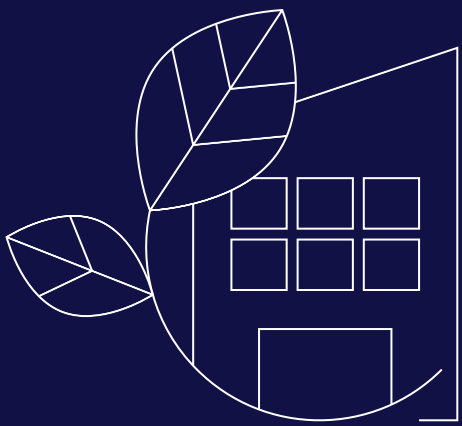
CO_2-EMISSIONS 2024



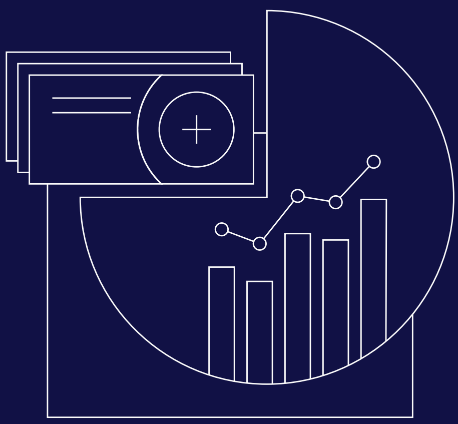


Sales MEUR 560.4

EBITDA MEUR 101.9



Free Cash Flow MEUR 66.8



Dividend per share EUR 1.75

Awards & Recognition

SBO continues to be recognized by our industry and leading organizations. Aligned with our strategy and commitment to sustainable value creation, these achievements are a further reflection of our progress:

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Preface of the Executive Board

Dear Stakeholders,

In our first year as the new Executive Board, SBO navigated challenging market dynamics while staying on course in our strategic efforts of diversification, market expansion and sustainability. At the same time, 2024 was also a year for us to set the course for the years to come: The recalibration of our strategy and the update of our corporate identity are two key elements in the future trajectory of SBO.

Resilience in dynamic markets

While the international and offshore markets remained largely supportive in 2024, the US market declined and we faced a difficult, competitive environment for our Oilfield Equipment (OE) business. We addressed the challenges decisively through swift, targeted organizational and operational adjustments, and structurally improved the financial performance of the OE division in the second half of 2024.

At the same time, we successfully accelerated the business expansion in international growth markets, particularly in the Middle East and Latin America, where strategic investments have started to show positive results. Coming off a very high backlog in the Advanced Manufacturing & Services division (AMS) in 2023, we experienced a moderation in demand from our customers over the course of 2024. With an excellent performance of AMS we demonstrated again how to manage market cycles.

Despite the challenging environment in 2024, SBO delivered solid results and an outstanding cashflow. We achieved sales of MEUR 560.4, an EBIT of MEUR 70.1, and an EBITDA margin of 18.2 %. Free cash flow doubled to MEUR 66.8. This further reduced our net debt position to MEUR 56.0 and significantly improved our gearing ratio to 11.4 %.

»With the results of 2024 we further strengthened our financial position and are very well positioned to continue to invest in growth opportunities and innovation. At the same time, we plan to return MEUR 27.6 to our shareholders, with a proposed dividend of EUR 1.75 per share.«

↖ LEFT: KLAUS MADER, CEO; RIGHT: CAMPBELL MACPHERSON, COO

Progress on our strategic agenda

We made good progress in advancing our strategy in 2024. Investments in growth regions such as the Middle East, Latin America and Asia strengthened our market position and drove sales growth in these markets. In Saudi Arabia, the move to a new facility doubled capacity and created a stronger local presence to meet growing demand, while expansions in Vietnam and Dubai provided flexibility to better meet customer needs.

We solidified our position as an advanced manufacturing leader with new 3D metal printing capabilities and additional material developments that enable the creation of complex geometries and customized solutions. In geothermal markets, we introduced tailored innovations such as high-pressure-high-temperature plugs. In Carbon Capture & Storage, we successfullly benchmarked our corrosion-resistant alloys for applications in very harsh, corrosive environments. In addition, our sustainability efforts received recognition, including the ESG Award at the Austrian Leading Companies Awards, and our circularity initiatives demonstrated our commitment to reducing waste and advancing life-cycle management.

With a clear strategy and new corporate identity we are accelerating our path forward

In 2024, we took important steps in the transformation of SBO, focusing intensively on our strategic recalibration. Our aim is to fully leverage SBO‘s core capabilities: We stand for the highest precision and quality.

We will use our capabilities and technological leadership to drive diversification in new industries and to create sustainable growth through market expansion. We will lead through precision not only in the Oil & Gas industry but also in areas of the energy transition and other industrial applications. Strategic partnerships and targeted acquisitions will help us accelerate growth. Our two divisions, renamed to Precision Technology (until now: AMS) and Energy Equipment (until now: OE), stay focused on the engineering and manufacturing of our technological solutions, ensuring we leverage our core capabilities and capture growth opportunities across different industries.

In line with this strategic recalibration, we have reshaped our corporate identity to reflect our positioning and our path forward. This evolution is now visible in our new "SBO" brand identity, which unifies our presence under a streamlined, forward-looking design. We have changed our brand presence and visual trademark to the abbreviation we already use: SBO, our strong, established and recognized short name. Already today, we are working across a number of industries beyond the oil and gas sector. Our new corporate identity reinforces our ambition to diversify and capture opportunities within and beyond the energy spectrum.

»Precision drives every aspect of our business. It embodies our commitment to deliver transformative solutions that meet the toughest requirements of performance and quality in extreme environments. Optimum Precision, as we call it, has been and will continue to be at the heart of our success.«

Operating under the re-launched SBO brand, we build on our strong foundation of precision - a foundation that gives us access to many industries and extends far beyond the traditional area of "oilfield equipment". For this reason, we will propose to change our legal company name to SBO AG at the Annual General Meeting in April 2025. With this step, we are unifying our brand identity with the company name and reaffirming our strategic course towards diversification and future-oriented growth opportunities.

Looking ahead

As we look to 2025, the market environment remains complex. Continued volatility in oil prices, policy changes, geopolitical uncertainties and cautious spending behavior in certain regions require a measured and adaptable approach. International growth, particularly in offshore and emerging markets, remains a key driver of opportunities. At the same time, ongoing developments in areas of the energy transition and other industries open new possibilities for SBO, both organic and through cooperations and acquisitions that align with our long-term vision.

»Operational excellence, diversification and market expansion as well as continued innovation for technological leadership are the key strategic pillars of our long-term success. They are also the main drivers of sustainable value for our shareholders. And we are committed to implementing them with the highest precision.«

Our achievements have only been possible through the cooperation and dedication of our global team. We express our heartfelt gratitude to our employees for their passion and commitment. We also thank our customers, suppliers, and partners for their trust and collaboration.

Finally, to our shareholders: thank you for your continued support and confidence in SBO. Together, we are shaping the future of precision technologies and transforming industries for a sustainable tomorrow.

Yours sincerely,

Klaus Mader

Campbell MacPherson

SBO
The company at a glance

The SBO Group

SBO is the global leader in the manufacture of high-alloy, non-magnetic steels and high-precision components and equipment for the energy sector and beyond. With around 1,600 employees and a worldwide network of subsidiaries, we are at the forefront of the industry with an unwavering commitment to optimum precision. Our ability to deliver cutting-edge, high-performance solutions is backed by a highly innovative product portfolio, protected through strong intellectual property.

Our precision for new opportunities

Headquartered in Ternitz, Austria, and with more than 20 locations worldwide, SBO stays close to its customers, ensuring fast, efficient and high-quality services. Our strategic, longstanding relationships with both customers and suppliers are key to delivering industry-specific solutions of the highest quality that enable greater operational efficiency and reduced environmental impact. We are proud to contribute to securing the global energy supply with our products and services.

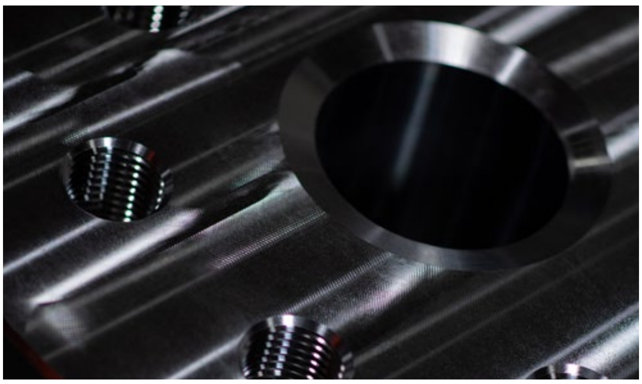
Our expertise is centered around two business areas, our renamed divisions[1]: Precision Technology and Energy Equipment.

Precision Technology

In Precision Technology, we manufacture custom components with the highest accuracy. From complex steel parts to advanced additive manufacturing solutions we supply various industries such as energy, space, aerospace, semiconductors and others, that demand precision and high performance.

High-Strength Non-Magnetic Steels: With more than a century of expertise, SBO has specialized in premium steel manufacturing, focusing on high-strength, non-magnetic grades for the past 70 years. Our high-alloy, non-magnetic steels offer high material strength and corrosion resistance.

High-Precision Components: SBO's market leadership in high-precision components for the energy industry is built on our renowned product quality and the unique metallurgical properties of our steel grades. We manufacture customized components from non-magnetic, corrosion resistant steel and other high-performing alloys for various industrial applications.



HIGH-PRECISION COMPONENT | PRECISION TECHNOLOGY ↑

[1] As of 2025, SBO's business divisions have been renamed. The former Advanced Manufacturing & Services division is now being referred to as „Precision Technology", the Oilfield Equipment division has been renamed to „Energy Equipment".

Advanced Additive Manufacturing: With decades of experience and cutting-edge technologies, SBO leads the way in producing mission-critical components. With an expanding portfolio of high-end 3D metal printers across our locations in Europe and the US, we manufacture the most complex parts for optimum results across various industries using advanced printing and finishing technologies.

High-Tech Service and Repair: SBO operates top-tier repair and maintenance facilities in major hubs of our industry worldwide. Equipped with state-of-the-art CNC lathes, milling machines, and specialized welding equipment, these workshops handle service and repair of existing components. Highly skilled and experienced personnel uses state-of-the-art methods to extend product life and contribute to the circular economy.

Energy Equipment

In Energy Equipment, we provide high-end tools for horizontal and directional drilling and well completion, designed for the toughest onshore and offshore conditions. Built to excel in high-temperature and high-pressure environments, our solutions serve industries like oil and gas, geothermal, and carbon capture & storage. Available for rent and/or purchase, our customer-focused innovations deliver efficiency, reliability, and sustainability across diverse industries.

High-Performance Drilling Motors: BICO Drilling Tools offers market-leading, high-performance drilling motors with enhanced data sensor technology for various applications. Our motors are used for directional and horizontal drilling such as shale gas or geothermal operations and are designed for high performance and reliability.

Circulation Tools: DSI specializes in downhole circulation tools that combat mud loss during the drilling process, thereby protecting critical components of the drillstring from blockages. Additionally, the PBL tool is also used in hole cleaning. The use of our circulation tools represents a considerable time and cost saving for our customers.

Rotary Steerable Tools: D-Tech delivers exceptional performance and reliability with its field-proven rotary steerable system (RSS), establishing itself as the #1 independent provider in the market. Engineered for optimized wellsite performance and designed for both US and international high-intensity land drilling markets, our robust RSS system minimizes non-productive time (NPT) and reduces overall drilling risks, ensuring faster, more efficient operations.

Well Completion Solutions: WellBoss is a leading provider of well completion tools, serving the market in the US and worldwide. We provide patent-protected packers, composite frac plugs, dissolvable plugs and geothermal plugs for faster, more efficient and secure well completions.

WELL COMPLETION SOLUTION | ENERGY EQUIPMENT ↑

Global presence for customer proximity

Our international setup enables us to operate close to our customers for fast and efficient solutions while ensuring flexibility in our global supply chain. Our lean organization and the strategic management from our headquarters in Ternitz (Austria) ensure effective decision-making processes and consistent implementation of our core objectives. With manufacturing, sales and service facilities in more than 20 locations across five continents we are well positioned to serve our global customer base:

- In **Europe**, the SBO Group concentrates on the manufacture of high-precision components made of non-magnetic, corrosion-resistant steels at its facility in Ternitz. Additionally, this location hosts the European 3D metal printing competence center. In the UK, we are on site with manufacturing of Rotary Steerable Tools as well as with repair and service companies. Our one-stop-shop principle means that we are close to our customers and offer a comprehensive range of products and services.

SBO locations worldwide

- PRECISION TECHNOLOGY
- ENERGY EQUIPMENT

NORTH AMERICA
HOUSTON, TX (USA)
BROUSSARD, LA (USA)
CALGARY (CANADA)
NISKU (CANADA)

LATIN AMERICA
MACAE (BRASIL)
VILLAHERMOSA (MEXICO)

- In **North America**, SBO is represented at eight locations with the development, manufacture, service and sales activities of high-precision components, drilling motors, rotary steerable tools, and well completion products. With our 3D metal printing center in Houston, we serve customers in various industries.

- In **Latin America**, SBO is active in local sales, rental and service for a wide range of our products through subsidiaries in Mexico and Brazil. In addition, SBO also serves the Latin American market through direct exports and indirectly via local distributors.

- In the fast-growing **Middle East**, specifically in Saudi Arabia and Dubai (UAE), we offer all of our leading technologies in the energy equipment sector including comprehensive high-tech service and repair for our customers. With new and enlarged facilities we set the stage for a strong local presence that supports our strategic growth initiatives in this key region.

- In **Asia**, our manufacturing facility in Vietnam is currently being expanded and offers state-of-the-art precision technology for the global market. Together with the subsidiary in Singapore we offer high-precision components and local service and repair solutions to this growing region.

Transforming industries with cutting-edge technologies

As the global market leader in the manufacture of high-precision components, SBO delivers solutions that transform industries and unlock new opportunities. From complex components to cutting-edge technology for the energy sector and beyond, our products meet the highest performance and quality standards. With a deep understanding of extreme environments, we deliver custom-made and specialized products that stand up to the toughest challenges. As we expand into industries like space, aerospace, and energy transition applications, optimum precision remains our foundation. By driving innovation and sustainability, we are engineering new opportunities and transforming industries.

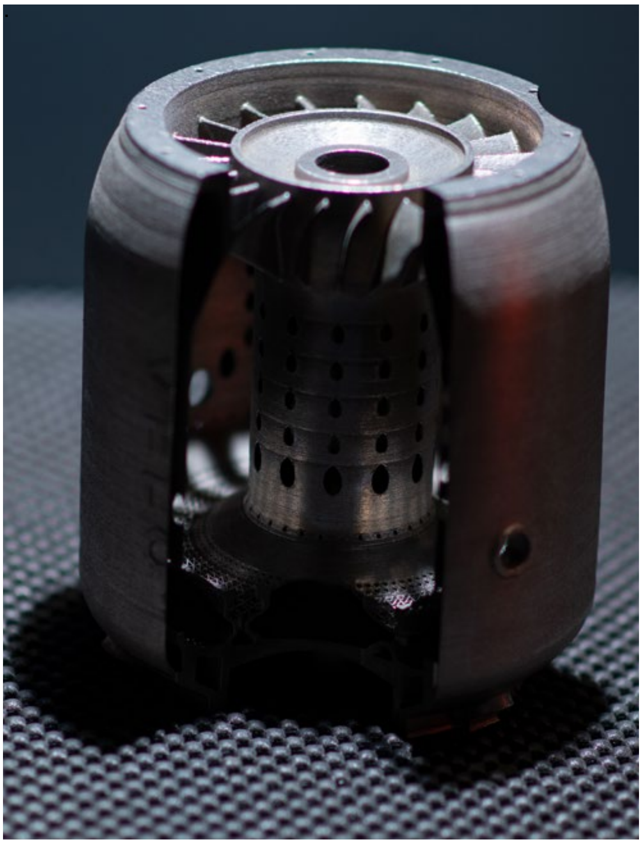
»Innovation at SBO is often driven by specific needs of our customers, who demand increasingly precise solutions. Through our innovations we create significant technological advantages that benefit our customers and set them apart in their industries.«

Advanced additive manufacturing

Additive manufacturing is a key focus area of our innovative solutions. Over the past few years, we have significantly enhanced our 3D metal printing capabilities, establishing ourselves as a certified provider for a wide range of industries, including energy, space, aerospace and semiconductors. In close cooperation with our suppliers, we continue to expand our range of machine and powder grades. A prime example is CP-1, an Aluminum-Iron-Zirconium powder solution that offers multiple advantages such as high strength, excellent thermal and electrical conductivity as well as a simplified heat treatment process.

Furthermore, we are working closely with our customers to develop advanced designs and equipment for new and evolving technologies, such as components for the semiconductor industry, which in turn support innovations in artificial intelligence and high-performance computing.

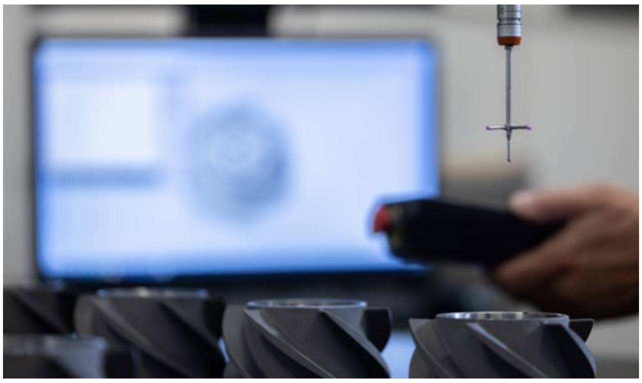
At the same time, additive manufacturing is an opportunity to reduce our carbon footprint and advance our sustainability efforts. As part of our innovation efforts, we have established a recycling program with one of our suppliers to recycle excess material through re-atomization, contributing to a circular value chain.



3D METAL PRINTED COMPONENT | PRECISION TECHNOLOGY ↑

Drilling technology

In the area of downhole drilling tools, SBO continues to invest in enhancing performance, reliability and durability, as well as their AI capabilities. This includes the integration of bi-directional communication systems in our rotary steerable tools which provide optimum conditions for true autonomous drilling and a complete closed-loop drilling system. By improving the sensor measurement capabilities, we enable greater steering accuracy and improved, AI-based decision-making for our customers.



D-TECH R&D ACTIVITIES | DRILLING TECHNOLOGY ↑

In our drilling motor range we have added a cutting-edge data sensor technology, the "Performance Logging Ultra-Sensor". Strategically positioned, this advanced sensor supports efficiency increases in drilling operations.

Our investments also focus on improving the durability of our equipment especially regarding heat resistance and ruggedness, particularly in rough, hard compressive rock environments as it is the case in geothermal wells.

Innovations in well completion

SBO's extensive expertise and customer-centric approach drive the evolution of our completion solutions. We are leading in the development of dedicated high-pressure-high-temperature (HPHT) and slim OD frac plugs for conventional and unconventional wells. In 2024, we took the next step and developed a new range of HPHT and slim OD frac plugs specifically designed for enhanced geothermal wells. With the successful launch of these innovative geothermal plugs, SBO has established a clear technology and market leading position.

We are also diversifying our business by further developing our packer portfolio, acquired through Praxis Completion Technology in 2023. Through project specific engineering and product development, we are adapting our packers for carbon capture & storage, a critical application in the energy transition.

Engineering excellence

With industry-leading expertise in material and technology development as well as world-class manufacturing capabilities, SBO continues to produce highly innovative products that meet the highest quality requirements of our customers.

»By combining precision, innovation and sustainability, we are creating a future powered by our cutting-edge technologies.«

Our Strategy

Shaping the future with precision: A strategy for diversification and value creation

Over several decades, SBO has built its reputation as the global leader in precision technologies and high-tech energy equipment, predominantly in the oilfield services industry. Sustained success requires continuous evolution, particularly in an era of rapid technological change and shifting market dynamics. Last year, SBO has recalibrated its business strategy to establish clear strategic objectives which aim at long-term growth, resilience, and value creation.

Through a comprehensive analysis of industry trends, market opportunities, and core strengths, we have developed a strategic framework which is based on two core principles:

(1) Capitalizing on SBO's existing strengths and capabilities:

Our long-term success builds on our deeply rooted strengths and capabilities. Going forward, we will continue to leverage our expertise in precision technologies, high-performance materials and high-tech energy equipment to support both existing and new customers. Building on this foundation and utilizing our customer-focused innovative strength, we are well equipped and strongly positioned to provide meaningful solutions to different industries.

(2) Broadening our market focus to a range of attractive industries:

Technological advances are accelerating, reshaping industries and creating new opportunities. Building on its capabilities, SBO will expand into new and adjacent business areas by providing technologies and solutions to different industries that all require high-precision. While we continue to serve the oil and gas industry, we will heavily focus on expanding our portfolio into other attractive industries within energy transition and other industrial sectors. We are targeting those industries that offer attractive growth potential due to synergies with existing SBO capabilities and technologies.

A clear direction: Purpose, Vision and Mission

At the heart of our strategy is a clear commitment to our **purpose**, which has always defined SBO: **We drive precision that transforms industries.** Precision is more than a technical advantage - it is our fundamental approach to solving complex challenges, enabling our customers to reach previously unachievable levels of performance.

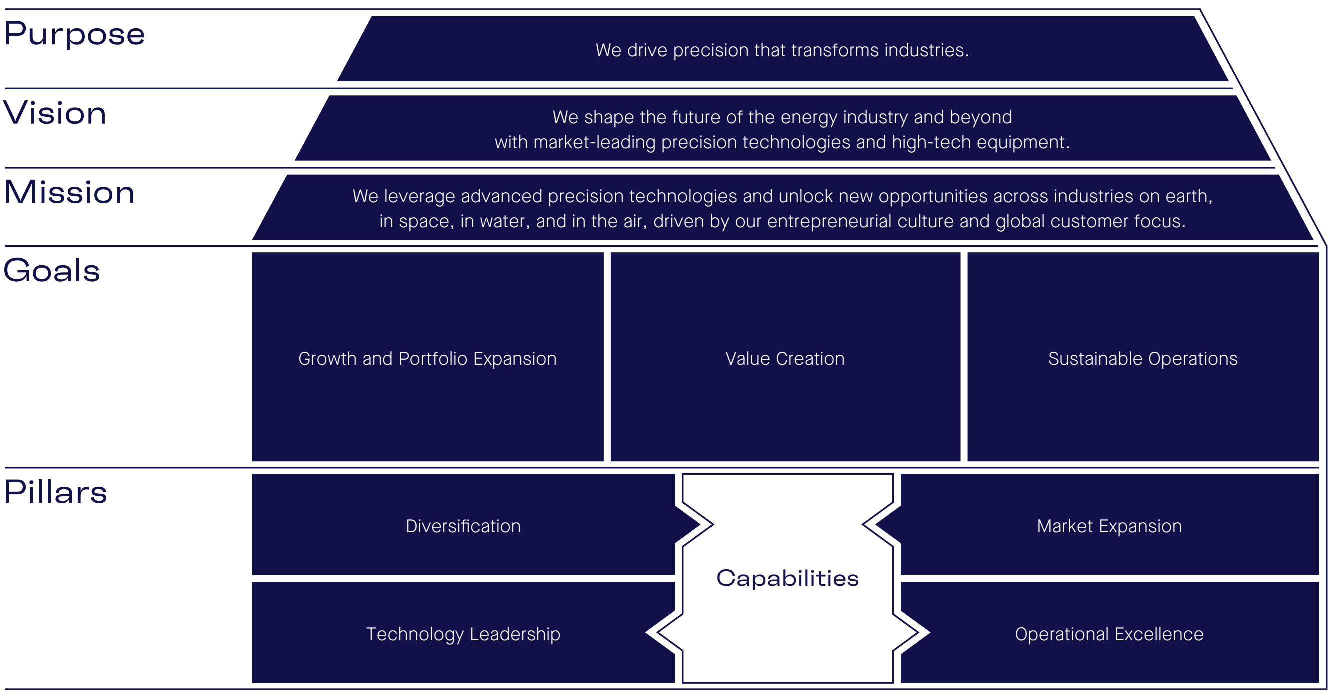
Our **vision** extends this commitment beyond its traditional scope: **We shape the future of the energy industry and beyond with market-leading precision technologies and high-tech equipment.**

This vision shows our ambition to impact not just one industry, but multiple industries where precision makes a difference. Energy will remain an important industry for us and we are convinced that our precision technologies are fundamental and transferable to many other areas far beyond our traditional customer base. By stepping into other industries, we will continue to drive innovations and efficiencies further.

Our **mission** describes how we intend to achieve this transformation:

We leverage advanced precision technologies to unlock new opportunities across industries on earth, in space, in water, and in the air - driven by our entrepreneurial culture and global customer focus.

This mission captures SBO's unique strengths: cutting-edge technology, a pioneering spirit and a clear commitment to our customers. Just as we supported the oil and gas industry in unlocking unconventional shale resources through horizontal drilling - an achievement unimaginable decades ago - we are now prepared to drive transformation in the energy transition and other industrial sectors.



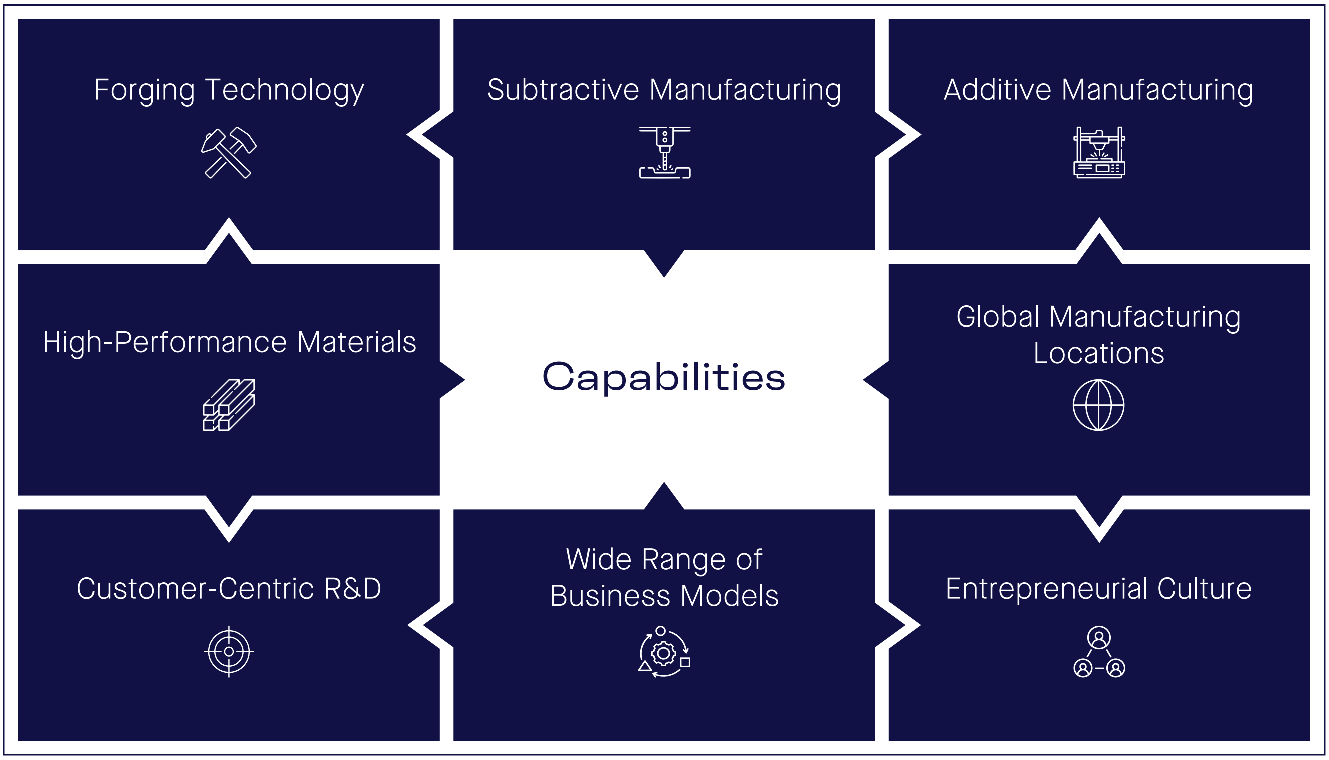
The foundation: Our core capabilities drive our success

Delivering on this vision requires a strong foundation. SBO's success is built on a set of **core capabilities** that define our competitive advantage. These capabilities form the basis for everything we do, ensuring that all our products and solutions are built on a deep technical expertise and deliver operational excellence.

One of our most significant capabilities is our expertise in **high-performance materials**. Whether developing advanced alloys or composites for extreme operating conditions or refining manufacturing processes to enhance product durability, our profound knowledge in material science ensures that we manufacture components for high reliability and precision. This expertise is complemented by our strength in **forging technology** and **subtractive manufacturing**, allowing us to manufacture highly complex parts with industry-leading accuracy.

Beyond manufacturing, SBO's commitment to innovation and R&D is a key differentiator. Using our **customer-centric** R&D approach we ensure that our tailored solutions meet customer expectations also in extreme environments. Our ability to combine materials science, advanced manufacturing technologies, and customer-focused innovations gives us an edge in industries where precision is critical.

SBO also benefits from its international setup with **global manufacturing locations** and a **wide range of business models**, both geared to serve key markets most effectively. This geographical presence, combined with our **entrepreneurial culture**, makes us adaptable to capture opportunities and manage risks at the same time.



Our strategic goals: Where we are heading

SBO has defined an ambitious set of goals that will shape our path for years to come. These goals are designed to drive financial success, business diversification and sustainability, ensuring that we create long-term value for all stakeholders.

The first goal of our strategy is **growth and portfolio expansion**. To secure long-term success, SBO is expanding beyond the oil and gas industry, focusing on high-growth industrial niche markets and technologies driving the energy transition as well as other industrial sectors.

Our **growth and portfolio expansion** targets are

- Grow **sales to MEUR 900 until 2030**, of which **MEUR 200 in new business areas** (energy transition and other industrial sectors);
- Strategic cooperations and M&A to extend our capabilities and expand into high-margin industries.

The second strategic goal is **value creation**. SBO is committed to delivering continuously strong financial performance.

Our **target with regards to value creation** is

- Achieve an **EBITDA margin above 20%** over the market cycle.

Our third strategic goal is **sustainable operations**. As a responsible company, SBO is focused on reducing its environmental impact through energy efficient and advanced manufacturing processes, as well as circular economy solutions for customers and their supply chains.

Our **sustainability targets** include

- a **30% reduction in Scope 1+2 emissions**;
- a **10% reduction in Scope 3 emissions** by 2030.

Execution: The pillars that drive our success

The goals of SBO are based on four key pillars that define the strategic measures of SBO:

DIVERSIFICATION

Diversification is the central pillar to achieve our strategic goals. SBO is expanding its expertise beyond the oil and gas industry by entering new attractive industries in energy transition and other industrial sectors. One of the most significant new areas of focus is **flow contro**l, an industry with a market size of USD 262 bn in 2024[1], that is vital across multiple sectors, including water treatment, semiconductors, space, power generation or specialty chemicals.

Flow control equipment (e.g. compressors, pumps) and components (e.g. flanges and valves), are **used in different industries, all requiring high-performance materials and precision engineering expertise**. Only then can an optimal flow of different substances such as hydrogen or gas be guaranteed. With expertise in precisely these areas, for which SBO has been known in the oil and gas industry for decades, we will now also be successful in profitable niches of these industries.

SBO has already successfully introduced flow control solutions for the oil and gas industry. Our current portfolio includes products such as the circulation tool or mud motors, which control or use the flow of fluids. Building on this, SBO will leverage its technology leadership to penetrate new attractive niche markets that are less cyclical than the oil and gas industry and thus offer long-term stability and growth. We aim to achieve this through strategic acquisitions and partnerships that enable us to further integrate innovative flow control solutions into our portfolio.

Beyond flow control, SBO continues to pursue **next-generation geothermal energy** and **advanced 3D metal printing**, two areas where high-precision technology is used. SBO will leverage its capabilities and resources to continue to grow and position itself through technology leadership.

This diversification strategy strengthens SBO's resilience, ensuring that we are well-positioned to capture sustained growth in profitable niches in multiple industries.

MARKET EXPANSION

Through our continued **expansion into high growth regions and by establishing new business models**, SBO will drive organic growth. With the ongoing extension of its broad global footprint, SBO is strengthening its presence in high-growth oil and gas regions such as the Middle East, Latin America and Asia.

We are leveraging the expertise of our Energy Equipment division in the North American market to offer innovative and customer specific solutions to new markets. Through the expansion of our facilities in Dubai (UAE) and Dammam (KSA), we have established a strong, regional presence in the Middle East, which will drive future growth in this region.

By developing new business models especially in the fast-evolving 3D metal printing area, we leverage our core capabilities to capture growth opportunities as markets evolve.

TECHNOLOGY LEADERSHIP

We see that the environment for our applications are becoming increasingly complex and demanding, considering more extreme temperatures and higher pressures. At the same time, **growing customer expectations for performance, reliability and efficiency require continuous advancements and optimizations of materials and technology**.

These challenges need customized solutions to ensure reliable performance under extreme conditions. Whether in the oil and gas industry, in energy transition (such as enhanced geothermal energy and CCS), or in other industries (such as

[1]Delphi Data Lab 2025

aerospace or flow control), we meet these demands and offer our customers solutions with the highest precision - on earth, in space, in water, and in the air.

OPERATIONAL EXCELLENCE

Operational excellence plays a critical role at SBO to drive value. In order to remain successful in the cyclical oil and gas industry, SBO will become even more agile and efficient. Therefore, SBO will continue to **optimize manufacturing capacities across its locations and improve the resilience of its supply chain**. Efficiency improvements in operations, vertical integration through organic initiatives, as well as energy efficient manufacturing processes will ensure sustainable value creation.

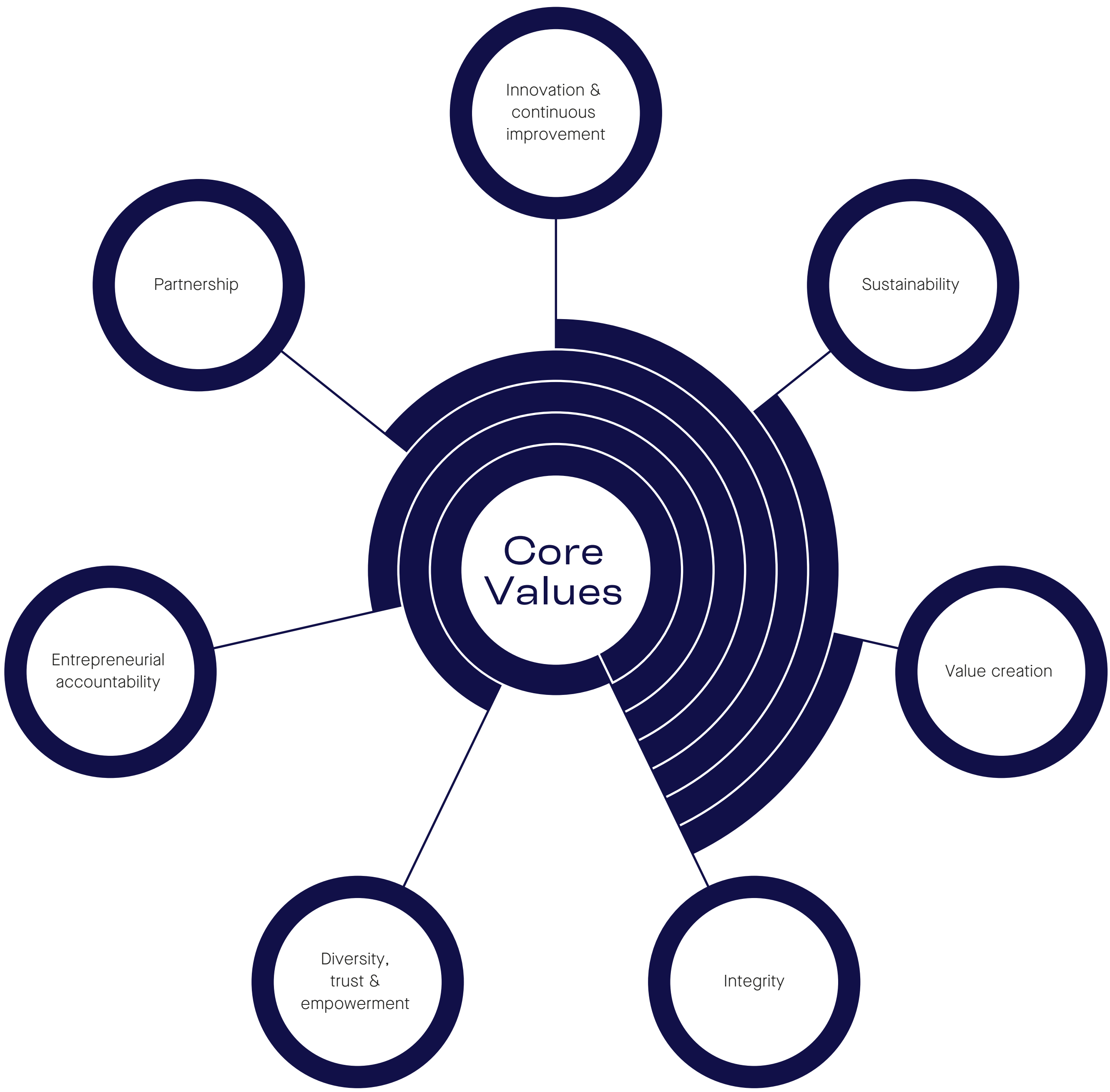
A strategy for the future

With this strategy, SBO is positioned for long-term success, by leveraging our core capabilities, pursuing strategic growth opportunities, and maintaining a constant focus on innovation and operational excellence. Our purpose, vision and mission guide us as we explore new frontiers and ensure that we continue to drive transformation and create value for all stakeholders.

Visit www.sbo.at for more information on our strategic plans.

Our Core Values

Within the SBO Group, we share fundamental principles, our Core Values, which guide our daily cooperation with each other and our interaction with our business partners, customers, suppliers and other stakeholders. These values make clear what we stand for and are further anchored in our company policies.



INTEGRITY

We are dedicated to integrity and honesty and act accordingly.

DIVERSITY, TRUST & EMPOWERMENT

We strive to be a diverse company attractive for our employees and offer them challenging opportunities in a performance-oriented organization. We promote an environment of transparency, trust and personal responsibility.

ENTREPRENEURIAL ACCOUNTABILITY

SBO provides a strong strategic and financial basis for our highly autonomous subsidiaries. Common objectives and clear communication channels are the basis for our success.

PARTNERSHIP

We strive to be a reliable and responsive long-term partner for our customers

- in day-to-day business by providing both high-quality services and feasible solutions to create added value for our customers.
- as a long-term strategic partner by further developing advanced technologies, products and services which help our customers achieve their objectives.
- by our commitment to protect the proprietary knowledge of ours and our customers.

INNOVATION & CONTINUOUS IMPROVEMENT

We encourage and reward innovative behavior from our employees. We are committed to continuous improvement and strive to be the best in the fields of our activities.

SUSTAINABILITY

We are committed to long-term growth and sustainable energy. We take responsibility for the principles of Environmental, Social & Governance (ESG). We are dedicated to operate in a safe and environmentally responsible manner.

VALUE CREATION

We strive for a sustained rise of corporate value that allows us

- to remain a long-term, reliable and innovative partner for our customers,
- to pursue new business opportunities and invest in advanced technologies,
- to offer an attractive return to our shareholders.

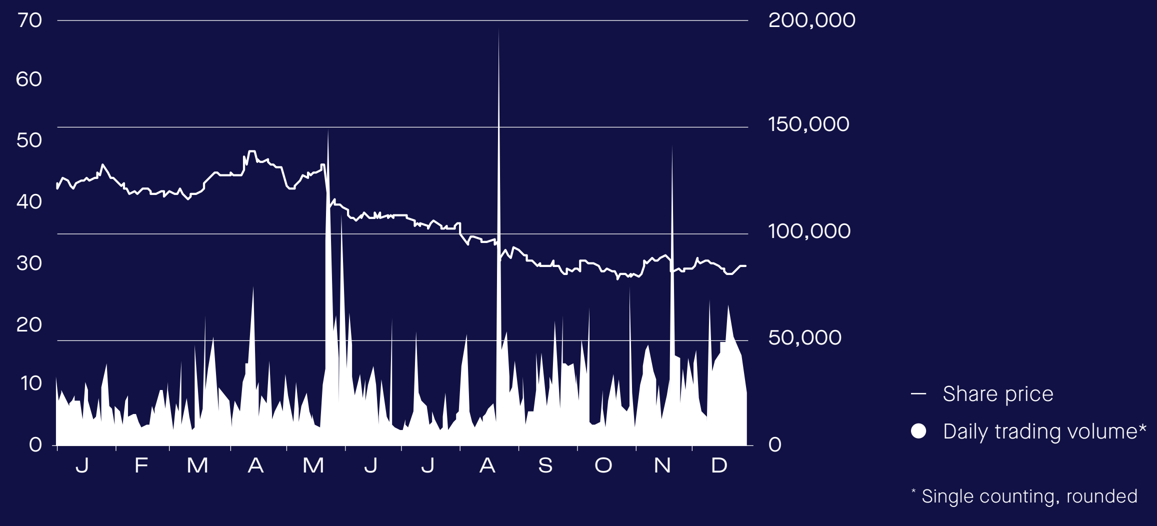
The SBO Share and Investor Relations

The SBO Share

The share of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft is listed on the "Prime Market" of the Vienna Stock Exchange with ISIN AT0000946652 and ticker symbol "SBO". At the start of the year, the share price was EUR 43.00 and closed at EUR 29.80 on 30 December. The share reached its high on 15 April at EUR 49.40. SBO's market capitalization at the end of the year was MEUR 476.8.

»Our focus is to promote transparency and trust through active engagement with the capital market. By prioritizing personal interactions we strengthen our relationships with analysts and investors worldwide.«

SBO SHARE PRICE AND TRADING VOLUME IN 2024
IN EUR | IN SHARES



The SBO share at a glance

		2024	2023	2022	2021	2020
Number of shares issued		16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
thereof treasury shares		240,535	240,535	270,535	270,535	276,535
Number of outstanding shares[1]		15,759,465	15,759,465	15,729,465	15,729,465	15,723,465
Average daily trading volume[2]		27,661	24,420	44,033	40,620	68,052
Share price at the end of the year	in EUR	29.80	44.20	58.20	30.95	31.10
Market capitalization at the end of the year	in MEUR	476.8	707.2	931.2	495.2	497.6
Earnings per share (EPS)	in EUR	2.88	4.55	4.78	1.33	-1.38
Book value per share	in EUR	30.8	28.0	26.6	21.3	17.9
Dividend per share[3]	in EUR	1.75	2.00	2.00	0.75	0.00
Payout ratio	in %	60.8	44.0	41.8	56.2	0.0
Dividend yield[4]	in %	5.9	4.5	3.4	2.4	0.0

1 As per year end
2 Single counting, rounded
3 Dividend proposed 2024
4 Dividend yield relative to the share price at the end of the year

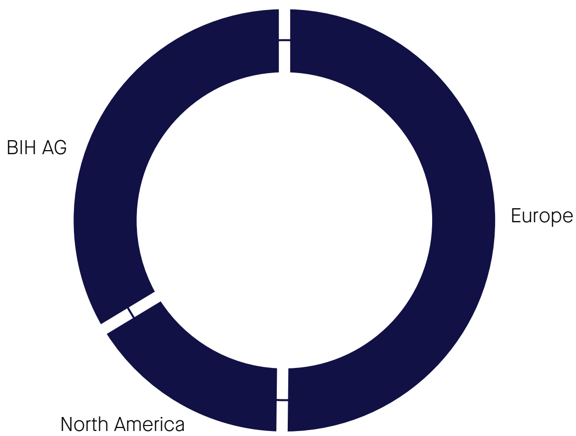
Shareholder structure

SBO's shareholder structure is international. The core shareholder, Berndorf Industrieholding AG, held 33.6 % of the shares as of 31 December 2024. The remaining 66.4 % of shares were in free float, diversified geographically with about one quarter being held by North American investors and the remaining shares by investors from the EU and the UK. Major threshold notifications were received in the course of 2024, with the following notable shareholdings per year end:

Threshold of 5 %: Erste Asset Management GmbH

Threshold of 4 %: Global Alpha Capital Management Partnership; T. Rowe Price Group, Inc.

SBO SHAREHOLDER STRUCTURE[1]



1 based on SBO Share ID as of 22 November 2024

Investor relations activities

The aim of our investor relations activities is the timely and transparent provision of relevant corporate information that allows each of our investors and the capital market in general to make an informed opinion on the SBO share and the underlying values. It is important to us to maintain a continuous, open and trusting dialog with all capital market participants, including analysts, institutional investors and private investors.

We listen to our investors. At the beginning of the year, we conducted a comprehensive perception study to gain an even better understanding of how SBO is seen by investors and analysts. The results confirmed our position as a high-quality niche player but also highlighted areas for improvement. In particular, the clarity and transparency of our strategy and transformation process was identified as an area requiring attention. This valuable feedback has been incorporated into the recalibration of our strategy, our new brand positioning and communication approaches. A new and more straightforward equity story was developed, and our efforts to modernize our presence will ensure that SBO continues to build on its core capabilities and foster stakeholder trust.

We actively engage with the capital markets. Together with the Executive Board, the company took part in numerous global investor conferences in Germany, the UK, France and Austria over the course of 2024. In the first half of the year, a roadshow was organized for investors in London. In November, SBO participated for the first time at Deutsches Eigenkapitalforum (EKF), the biggest investor conference in Germany. In addition, contact with analysts and investors was maintained in numerous one-on-one meetings and video conferences.

For the most part, these meetings focused on the changes in the market environment and SBO's business development. In addition, strategic topics regarding the company's expansion in growth regions and new markets as well as SBO's plans with regards to inorganic growth were discussed.

Operational topics, the business development and the company's financial situation were explained in detail in quarterly financial reports. In addition, SBO offered video calls following each quarterly results release in which the Executive Board answered questions from analysts and shareholders. The annual results press conference held in Vienna in March 2024 was followed by a business reception, during which SBO showcased some of its products and technological innovations. The Annual General Meeting was held in Ternitz in April 2024, followed by a site visit for interested shareholders.

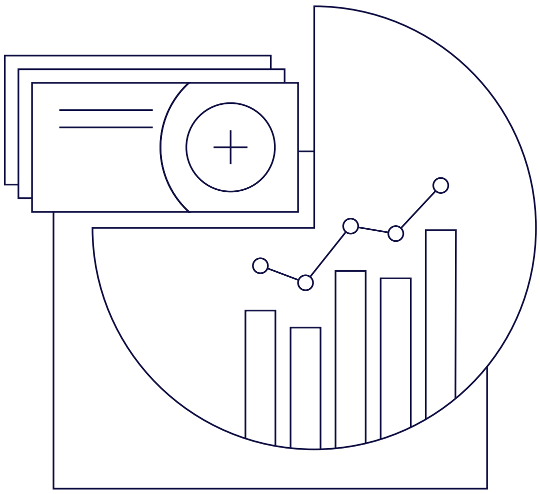
Analyst coverage 2024

Investment firm	Recommendation per 31 December 2024
Berenberg Bank	BUY
Erste Bank	BUY
Hauck Aufhäuser	BUY
Kepler Cheuvreux	HOLD
ODDO BHF	Outperform
Raiffeisen Bank International	BUY
Wiener Privatbank	BUY

Dividend

SBO's dividend policy targets a 30-60 % payout ratio of net earnings, as a key priority in our aim for a balanced capital allocation.

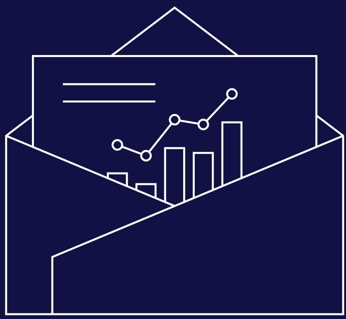
For the financial year 2024, the Executive Board and the Supervisory Board of the SBO Group will propose a dividend of EUR 1.75 per share at the Annual General Meeting 2025. This corresponds to a dividend yield of 5.9 % and a payout ratio of 61 %.



Financial calendar 2025

20 March	Annual Results 2024
14 April	Record date Annual General Meeting
24 April	Annual General Meeting (10 am CET)
08 May	Ex-dividend date
09 May	Dividend record date
15 May	Dividend payment date
22 May	Q1 results 2025
21 August	Half-year results 2025
20 November	Q3 results 2025

News Service



For investors and all SBO stakeholders we offer a News Service, which keeps you in the know about SBO's latest news and updates. Sign-up for our News Service at www.sbo.at and receive regular email news alerts.

Follow us also on LinkedIn for event updates or interesting business insights. Let's stay in touch!

Contact

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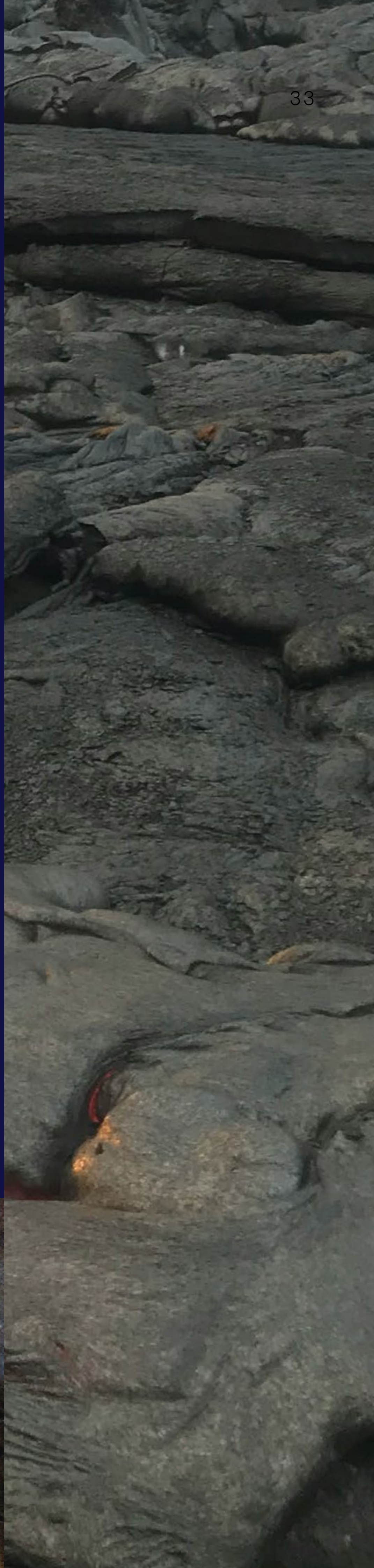
Corporate Governance



Corporate Governance Report

SBO has committed itself to comply with the Austrian Corporate Governance Code since 2005 and has consistently implemented its rules. The Austrian Corporate Governance Code is a set of rules meeting international standards for responsible management and governance of companies. By observing the Austrian Corporate Governance Code, SBO makes a contribution to strengthen trust in Austrian companies and the Austrian capital market. The Austrian Corporate Governance Code applicable to this report, is accessible on the website of the Austrian Working Group for Corporate Governance at www.corporate-governance.at

»Since 2005 we have been committed to the Austrian Corporate Governance Code and consistently implemented its rules. This is how we contribute to strengthening trust in Austrian companies and the Austrian capital market.«

SBO complies with the Austrian Corporate Governance Code. The rules of the Code are subdivided into three categories:

First: L-Rules (Legal Requirements): They describe mandatory legal requirements that must be complied with by law.

Second: C-Rules (Comply or Explain): This category contains customary international provisions; non-compliance must be explained.

Third: R-Rules (Recommendation): These rules are recommendations only, non-compliance requires neither disclosure nor explanation.

SBO complies fully with the mandatory legal requirements (L-Rules) and complies with the C-rules (Comply). The disclosure requirement pursuant to L-Rules 29a and 50 with regard to the remuneration of members of the Executive Board and Supervisory Board is complied with in the remuneration report.

Regarding the financial year 2024, SBO had to prepare both a consolidated and a non-consolidated Corporate Governance Report. Pursuant to Section 267b in conjunction with Section 251(3) UGB (Austrian Commercial Code), these reports may be merged into one report. Therefore, this report contains the data required pursuant to Section 243c UGB as regards both the parent company (SBO) and the subsidiaries of SBO included in consolidation. The diversity concept according to Section 243c(2)(3) UGB is set out in subchapter “Diversity Concept”.

The Executive Board

The rules of procedure for the Executive Board govern the composition and working method of the Executive Board, cooperation between the Executive Board and the Supervisory Board, the procedure in the event of conflicts of interest, information and reporting duties of the Executive Board and the approval requirements of the Supervisory Board which also extend to material business transactions of the major subsidiaries.

The Executive Board consists of two members whose allocation of responsibilities is regulated as described below. Fundamental decisions are the responsibility of the full Executive Board. These include, in particular, the specification of the company's objectives and definition of the corporate strategy. When developing and implementing the corporate strategy, the Executive Board takes aspects of sustainability, and associated opportunities and risks relating to the environment, social issues and corporate governance into account.

The Executive Board meets regularly to provide each other with information and adopt resolutions. The members of the Executive Board are obliged to keep each other informed of all important events and business transactions.

Members of the Executive Board

In the financial year 2024, the Executive Board was composed of the following members:

	Year of birth	Date of first appointment	End of current term of office
Klaus Mader Chief Executive Officer (CEO)	1970	1 October 2015	30 September 2028
Campbell MacPherson Chief Operating Officer (COO)	1974	1 January 2024	31 December 2026

Allocation of responsibilities

Allocation of responsibilities and cooperation of the members of the Executive Board are governed by the rules of procedure for the Executive Board. The Executive Board has not set up any committees. The areas of responsibility allocated to the members of the Executive Board have been stipulated as follows, notwithstanding the collective responsibility of the Executive Board:

Klaus Mader (CEO): Strategy, Public Relations / Investor Relations, ESG & Sustainability, Compliance, Finance and Accounting, Human Resources, Legal Matters and Digitalization

Campbell MacPherson (COO): Production, Supply Chain Management, Sales and Marketing, Product and Market Strategy, R&D and Innovation Management

As representatives of the SBO parent company, the members of the Executive Board ordinarily take a supervisory function at the subsidiaries included in consolidation (see consolidated financial statements), similar to that of a supervisory board function in Austrian stock corporations, but no management or executive function.

The Supervisory Board

Members of the Supervisory Board

In the 2024, the Supervisory Board was composed of five members elected by the Annual General Meeting:

Norbert Zimmermann | Chairman
Date of first appointment: 10 April 1995
End of current term of office: 2027

Brigitte Ederer | Deputy Chairwoman
Date of first appointment: 23 April 2014
End of current term of office: 2025

Simon Eyers
Date of first appointment: 25 April 2024
End of current term of office: 2028

Wolfram Littich
Date of first appointment: 27 April 2016
End of current term of office: 2026

Sonja Zimmermann
Date of first appointment: 24 April 2018
End of current term of office: 2028

According to the articles of association of SBO, each year one member of the Supervisory Board resigns from the Supervisory Board at the end of the Annual General Meeting, safeguarding effective control by the shareholders. The resigning member can be re-elected immediately. Other seats in supervisory boards or comparable functions in Austrian or foreign listed companies are disclosed as follows:

	Company	Function
Norbert Zimmermann	–	–
Brigitte Ederer	Marinomed Biotech AG	Deputy Chairwoman of the Supervisory Board
	ams-OSRAM AG	Member of the Supervisory Board
	ÖBB Holding AG	Chairwoman of the Supervisory Board
Simon Eyers	Technip Energies	Non-Executive Director
	Next Energy Capital	Advisory Board Member
Helmut Langanger[1]	–	–
Wolfram Littich	–	–
Sonja Zimmermann	Bank für Tirol und Vorarlberg Aktiengesellschaft	Deputy Chairwoman of the Supervisory Board

1 Helmut Langanger has retired from the Supervisory Board upon conclusion of the Annual General Meeting 2024.

No member of the Supervisory Board holds a management or supervisory function in one of the consolidated subsidiaries of SBO.

Working method of the Supervisory Board

In exercising its functions, in particular monitoring and strategic support of the Executive Board, the Supervisory Board discusses the situation and targets of the Company and adopts resolutions.

The rules of procedure for the Supervisory Board govern in detail the composition, working method and tasks of the Supervisory Board, the procedure in situations of conflicts of interest, and all committees (Audit Committee, Nomination and Remuneration Committee, Sustainability Committee) and their responsibilities.

The Supervisory Board held five meetings in the period under review. Moreover, the Executive Board submitted several oral and written reports to the Supervisory Board to inform them about the development of business and the situation of the Company and the Group companies. The main focus of discussion was on the strategic direction and development of the Group as well as on major business transactions. As part of the Group strategy, the changing energy market and the associated opportunities and risks for the existing business model and the future realignment of the company were also discussed, as well as the Group's ESG strategy and its implementation and monitoring.

The members of the Supervisory Board attended all meetings of the Supervisory Board in the period under review, with only one member being excused for one meeting. Therefore, all members of the Supervisory Board attended more than 75 % of the meetings of the Supervisory Board.

Committees

The Supervisory Board appoints the members of the Audit Committee and the Nomination and Remuneration Committee from among its members. The duties of the Sustainability Committee are performed by the Supervisory Board as a whole. The committees are elected for the terms of office of their members. Each committee elects a chairwoman or chairman from among its members.

SUSTAINABILITY COMMITTEE

The Sustainability Committee deals with Environmental, Social and Governance (ESG) matters in reviewing and monitoring the ESG strategy as well as ESG-related standards, processes and performance, particularly in connection with the implementation of the Corporate Sustainability Reporting Directive (CSRD) as well as the European Union's climate targets.

AUDIT COMMITTEE

The Audit Committee is responsible for reviewing and preparing the adoption of the annual financial statements, the proposal for the distribution of profits and the management report. The Audit Committee reviews the consolidated financial statements. In particular, it is also responsible for monitoring the accounting process, the effectiveness of the internal control and risk management system, the independence and activities of the auditor (group auditor) and for approving non-audit services. It conducts the procedure for selecting the auditor (group auditor), taking into account the appropriateness of the fee, and makes a recommendation for the auditor's appointment to the Supervisory Board.

Members:

Wolfram Littich (Chairman)
Norbert Zimmermann
Sonja Zimmermann
Brigitte Ederer (as of November 2024)

In its meeting in November 2024, Brigitte Ederer was appointed as an additional member of the Audit Committee in her role as ESG expert. She demonstrated her extensive ESG-expertise and experience and combined with her long-standing knowledge of the Group's operational and organizational processes Brigitte Ederer is a valuable addition to the Audit Committee. In her role, Mrs Ederer contributes to the ESG-related duties of the Audit Committee and ensures that the requirements for sustainability related audits and reporting are being met.

Chairman Wolfram Littich also serves as the financial expert for the Audit Committee.

The Audit Committee held two meetings in the year 2024, in which topics relating to the annual financial statements and consolidated financial statements were discussed with SBO's group auditor. Further, the Audit Committee dealt with topics related to the internal control system, internal audit, risk management and the implementation of the CSRD for the SBO Group.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee deals with matters relating to the remuneration of the members of the Executive Board and of the Supervisory Board and the terms and conditions of the employment contracts concluded with members of the Executive Board. Furthermore, it submits proposals to the Supervisory Board to fill vacant positions in the Executive Board and deals with questions of succession planning. Unless allocated mandatorily to the responsibilities of the full Supervisory Board, the Nomination and Remuneration Committee is responsible for the following matters:

a. negotiation, conclusion, amendment and termination of employment contracts with the members of the Executive Board, but not the appointment and dismissal of Executive Board members under corporate law;

b. establishment of the principles for the remuneration of members of the Executive Board (remuneration policy) as well as determination of the specific remuneration components to be granted, including the underlying targets;

c. preparation of the remuneration report on the remuneration of the members of the Executive Board;

d. approval of the granting of a loan to a member of the Executive Board by the company;

e. granting of an exemption from the non-competition clause;

f. establishment of the principles for the remuneration of the members of the Supervisory Board (remuneration policy);

g. preparation of the remuneration report on the remuneration of the members of the Supervisory Board.

Members:

Norbert Zimmermann (Chairman)
Brigitte Ederer
Sonja Zimmermann

In April 2024, Brigitte Ederer was appointed as a member of the Nomination and Remuneration Committee. In the year under review the committee held one meeting.

Independence

Regarding independence criteria in accordance with C-Rule 53, the Supervisory Board follows the guidelines contained in Annex 1 of the Austrian Corporate Governance Code.

According to the criteria to be used for determining independence pursuant to C-Rule 53 under Annex 1 to the Austrian Code of Corporate Governance, all members of the Supervisory Board as per 31 December 2024 are deemed to be independent of the company and its Executive Board. Therefore, the Supervisory Board is an independent body.

Brigitte Ederer, Wolfram Littich and Simon Eyers represent the interests of minor shareholders in the Supervisory Board within the meaning of C-Rule 54 in conjunction with the criteria of independence defined by the Supervisory Board.

In the past year, no agreements requiring approval were in effect with members of the Supervisory Board or companies in which a member of the Supervisory Board held a considerable economic interest.

Measures to promote women

In the financial year 2024, the share of men, women and diverse on the Executive Board and Supervisory Board was as follows:

EXECUTIVE BOARD AND SUPERVISORY BOARD

	2024						2023					
	Gender						Gender					
	Women		Men		Diverse		Women		Men		Diverse	
	Absolut	%	Absolut	%	Absolut	%	Absolut	%	Absolut	%	Absolut	%
Supervisory Board	2	40 %	3	60 %	0	0 %	2	40 %	3	60 %	0	0 %
Executive Board	0	0 %	2	100 %	0	0 %	0	0 %	2	100 %	0	0 %

Total number each as of 31 December

Since 2018, the Act on the Equal Status of Women and Men in the Supervisory Board (GFMA-G) has stipulated a mandatory gender quota of at least 30 % for new Supervisory Board members, rounded to full numbers of persons, provided that the Supervisory Board consists of at least six members (shareholder representatives) and at least 20 % of the workforce are male and female employees. With Brigitte Ederer and Sonja Zimmermann on the Supervisory Board, the quota has been achieved (40 %).

SBO has a very lean corporate structure with equally lean hierarchies. Accordingly, we do not use the term “senior executives” and refrain from reporting in this regard. It would be distorting to mention only the Managing Directors of the subsidiaries.

Diversity Concept

The dynamic nature of the energy industry is a constant challenge to the Executive Board and Supervisory Board and of the subsidiaries included in consolidation. The cyclical nature of this industry and subsequent changes in the demand of our products require vast managerial expertise and understanding of the market dynamics in this sector. Additionally, the international positioning of the company calls for a cautious approach to the cultural situation in the various markets.

Regarding the composition of its Executive Board and Supervisory Board, the company does not apply a diversity concept within the meaning of Section 243c (2) (3) Austrian Commercial Code (UGB), as the sustained implementation of such a concept would lead to significant restrictions for a company operating in the energy service industry. Instead, the two qualitative criteria of "key competence" and "experience" have been defined as material for filling positions in management and supervisory bodies. All individuals in the Supervisory Board are renowned experts in their respective fields, sharing their expertise in the meetings of the Supervisory Board. It spans from pertinent experience in the industry, cross-sectoral supervisory and/ or managerial experience to qualifications in specific subject matters. There is a special focus on diversity in the workforce. The aim is to achieve a female quota of 25 % among the company's executives.

Regarding the appointment of executives, professional and corporate culture aspects play a key role. All Managing Directors at SBO's subsidiaries have many years of experience in the industry.

NEW HIRES BASED ON GENDER AND AGE[1] **2024**

	Age						Total	
	< 30		30 – 50		> 50			
	absolute	%	absolute	%	absolute	%	absolute	%
Men	144	34%	240	56%	43	10%	427	85%
Women	18	24%	45	61%	11	15%	74	15%
Diverse	0	0%	0	0%	0	0%	0	0%
Total	162	32%	285	57%	54	11%	501	

[1] New hires including permanent hires and personnel taken on from other SBO companies.

NEW HIRES BASED ON GENDER AND AGE[1] **2023**

	Age						Total	
	< 30		30 – 50		> 50			
	absolute	%	absolute	%	absolute	%	absolute	%
Men	171	36%	252	53%	56	12%	479	88%
Women	14	21%	43	65%	9	14%	66	12%
Diverse	0	0%	0	0%	0	0%	0	0%
Total	185	34%	295	54%	65	12%	545	

[1] New hires including permanent hires and personnel taken on from other SBO companies.

In the financial year 2024, the diversity concept was reflected across the entire SBO Group as follows: when hiring new employees, attention was paid to maintaining a diversified and high-performing team. The share of newly recruited employees aged between 30 to 50 years was the highest at 57%, followed by 32% of those under 30. The share of new employees over the age of 50 was 11 %.

TOTAL NUMBER OF EMPLOYEES BY GENDER AND AGE 2024

	Age						Total	
	< 30		30 – 50		> 50			
	absolute	%	absolute	%	absolute	%	absolute	%
Men	211	15%	819	60%	340	25%	1,370	86%
Women	28	12%	140	62%	58	26%	226	14%
Diverse	0	0%	0	0%	0	0%	0	0%
Total	239	15%	959	60%	398	25%	1,596	

Total number each as of 31 December.

TOTAL NUMBER OF EMPLOYEES BY GENDER AND AGE 2023

	Age						Total	
	< 30		30 – 50		> 50			
	absolute	%	absolute	%	absolute	%	absolute	%
Men	231	17%	823	59%	336	24%	1,390	87%
Women	36	17%	122	58%	53	25%	211	13%
Diverse	0	0%	0	0%	0	0%	0	0%
Total	267	17%	945	59%	389	24%	1,601	

Total number each as of 31 December.

The low attractiveness of the industry to women is clearly reflected in the corresponding low share of female employees. Women accounted for 31 % of white-collar employees and 7% of blue-collar employees. Amongst apprentices, women accounted for 12%. In yearly comparison, the quota of women was relatively stable, with a slight increase amongst white collar employees.

TOTAL NUMBER OF EMPLOYEES BY GENDER AND TYPE OF EMPLOYMENT								2024
	Type of Employment							
	White Collar		Blue Collar		Apprentices		Total	
	absolute	%	absolute	%	absolute	%	absolute	%
Men	332	69%	1,016	93%	22	88%	1,370	86%
Women	147	31%	76	7%	3	12%	226	14%
Diverse	0	0%	0	0%	0	0%	0	0%
Total	479	30%	1,092	68%	25	2%	1,596	

Total number each as of 31 December.

TOTAL NUMBER OF EMPLOYEES BY GENDER AND TYPE OF EMPLOYMENT								2023
	Type of Employment							
	White Collar		Blue Collar		Apprentices		Total	
	absolute	%	absolute	%	absolute	%	absolute	%
Men	330	72%	1,037	93%	23	88%	1,390	87%
Women	128	28%	80	7%	3	12%	211	13%
Diverse	0	0%	0	0%	0	0%	0	0%
Total	458	29%	1,117	70%	26	2%	1,601	

Total number each as of 31 December.

REPORT ABOUT THE EXTERNAL EVALUATION

C-Rule 62 Austrian Corporate Governance Code (ACGC) provides for a voluntary external evaluation of compliance with the C-Rules of the Code at least every three years. SBO commissioned DORDA Rechtsanwälte GmbH with the evaluation for the 2022 financial year, excluding evaluation of C-Rules 77 to 83 ACGC. The evaluation showed that SBO complied with the C-Rules of the ACGC in accordance with the declaration of compliance issued by SBO.

Report of the Supervisory Board on the Financial Year 2024

Activities of the Supervisory Board

In 2024, the Supervisory Board performed its duties as required by law and the Articles of Association. The Board was regularly informed about the business development and the situation of the Group and the Group companies at five Supervisory Board meetings and by means of oral and written reports by the Executive Board. In addition, the Supervisory Board was kept informed about the company's ESG strategy as well as the implementation of the Corporate Sustainability Reporting Directive (CSRD).

The communication between the Supervisory Board and the Executive Board focused on the strategic recalibration and further development of the SBO Group, particularly also with regards to the new corporate identity and the change of the company name. The Supervisory Board actively discussed the financial and non-financial impact of organic and inorganic growth opportunities.

Update on the composition of the Executive Board and Supervisory Board

Effective 1 January 2024, Klaus Mader was appointed Chief Executive Officer (CEO) and Campbell MacPherson Chief Operating Officer (COO) of the Company. The Supervisory Board is pleased to report that the leadership transition was executed seamlessly, underscoring our commitment to robust succession planning and operational continuity.

The 2024 Annual General Meeting was held in Ternitz at which Brigitte Ederer was confirmed for a further one-year term of office and subsequently elected Deputy Chairwoman of the Supervisory Board and member of the Nomination and Remuneration Committee. Simon Eyers was elected for a four-year term as a member of the Supervisory Board. In November, Brigitte Ederer was appointed as an additional member of the Audit Committee in her role as ESG expert.

Activities of Committees

As in previous years, the Supervisory Board of SBO had an Audit Committee and a Nomination and Remuneration Committee in place in 2024. In addition, SBO has a Sustainability Committee in place, the duties of which are fulfilled by the entire Supervisory Board.

At one meeting in 2024, the Nomination and Remuneration Committee dealt with matters of remuneration, primarily with the report on the remuneration of the members of the Supervisory Board and the Executive Board pursuant to Section 78c in conjunction with Section 98a of the Austrian Stock Corporation Act (AktG) (remuneration report). The Remuneration Report was adopted by the 2024 Annual General Meeting.

The Audit Committee held two meetings in the financial year 2024 to discuss the Company's financial reporting (consolidated financial statements and annual financial statements) and performed the tasks incumbent on it pursuant to Section 92 (4a) of the Austrian Stock Corporation Act (AktG).

In November 2024, the Audit Committee held a meeting with representatives of KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft to discuss the planning of the audit of the 2024 annual and consolidated financial statements. The Supervisory Board was kept informed of the results of the meetings of the Audit Committee on an ongoing basis.

Annual Financial and Consolidated Financial Statements

The annual financial statements as of 31 December 2024 and the management report were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft.

The audit revealed that the annual financial statements comply with the legal requirements, give a true and fair view of the Company's assets and financial position as of 31 December 2024 and of the earnings situation of the Company for the financial year from 1 January 2024 to 31 December 2024. The management report has been prepared according to the applicable legal requirements, contains accurate information pursuant to Section 243a Austrian Commercial Code (UGB) and is consistent with the annual financial statements. The Corporate Governance Report required pursuant to Section 243c Austrian Commercial Code (UGB) has been prepared in accordance with the provisions of Section 251 (3) Austrian Commercial Code (UGB).

The consolidated financial statements as of 31 December 2024, which have been prepared in accordance with the International Financial Reporting Standards (IFRS) to be applied in the EU, and the consolidated management report were also audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft.

The audit revealed that the consolidated financial statements comply with the legal requirements, give a true and fair view of the Group's assets and financial position as of 31 December 2024 and of the earnings situation and the cash flows of the Group for the financial year 2024. The consolidated management report has been prepared according to the applicable legal requirements, contains accurate information pursuant to Section 267 (3a) Austrian Commercial Code (UGB) and is consistent with the consolidated financial statements. The consolidated non-financial statement required pursuant to Section 267a Austrian Commercial Code (UGB) and the consolidated Corporate Governance Report required pursuant to Section 267b Austrian Commercial Code (UGB) have been prepared.

As the audits did not give rise to any objections, the auditors issued unqualified audit opinions both for the annual financial statements 2024 and the consolidated financial statements 2024.

Sustainability Reporting

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft performed a voluntary limited assurance review of the consolidated sustainability report in accordance with Section 267a of the Austrian Commercial Code (UGB) as amended by the Corporate Sustainability Reporting Directive (CSRD).

Approval and appropriation of net profit

At its meeting of 19 March 2025 and after discussion and review by the Audit Committee, the Supervisory Board reviewed the submitted annual financial statements as of 31 December 2024 and the management report as well as the consolidated financial statements as of 31 December 2024 and the consolidated management report including the consolidated non-financial statement and the consolidated Corporate Governance Report. The final results of these reviews did not give rise to any objections.

Therefore, the Supervisory Board approved the annual financial statements as of 31 December 2024, which have thus been adopted pursuant to Section 96 (4) Austrian Stock Corporation Act (AktG). In addition, the Supervisory Board consented at that meeting to the proposal submitted by the Executive Board regarding appropriation of the net profit reported in the annual financial statements of the Company as of 31 December 2024.

Appreciation to the Executive Board, employees and all stakeholders

On behalf of the entire Supervisory Board I would like to thank the Executive Board and all employees of the SBO Group for their strong commitment and contribution to the achievements in the financial year 2024. I am equally grateful to all of SBO's shareholders as well as to all customers and partners for their continued trust.

Ternitz, 19 March 2025

For the Supervisory Board

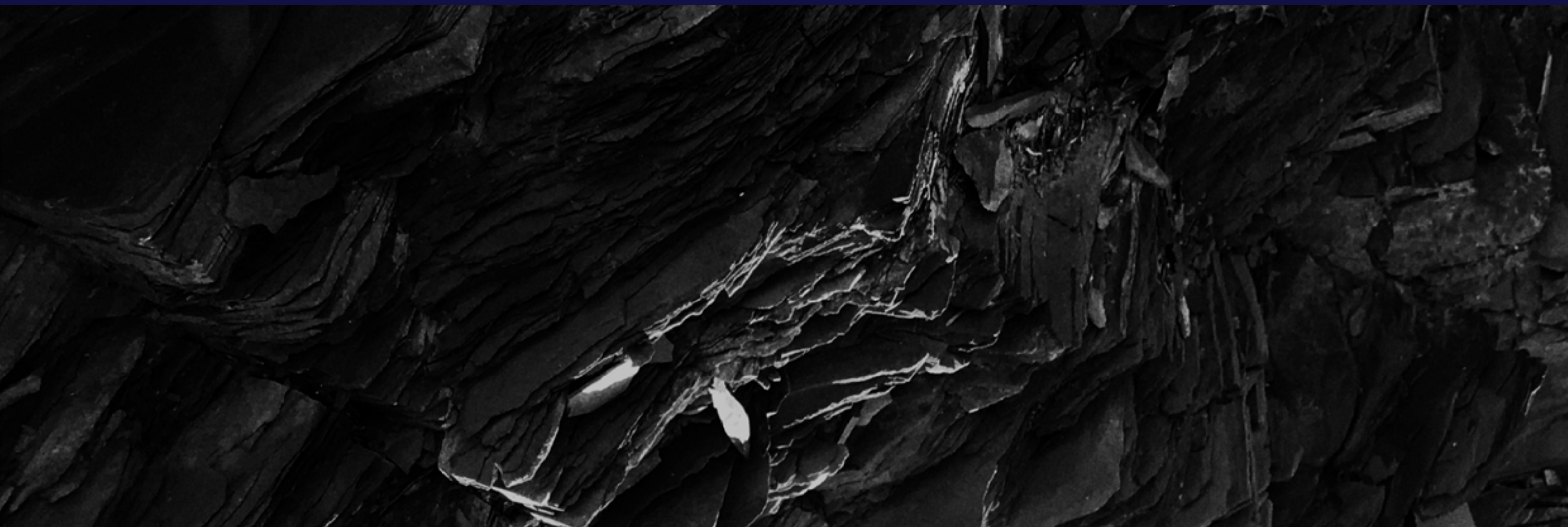
Norbert Zimmermann

Chairman

NORBERT ZIMMERMANN | CHAIRMAN OF THE SUPERVISORY BOARD

Management Report

The consolidated management report relates to the IFRS consolidated financial statements according to Section 245a Austrian Commercial Code (UGB)



Financial Highlights

Development of the Market Environment

In 2024, the global economy experienced a **GDP growth** of around 3.2 %, in line with the previous year (2023: 3.3 %). Advanced economies recorded growth of 1.7 % in 2024, while emerging and developing economies grew by 4.2 %. This is slightly below the 4.4 % recorded in 2023, as lower growth in China and India was only partially offset by higher growth in other regions, especially the Middle East and Central Asia.[1]

Economic developments in 2024 were marked by inflation reduction in most major economies, which allowed central banks to lower interest rates, thereby easing geopolitical uncertainties. Increasing trade conflicts and geopolitical tensions, especially the conflicts in the Middle East and Russia's ongoing war of aggression in Ukraine, underscored the importance of energy security. At the same time, the global energy sector witnessed significant growth of renewable energy applications.[2]

Demand for oil and gas remained high, but E&P spending has moderated in the course of 2024

In 2024, the global oil and gas markets navigated a complex landscape shaped by a slowdown of oil demand growth in China, OPEC+ production cuts and geopolitical tensions. The oilfield service industry in the US has seen a slower than anticipated activity level in 2024, impacted by a consolidation of market players as well as ongoing spending discipline. Internationally, the industry has seen broad-based growth, however, E&P spending moderated in the second half of the year.

Global **oil demand** increased to 102.9 mb/d in 2024 (2023: 102.0 mb/d), largely driven by the growth in Asian markets outside China. **Oil supply** was at an equally high level of 102.9 mb/d (2023: 102.3 mb/d) with voluntary production cuts by OPEC+ (mostly Saudi Arabia) throughout the year.[3]

Global **E&P spending** of USD 499 billion in 2024 reflected 2.6 % year-over-year growth. After activity declines in the first half of the year, the US market remained subdued throughout 2024, with E&P spending declining 1.6 % for the full year. While international spending continued to grow (+3.9 %) especially in offshore and long-term projects, the oil price fluctuations in the second half of the year led to a noticeable moderation in spending behavior.[4]

Oil prices were highly volatile in 2024. Early in the year, **oil prices** increased steadily, driven by strong demand and concerns about potential supply disruptions due to conflicts in the Middle East. European Brent crude oil started the year at USD 77.39 per barrel and reached a high of USD 92.18 per barrel in April. West Texas Intermediate (WTI) followed closely, starting the year at around USD 71.67 per barrel and peaking at USD 86.97 per barrel in April. During the summer months, the market experienced high fluctuations in oil prices as slowing Chinese demand increased concerns of oversupply in the market. In August and early September, ICE Brent futures declined by approximately USD 10 per barrel, reflecting these concerns. Toward the end of the year, prices stabilized, with Brent crude oil closing the year at USD 74.64 per barrel and WTI at USD 71.25.[5]

[1] International Monetary Fund (IMF), World Economic Outlook Update, January 2025
[2] International Energy Agency (IEA), World Energy Outlook 2024
[3] International Energy Agency (IEA), Oil Market Report, February 2025
[4] Evercore ISI, January 2025
[5] Bloomberg, CO1 Brent Crude and CL1 WTI Crude

Gas markets, after gradually rebalancing in 2023, returned to more pronounced growth of 2.8 % in 2024, reaching a new all-time high of 4,200 bcm of global demand. This increase was mostly driven by the Asia-Pacific region, which accounted for almost 45 % of the additional growth. At the same time, the supply side remained fundamentally tight due to below-average LNG supply growth and continuous LNG shipping constraints along the Red Sea and the Panama Canal.[1] The Henry Hub **gas price** started the year at USD 2.57/ MMBtu (million British thermal units) and reached USD 3.63/ MMBtu on the last trading day of the year, reflecting a significant increase of 41 %.[2]

The global **number of active oil and gas rigs (rig count)** declined by an average of 4.4 % for the year to 1,660 rigs at the end of December (December 2023: 1,739 rigs). The international rig count for the year was overall in line with 2023, but after four months of mid-single digit growth in early 2024, the trend reversed in May and the second half of the year saw a decline. The US rig count fell to 589 rigs in December (December 2023: 623 rigs), with an almost 20 % reduction in rigs in the first six months of the year compared to 2023. The rig count in Canada rose on average by 5.9 % thoughout 2024 while the year end level remained flat at 162 (December 2023: 161).[3]

Growth momentum in energy transition and advanced additive manufacturing technologies continues

Investments in **geothermal energy** are on the rise as countries seek sustainable alternatives to fossil fuels and enhance their energy security. Geothermal energy will serve as a baseload source in the energy mix of the future. It is being used for both electricity and heat generation. The development of enhanced geothermal systems allows access to deeper and hotter resources previously unreachable by traditional geothermal drilling methods. This has driven market growth in recent years and especially in 2024, leading to an overall market growth from USD 66 billion in 2023 to USD 70 billion in 2024 (+6.1 %).[4]

3D metal printing, a foundational technology in additive manufacturing, has seen adoption across industries with its versatility, design flexibility, and capability to produce intricate and complex structures. The additive manufacturing technology has gained acceptance in applications operating in challenging environments like in the energy, space and aerospace industries. The metal additive manufacturing services market expanded to USD 1.1 billion in 2024, reflecting a 16.7 % year-over-year growth. North America represented the largest region in the metal additive manufacturing market, while Asia Pacific exhibited the highest growth rate.[5]

[1] International Energy Agency (IEA), Global Gas Market Report Q1-2025
[2] Bloomberg, NG1 Natural Gas
[3] Baker Hughes Rig Count
[4] Fortune Business Insights, February 2025
[5] VoxelMatters 2024

Precision that transforms industries.

Business Development and Financial Review: Results and Analysis

In 2024, SBO delivered a good financial performance in a challenging market environment. Sales remained high, driven by accelerated growth in our strategic markets. Despite unfavorable market conditions in the US, solid results were achieved. High cash generation and a further reduced net debt position underscore the company's financial strength.

Key highlights

in MEUR	**2024**	**2023**
Sales	560.4	585.9
EBITDA	101.9	131.3
EBITDA margin (%)	18.2	22.4
EBIT	70.1	102.3
EBIT margin (%)	12.5	17.5
Free Cashflow	66.8	33.1
Cash and cash equivalents	314.7	162.4
Net Debt	56.0	92.3
Gearing ratio (%)	11.4	20.6
Equity ratio (%)	50.0	53.6
Employees (31 December)	1,596	1,601

- **Sales** remained at a high level of MEUR 560.4, as lower sales in the AMS division were largely compensated by the successful expansion of the OE business in the Middle East and Latin America.
- Due to the difficult market environment and one-off expenses in the first half of the year, **EBITDA and EBIT** declined compared to the previous year but remained at solid margin levels of 18.2 % and 12.5 % respectively.
- **Free cash flow** doubled year-on-year due to a significant reduction in working capital and reached MEUR 66.8.
- **Cash** significantly increased to MEUR 314.7 thanks to the strong cash generation as well as additional long-term funds raised.
- **Net debt** was substantially reduced from MEUR 92.3 at the beginning of the year to MEUR 56.0 at year-end, resulting in an improved **gearing ratio** of 11.4 %.
- The **equity ratio** remained excellent at 50.0 %.
- **Headcount** was relatively stable compared to last year, with 1,596 employees at year end.

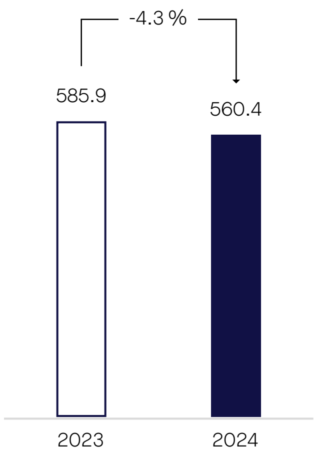
Sales development

Group sales remained at a high level, but with different developments across businesses and markets

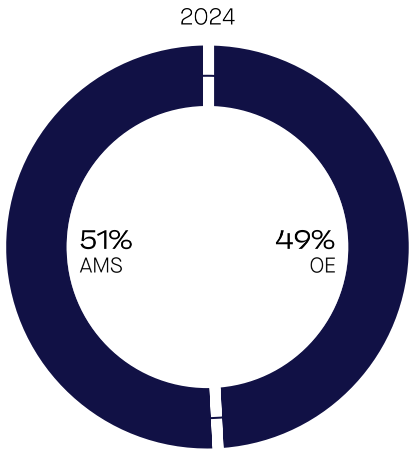
SBO achieved **sales** of MEUR 560.4, reflecting a moderate decline of 4.3 % compared to the previous year (2023: MEUR 585.9). The sales decrease was mainly due to the softening demand in the AMS division in the second half of the year, which was partially offset by increased sales in the OE division.

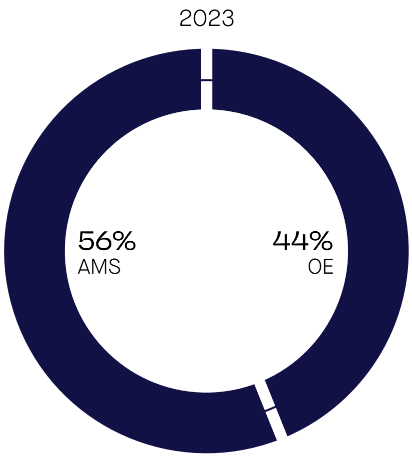
The relative share of sales between the divisions was 51 % for the AMS division and 49 % for OE, compared to a 56 % : 44 % split between AMS and OE in the previous year.

GROUP SALES
in MEUR



SALES BY BUSINESS SEGMENT
IN MEUR





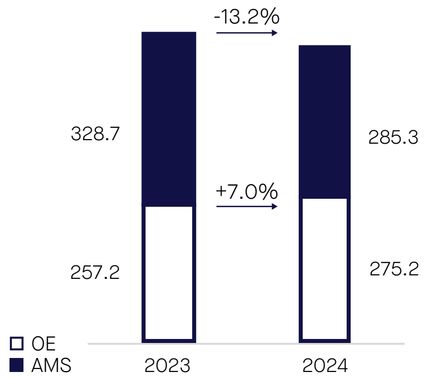
The share of sales denominated in US dollars remained high at 84 % (2023: 81 %), while the proportion of US dollar expenses stood at 56 % (2023: 55 %).

In 2024, the average exchange rate of EUR 1 = USD 1.0821 had a minor translation impact on sales. Adjusted for translation effects (MEUR -2.5), sales in 2024 declined by 3.9 %.

After two years of extraordinary growth (2023: 32.2 %, 2022: 75.8 %), the AMS division generated sales of MEUR 285.3 (2023: MEUR 328.7), a reduction of 13.2 %, impacted by the industry's cautious investment behavior. The OE division benefitted from the accelerated expansion in growth regions and reached a sales increase of 7.0 % to MEUR 275.2 (2023: MEUR 257.2) despite a weak US market.

SBO's **bookings** reached MEUR 483.7 (2023: MEUR 543.7). The **order backlog** amounted to MEUR 141.8 at the end of the year (2023: MEUR 225.4).

SALES BY BUSINESS SEGMENTS
in MEUR

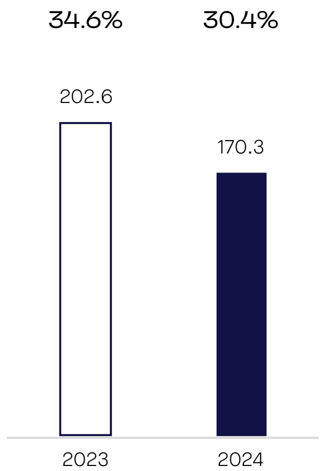


Earnings performance

SBO delivered solid results in 2024 despite market headwinds

The Group's **gross profit** of MEUR 170.3 declined compared to the previous year (2023: MEUR 202.6), resulting in a gross margin of 30.4 % (2023: 34.6 %). The development of the Group's gross profit was mainly influenced by lower sales and capacity utilization in the AMS division, the challenging US market dynamics and one-off expenses for operational and organizational measures in the OE division. Major components of cost of sales (MEUR 390.1) are cost of materials, personnel expenses and depreciation of fixed assets.

GROSS PROFIT
in MEUR | as a % of sales



Selling, general and administrative (SG&A) expenses increased slightly year-over-year to MEUR 88.3 or 15.8 % of sales (2023: MEUR 86.0 or 14.7 %) due to the full-year consolidation of Praxis Completion Technology in 2024 (acquired in October 2023). SG&A expenses consist primarily of personnel expenses, legal, audit and consulting fees, travel expenses as well as communication and insurance expenses.

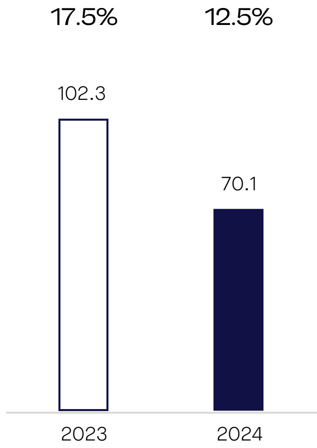
Other operating expenses of MEUR 25.5 primarily included research and development costs of MEUR 10.5 in 2024 (2023: MEUR 8.2). These mainly related to expenses for the new and further development of drilling motors, rotary steerable tools and well completion solutions in the OE division, also fuelled by new product developments for geothermal applications. In addition, other operating expenses included foreign exchange losses of MEUR 13.6 (2023: MEUR 13.0). At MEUR 13.5, **other operating income** was higher than in 2023 (MEUR 8.1), mainly due to substantially higher foreign exchange gains of MEUR 10.9 (2023: MEUR 6.0).

Earnings before interest, taxes, depreciation and amortization (EBITDA) reached MEUR 101.9 (2023: MEUR 131.3), with an EBITDA margin of 18.2 % (2023: 22.4 %). **Profit from operations (EBIT)** amounted to MEUR 70.1 (2023: MEUR 102.3), leading to an EBIT margin of 12.5 % (2023: 17.5 %). The year-over-year decline was mainly due to lower sales and reduced capacity utilization in the AMS division and lower earnings in the OE division as a result of challenging US market conditions and one-off expenses in the first half of the year. The **financial result** amounted to MEUR -6.5 (2023: MEUR -8.1). Last year's figure included a one-off expense of MEUR 8.6 related to a legal settlement and a positive net interest result of MEUR 0.5.

EBIT adjusted for foreign exchange gains and losses amounted to MEUR 72.7, with an EBIT margin of 13.0 % (2023: MEUR 109.2 or 18.6 %).

Profit before tax amounted to MEUR 63.6 (2023: MEUR 94.2), **profit after tax** came to MEUR 45.3 (2023: MEUR 71.6). The **effective tax rate** increased to 28.8 % (2023: 24.0 %) due to not recognizing deferred tax assets for net operating losses.

EBIT
in MEUR | as a % of sales



Earnings per share (EPS) for 2024 were EUR 2.88 (2023: EUR 4.55).

Segment performance: AMS continued to deliver high EBIT margins; OE earnings were impacted by difficult market conditions in the US but with clear performance improvement in the second half of the year

ADVANCED MANUFACTURING & SERVICES (AMS)

The AMS division achieved **sales** of MEUR 285.3 (2023: MEUR 328.7) reflecting a softened customer demand. The lower sales and capacity utilization led to an **EBIT** of MEUR 56.7 (2023: MEUR 80.3), a reduction compared to 2023, but still with a high EBIT margin of 19.9 % (2023: 24.4 %).

Given the lower business activity level in the second half of 2024, the **number of employees** in the AMS division was adjusted to 927 employees at year end (31 December 2023: 986).

OILFIELD EQUIPMENT (OE)

In 2024, the OE division faced a challenging US market. This prompted organizational and operational changes in the first half of the year. The measures taken, combined with accelerated growth in our strategic markets (Middle East, Latin America), led to a rebound in the second half of the year. **Sales** increased to MEUR 275.2 (2023: MEUR 257.2), while **EBIT** reached MEUR 16.7 (2023: MEUR 31.5), resulting in an EBIT margin of 6.1 % (2023: 12.2 %) for the full year. After a weak first half-year result of just MEUR 2.2, the performance of OE improved significantly with an EBIT of MEUR 14.5 or 10.1 % in the second half of 2024.

The **number of employees** in the OE division increased by 53 to 635, primarily related to the successful expansion of the well-completion business.

Cash flow and balance sheet

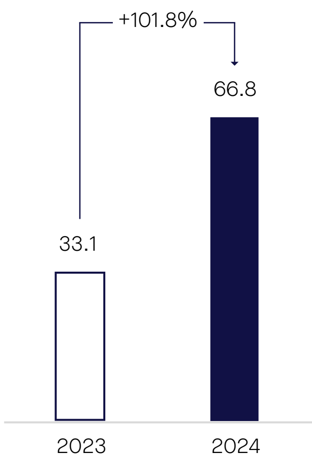
Free cash flow doubled and net debt was further reduced; high cash position and equity ratio underline SBO's strong balance sheet

Cash flow from operating activities (operating cash flow) increased to MEUR 98.4 (2023: MEUR 86.5), largely driven by a MEUR 22.3 cash inflow from the reduction of working capital, compared to a MEUR 31.5 cash outflow in 2023. **Free cash flow**[1] doubled to MEUR 66.8 from MEUR 33.1 in 2023, a result of a higher operating cash flow and slightly lower capital expenditures. Last year, the free cash flow also included an acquisition-related outflow of MEUR 18.6.

Capital expenditure on property, plant and equipment and intangible assets (CAPEX) amounted to MEUR 34.6 (2023: MEUR 37.5), primarily for the expansion of the AMS manufacturing site in Vietnam, investments in the extension of our 3D-metal printing capacities as well as ongoing investments in the upgrade and renewal of our rental fleet of drilling tools. As of 31 December 2024, purchase commitments for property, plant and equipment amounted to MEUR 9.1 (2023: MEUR 9.7).

Cash flow from financing activities amounted to MEUR 79.2 (2023: MEUR -152.9). This included a dividend payment of MEUR 31.5, a cash inflow related to additional long-term funds raised of MEUR 181.5, and an outflow of MEUR 70.1 for debt repayments in 2024. In 2023, the cash flow from financing activities included a payment for the acquisition of minority interests in the amount of MEUR 119.0 as well as the dividend payment of MEUR 31.5, while refinancing transactions had a minor impact that year (MEUR -6.1).

FREE CASH FLOW
in MEUR



The SBO Group's **equity** increased to MEUR 492.7 as of 31 December 2024 (2023: MEUR 448.0), reflecting an excellent **equity ratio** of 50.0 % (2023: 53.6 %) despite the increase in total assets driven by the higher cash position.

Cash and cash equivalents almost doubled to MEUR 314.7 (2023: MEUR 162.4), supported by high operational cash generation and additional funds raised. Net debt decreased significantly to MEUR 56.0 (2023: MEUR 92.3), taking the **gearing ratio** to 11.4 % (2023: 20.6 %).

Dividend proposal

Based on the solid results and the strong cash generation, the Executive Board will propose a **dividend** of EUR 1.75 per share for the financial year 2024 (2023: EUR 2.00) at the Annual General Meeting. This represents a payout ratio of 61 %.

[1] Sum of cash flow from operating activities and cash flow from investing activities

Research and Development

Transforming industries with cutting-edge technologies

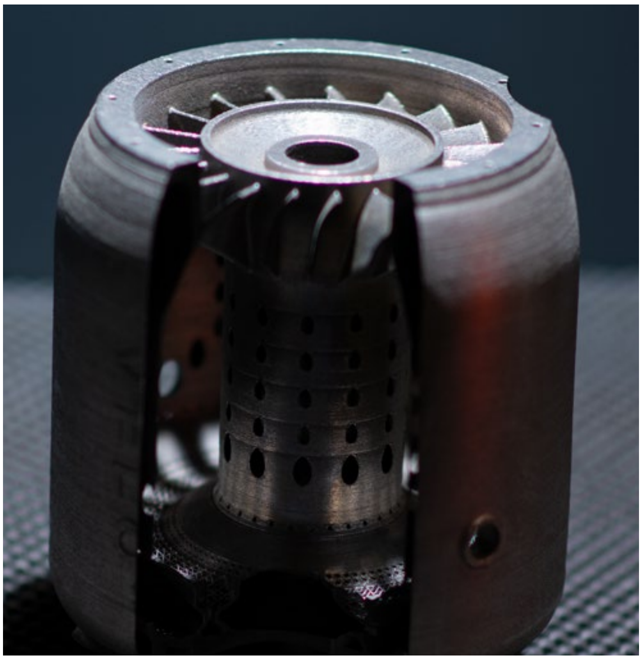
As the global market leader in the manufacture of high-precision components, SBO delivers solutions that transform industries and unlock new opportunities. From complex components to cutting-edge technology for the energy sector and beyond, our products meet the highest performance and quality standards. With a deep understanding of extreme environments, we deliver custom-made and specialized products that stand up to the toughest challenges. As we expand into industries like space, aerospace, and energy transition applications, optimum precision remains our foundation. By driving innovation and sustainability, we are engineering new opportunities and transforming industries.

»In 2024, we stepped up our R&D initiatives for technological advances in additive manufacturing, drilling technology, and well completion and increased our R&D expenses by 27%.«

Advanced additive manufacturing

Additive manufacturing is a key focus area of our innovative solutions. Over the past few years, we have significantly enhanced our 3D metal printing capabilities, establishing ourselves as a certified provider for a wide range of industries, including energy, space, aerospace and semiconductors. In close cooperation with our suppliers, we continue to expand our range of machine and powder grades. A prime example is CP-1, an Aluminum-Iron-Zirconium powder solution that offers multiple advantages such as high strength, excellent thermal and electrical conductivity and a simplified heat treatment process.

Furthermore, we are working closely with our customers to develop advanced designs and equipment for new and evolving technologies, such as components for the semiconductor industry, which in turn support innovations in artificial intelligence and high-performance computing.

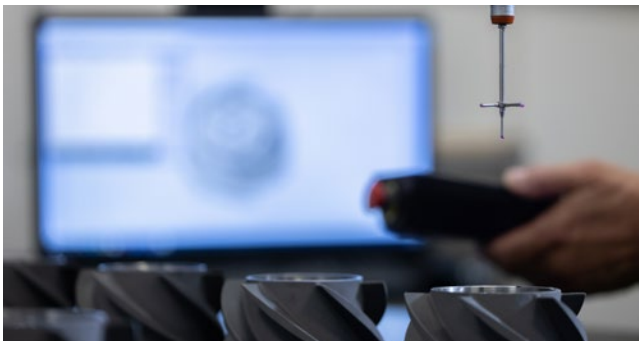


3D METAL PRINTED COMPONENT | ADDITIVE MANUFACTURING ↑

At the same time, additive manufacturing is an opportunity to reduce our carbon footprint and advance our sustainability efforts. As part of our innovation efforts, we have established a recycling program with one of our suppliers to recycle excess material through re-atomization, contributing to a circular value chain.

Drilling technology

In the area of downhole drilling tools, SBO continues to invest in enhancing performance, reliability and durability, as well as their AI capabilities. This includes the integration of bi-directional communication systems in our rotary steerable tools which provide optimum conditions for true autonomous drilling and a complete closed-loop drilling system. By improving the sensor measurement capabilities, we enable greater steering accuracy and improved, AI-based decision-making for our customers.



D-TECH R&D ACTIVITIES | DRILLING TECHNOLOGY ↑

In our drilling motor range we have added a cutting-edge data sensor technology, the "Performance Logging Ultra-Sensor". Strategically positioned, this advanced sensor supports efficiency increases in drilling operations.

Our investments also focus on improving the durability of our equipment especially regarding heat resistance and ruggedness, particularly in rough, hard compressive rock environments as it is the case in geothermal wells.

Innovations in well completion

SBO's extensive expertise and customer-centric approach drive the evolution of our completion solutions. We are leading in the development of dedicated high-pressure-high-temperature (HPHT) and slim OD frac plugs for conventional and unconventional wells. In 2024, we took the next step and developed a new range of HPHT and slim OD frac plugs specifically designed for enhanced geothermal wells. With the successful launch of these innovative geothermal plugs, SBO has established a clear technology and market leading position.

We are also diversifying our business by further developing our packer portfolio, acquired through Praxis Completion Technology in 2023. Through project specific engineering and product development, we are adapting our packers for carbon capture & storage, a critical application in the energy transition.

Engineering excellence

With industry-leading expertise in material and technology development as well as world-class manufacturing capabilities, SBO continues to produce highly innovative products that meet the highest quality requirements of our customers.

»By combining precision, innovation and sustainability, we are creating a future powered by our cutting-edge technologies.«

Further Legal Information

Report on the main features of the internal control system and risk management system with regard to the financial reporting process

The Executive Board has overall responsibility for the risk management of the SBO Group, whereas direct responsibility lies with the managing directors of the operational entities. Consequently, the system of internal continuous reporting to corporate headquarters plays a particularly important role in identifying risks at an early stage and implementing countermeasures. Operational entities provide the necessary information by timely monthly reporting to the Executive Board.

The Group has defined uniform standards for the global subsidiaries regarding implementation and documentation of the complete internal control system and, in particular, the financial reporting process. The underlying objective is to avoid risks leading to incomplete or erroneous financial reporting.

Furthermore, internal reports prepared by subsidiaries are checked for plausibility at corporate headquarters and compared with budgets in order to take appropriate action whenever deviations occur. For this purpose, subsidiaries are required to prepare annual budgets and mid-term planning to be approved by the Executive Board. In addition, liquidity planning of the subsidiaries is continuously monitored and aligned with the requirements defined by the holding company.

Group controlling and internal audit monitor subsidiaries' compliance with accounting regulations. Moreover, the annual financial statements of all significant operational subsidiaries are audited by international auditors.

At the Executive Board's regular meetings with local managing directors, current business development is analysed and foreseeable risks and opportunities are discussed.

In addition to the International Financial Reporting Standards, internal Group guidelines are in place for the preparation of the consolidated financial statements to ensure uniform presentation by the companies reporting (valuation and disclosure issues). A certified consolidation program is used for automated preparation of the consolidated financial statements.

EVENTS AFTER THE BALANCE SHEET DATE

Reference is made to Note 38 in the consolidated financial statements.

INFORMATION ACCORDING TO SECTION 243A AND SECTION 267 (3) (3) AUSTRIAN COMMERCIAL CODE (UGB)

Reference is made to Note 19 in the consolidated financial statements.

HEDGING TRANSACTIONS AND FINANCIAL INSTRUMENTS

Reference is made to Notes 4.6, 31 and 32 in the consolidated financial statements.

Outlook

For 2025 the International Monetary Fund (IMF) projects global economic growth of 3.3 %. Advanced economies are forecast to grow by 1.9 % overall, with higher growth expectations for the US (+2.7 %) and 1.0 % growth in the EU. Emerging and developing economies are projected to grow by 4.2 %.[1]

The changing energy mix and innovative manufacturing technologies provide opportunities for growth.

According to the latest forecasts by the International Energy Agency (IEA), the **total global energy demand** will continue to grow with substantially increasing demand for electricity. This is mainly driven by the rising use of artificial intelligence and the resulting need for data centers. Total energy demand in emerging and developing countries is expected to rise sharply, driven by population and economic growth. Fossil fuels, which currently cover around 80 % of total energy demand, will continue to play an important role. The share of crude oil and gas is expected to remain at a high level of 52 % in the energy mix in 2030 (currently at 53 %) and 45 % in 2050.[2]

At the same time, technologies for the energy transition are becoming increasingly important in order to meet the growing demand for energy. Total energy supply from low-emissions sources of energy reached a record high in 2024. Especially in the fast-growing area of electrification, the share of renewables including geothermal, is set to increase significantly going forward.

OIL AND GAS

Oil demand is projected to increase for another year (+1.1 mb/d) to reach a new high of 104.0 mb/d in 2025, supported by strong growth in Asia (mostly outside China).[3] **Demand for natural gas** is projected to increase by 1.9 % in 2025, largely supported by Asia. **LNG supply** is forecast to increase by 5 % (or above 25 bcm) in 2025, led by North America with the start and ramp-up of several new LNG liquefaction facilities.[4]

Global E&P spending is expected to remain flat year-over-year (+0.4 %) in 2025, after three consecutive years of growth. Spending in North America is anticipated to further decline (-1.9 %), primarily driven by slower activity and efficiency gains in the US, partially offset by solid growth in Canada (+6.8 %) as expectations for LNG and natural gas demand continue to grow. International E&P spending is anticipated to continue to grow with mixed developments across regions, albeit at a slower pace (+1.3 %).[5]

[1] International Monetary Fund, World Economic Outlook, January 2025
[2] International Energy Agency (IEA), World Energy Outlook 2024, January 2025
[3] International Energy Agency (IEA), Oil Market Report, February 2025
[4] International Energy Agency (IEA), Gas Market Report, Q1-2025
[5] Evercore ISI, January 2025

GEOTHERMAL ENERGY

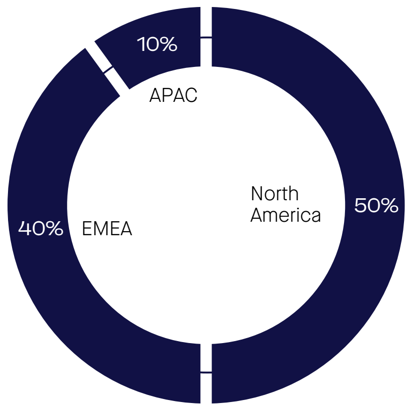
Geothermal energy as one of the sustainable energy sources will serve as a base load source in the global energy mix, utilized for both electricity and heat generation. Until 2030, electricity generation from geothermal energy is expected to grow by 6-8 % annually, adding 45-70 TWh electricity compared to 2023.[1] With increasing governmental incentives as well as private investments, the geothermal industry is gaining momentum. Innovative, advanced technologies utilizing cutting-edge drilling and completion methods from the oil and gas industry to access heat from deep hot-rock formations will be key to making geothermal energy viable in regions previously considered unsuitable.

ADDITIVE MANUFACTURING

The metal additive manufacturing (AM) services segment, in which SBO's AM business operates, accounts for approximately 60 % of this market, with a total size of USD 1.1 billion in 2024. Market demand is expected to grow by more than 20 % annually until 2030. By then, it is expected that 90 % of all produced metal parts will be made in North America and EMEA, with majority of the demand coming from established industries like the energy, semiconductor or medical industry as well as space and aerospace.[2]

3D METAL PRINT SERVICES
Units of 3D metal parts printed

Per region 2024-2030



[1] International Energy Agency (IEA), World Energy Outlook 2024, January 2025
[2] VoxelMatters 2024

Outlook 2025: Navigating short-term market dynamics while executing on strategic objectives

SBO's market environment remains complex going into 2025. With policy changes, geopolitical uncertainties and evolving global trade tensions, the development of the energy industry presents both challenges and opportunities for SBO. Diverging regional trends and market dynamics will shape our priorities across our two business divisions in the short-term, while we remain focused on our strategic objectives.

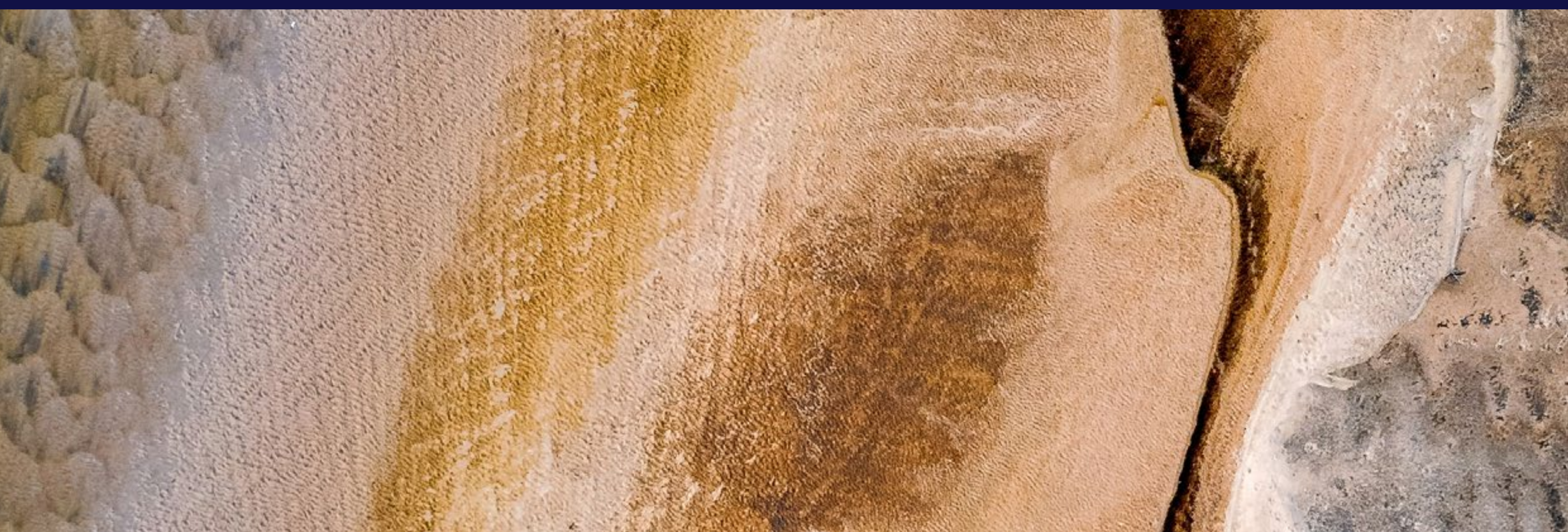
The former AMS division, renamed **Precision Technology** as of this year, continues to face a reduction in demand from customers, as a result of the spending moderation since mid 2024 and the continued emphasis on capital efficiency. SBO is actively managing this by adjusting capacity to maintain operational efficiency. At the same time, we are driving innovation and diversification through 3D metal printing.

In the **Energy Equipment** division (formerly OE), we are well positioned to outperform an ongoing challenging US market, as a result of our organizational and operational measures taken in early 2024, including technological advances and product innovation. Internationally, we will further accelerate sales growth and market share gains thanks to our continued focus on geographical expansion, where we will leverage on our recently enlarged presence in the Middle East. Additionally, geothermal energy and carbon capture & storage solutions support revenue diversification.

Overall, despite the short-term uncertainties, SBO remains confident in the **long-term outlook** for the energy sector, driven by the growing global energy demand, the emphasis on energy security and the ongoing energy transition. With our recalibrated strategy we will focus on **diversification, market expansion, technology leadership**, and **operational excellence** to capitalize on emerging opportunities.

SBO will diversify in geothermal energy, industrial flow control and advanced additive manufacturing applications in areas of the energy transition and other industrial sectors. We will leverage on our strengths and capabilities to execute on our **strategic objectives: long-term growth, value creation** and **sustainable operations**. Building on our strong balance sheet and high cash position we are very well positioned to execute our strategy with focus and precision.

Sustainability Statement 2024



Sustainability Statement 2024

A commitment to long-term responsibility

INTEGRATING SUSTAINABILITY INTO OUR CORPORATE STRATEGY

The SBO Group operates along the lines of a long-term strategy and sustainable business practices. Under our recalibrated growth strategy, our goal is to create long-term added value and to work in a spirit of trust with our stakeholders, employees, suppliers and customers. Environment, Social and (Corporate) Governance (ESG) themes are firmly integrated in our corporate Strategy. Our annual sustainability statement follows the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

CLIMATE PROTECTION AND CO_2 REDUCTION TARGETS

Addressing climate change is one of the most pressing challenges of our time, and SBO is committed to being part of the solution. Our climate change strategy includes

- 30 % reduction in CO_2 emissions (Scope 1 & 2) and a 10 % reduction in Scope 3 emissions by 2030 (compared to 2022 baseline)
- Implementing resource efficiency measures to optimize material use and minimize waste.

Scope 3 emissions are a significant challenge due to data availability and the complexity of the value chain. SBO is actively working with suppliers and partners to improve transparency and develop effective measures to reduce indirect emissions.

SOCIAL RESPONSIBILITY AND EMPLOYEE DEVELOPMENT

SBO's responsibility extends beyond the environment, as it is committed to fostering a corporate culture that values inclusivity, innovation and long-term career development. Our sustainability efforts prioritize a work environment that promotes diversity, inclusion and employee well-being. Our workplace structures support professional growth, ensuring that employees have opportunities for continuous learning and advancement. In addition, SBO invests in training programs that empower employees and strengthen the company's talent base.

BUSINESS ETHICS AND GOVERNANCE

Good corporate governance is the foundation of sustainable business. SBO continues to strengthen its corporate governance structures. Compliance and anti-corruption measures have been strengthened to ensure that ethical business practices guide all operations. In addition, SBO is committed to balancing economic success with long-term social and environmental responsibility, ensuring that its corporate governance framework supports sustainable value creation.

A TRANSPARENT PATH FORWARD

This report outlines SBO's comprehensive sustainability initiatives, detailing our commitments, progress and future strategies. SBO remains committed to continuous improvement, using ESG principles to drive value creation for all stakeholders. For an in-depth analysis, SBO invites you to explore the full report in the following chapters.

ESRS 2 – General Disclosures

BP-1 General basis for preparation of the sustainability statements

BP-1 – 5 – A – B I – SCOPE OF CONSOLIDATION COMPARED TO THE ANNUAL FINANCIAL STATEMENTS

The report was prepared on a consolidated level. The scope of the consolidation is the same as for the financial statements.

BP-1 – 5 C – COVERAGE OF THE UPSTREAM AND DOWNSTREAM VALUE CHAIN

The sustainability statement covers SBO's upstream and downstream value chain, as described in ESRS 1 Section 5.1 „Reporting Company and Value Chain". SBO utilizes the phase-in approach provided by the ESRS for specific value chain information.

BP-1-5 D – OPTION TO OMIT SPECIFIC PIECE OF INFORMATION CORRESPONDING TO INTELLECTUAL PROPERTY, KNOW-HOW OR RESULTS OF INNOVATION HAS BEEN USED

SBO has not made use of the option under ESRS 2 BP-1 5(d) to omit information related to intellectual property, know-how, or innovation results. All relevant data has been fully disclosed in accordance with ESRS requirements.

1.2 BP-2 - Disclosures in relation to specific circumstances

BP-2 – 9 A – DEFINITIONS OF MEDIUM OR LONG-TERM TIME HORIZONS

Short-term time horizon: Corresponds to the reporting period adopted in the financial statements (1 year).

Medium-term time horizon: Extends from the end of the short-term reporting period up to 5 years.

Long-term time horizon: Covers periods beyond 5 years.

BP-2 – 10 – ESTIMATION OF VALUE CHAIN PARAMETERS

Scope 3 emissions were calculated using a combination of the average-data method and the spend-based method. Due to the unavailability of product-specific carbon footprint (PCF) data from suppliers, the supplier-specific approach could not be applied. The emission factors used were sourced from scientific databases such as Idemat (2022) for mass-based factors, DBEIS (2020) for spend-based factors, and Ecoinvent (3.9.1, 2022) and IEA (2022) for energy-related factors. The resulting accuracy of the calculation varies depending on the data source and methodology. While mass-based emission factors generally have a lower margin of uncertainty, spend-based factors can introduce greater variability due to economic fluctuations and differing price structures. In particular, for suppliers outside the EU, where reliable PCF data is rarely available, there is an increased level of uncertainty in the estimations. To further improve data quality, ongoing efforts are being made to enhance the availability of primary data through supplier engagement programs. This includes direct collaboration with suppliers, regular validation of data sources, and continuous refinement of methodologies based on the latest scientific insights

BP-2 – 11 A – QUANTITATIVE PARAMETERS AND AMOUNTS OF MONEY WITH A HIGH DEGREE OF MEASUREMENT UNCERTAINTY

The following parameters are considered to have a high degree of measurement uncertainty:

E1-6 GHG emissions in Scope 3

E5-5 Waste by treatment type

S1-16 Gender Pay Gap

S1-16 Remuneration Ratio

This uncertainty is addressed by utilizing standards for waste treatment and extrapolation methods for Gender Pay Gap and Remuneration Ratio, while continuously improving data collection and validation methods.

BP-2 – 11 B I – SOURCES OF MEASUREMENT UNCERTAINTIES

E1-6 GHG emissions in Scope 3:

The reported numbers are based on industry-average emission factors to some extent.

E5-5 Waste by treatment type:

Currently there is no data available on waste quantities by treatment type on the level of each subsidiary or location. This will be continuously improved over the next reporting periods.

S1-16 Gender Pay Gap / Remuneration Ratio:

Data on Gender Pay Gap and Remuneration is available on the level of each subsidiary. Due to data privacy regulations, individual wage data is not shared on group level.

BP-2 – 11 B II – UNDERLYING ASSUMPTIONS, APPROXIMATIONS AND ASSESSMENTS

E1-6 GHG emissions in Scope 3:

Scope 3 data is based to some extent on industry benchmarks, generalized emission factors, projected future scenarios, and estimated values for data gaps.

E5-5 Waste by treatment type:

Waste quantities by treatment type were estimated based on waste types and industry standards. Only scrap metal was declared as waste that is recycled since it is collected separately and provided to a third party for recycling and reuse purposes.

S1-16 Gender Pay Gap / Remuneration Ratio:

Data on Gender Pay Gap and Remuneration for each subsidiary was extrapolated to group level using the share of employees by subsidiary.

BP-2 - 15 - INCLUSION OF INFORMATION FROM OTHER LEGISLATION AND REPORTING STANDARDS IN THE SUSTAINABILITY STATEMENT

The present non-financial statement has been prepared in accordance with § 267a UGB as part of the management report of the consolidated financial statements in compliance with the requirements of the Sustainability and Diversity Improvement Act ("Nachhaltigkeits- und Diversitätsverbesserungsgesetze ", NaDiVeG) and has been included as part of the group management report of the consolidated financial statements. Furthermore, the non-financial statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) in preparation for the reporting obligation under the Corporate Sustainability Reporting Directive (CSRD). Since the report fully complies with the ESRS for the first time, there are no comparative figures from the previous year. SBO provides additional information and key figures in accordance with the Taxonomy Regulation (EU) 2020/852.

BP-2-16 INCORPORATION

No incorporation by reference has been used; all relevant information is fully included in this report.

GOV-1 - The role of the administrative, management and supervisory bodies

GOV-1 - 21 A - EXECUTIVE AND NON-EXECUTIVE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Number of Executive Board 2
Number of Supervisory Board 5

GOV-1 - 21 B - REPRESENTATION OF EMPLOYEES AND OTHER WORKERS IN ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Employees and other workers are not formally represented in the decision-making bodies at the SBO Holding level due to a lack of legal requirements, but their interests are fundamentally taken into account.

GOV-1 - 21 C - EXPERIENCES OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES RELEVANT TO THE SECTORS, PRODUCTS AND GEOGRAPHICAL LOCATIONS

Both the Executive and Supervisory Boards of SBO have diverse professional backgrounds and experience across relevant industries. Their varied expertise serves as a strong foundation for balanced and informed decision-making as well as effective strategic oversight.

GOV-1 - 21 D - GENDER DIVERSITY IN ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

In 2024, the Executive Board consisted entirely of men (100 % male, 0 % female).

The Supervisory Board had a gender distribution of 60 % male (3 men) and 40 % female (2 women).

Considering both the Executive Board and the Supervisory Board together (total of 7 members):

Overall gender distribution: 71.4 % male (5 men) and 28.6 % female (2 women)

Female-to-male ratio: 1:2.5

GOV-1 – 21 E – PERCENTAGE OF INDEPENDENT BOARD MEMBERS

The Supervisory Board is considered fully independent, as per the independence criteria outlined in Annex 1 of the Austrian Corporate Governance Code.

GOV-1 – 22 A – NAMES OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES RESPONSIBLE FOR MONITORING THE IMPACT, RISKS AND OPPORTUNITIES

At the top executive level, both the CEO and COO take responsibility for impacts, risks and opportunities, ensuring alignment with strategic objectives. The Supervisory Board oversees these matters, providing guidance and ensuring compliance with sustainability-related priorities and objectives.

GOV-1 – 22 B – RESPONSIBILITIES OF EACH INSTITUTION OR PERSON IN TERMS OF IMPACT, RISKS AND OPPORTUNITIES

In exercising its functions, in particular monitoring and strategic support of the Executive Board, the Supervisory Board discusses the situation and targets of the Company and adopts resolutions. The rules of procedure for the Supervisory Board govern in detail the composition, working method and tasks of the Supervisory Board, the procedure in situations of conflicts of interest, and all committees (Audit Committee, Nomination and Remuneration Committee, Sustainability Committee) and their responsibilities. The Supervisory Board held five meetings in the period under review. Moreover, the Executive Board submitted several oral and written reports to the Supervisory Board to inform them about the development of business and the situation of the company and the Group companies. The main focus of discussion was on the strategic direction and development of the Group as well as on major business transactions. As part of the Group strategy, the changing energy market and the associated opportunities and risks for the existing business model and the future realignment of the company were also discussed, as well as the Group's ESG strategy and its implementation and monitoring. The members of the Supervisory Board attended all meetings of the Supervisory Board in the period under review, with only one member being excused for one meeting. Therefore, all members of the Supervisory Board attended more than 75 % of the meetings of the Supervisory Board. SBO's Presidents from the subsidiaries and Division Heads provide the Executive Board with analyses and recommendations on impacts, opportunities, and risks. The CEO and COO assess this input and make strategic decisions, with responsibilities related to impacts, risks, and opportunities (IROs) reflected in various policies, including the Code of Conduct, Whistleblowing Policy, and the Ethics and Fair Trade Policy.

GOV-1 – 22 C – ROLE OF SENIOR MANAGEMENT IN MONITORING, MANAGING AND OVERSEEING IMPACTS, RISKS AND OPPORTUNITIES

Responsibility for risk management is assigned to the Head of Risk Management and the Head of Compliance, whose work is monitored through regular reporting and oversight processes.

Reporting obligations for those responsible for monitoring risks are structured as follows: Risk-monitoring units are required to provide regular reports to the Executive Board, typically on a bi-annual basis or as needed for potential developments. These reports include detailed risk assessments, potential impacts, and proposed mitigation measures. Communication with the Supervisory Board occurs through periodic updates and dedicated reports. The reporting process ensures a clear flow of information to both the executive and supervisory levels, enabling informed decision-making and effective oversight of risks.

SBO uses specialized control mechanisms and procedures, such as internal audits, compliance calls and risk management, all of which are embedded into the corporate structure to effectively manage risks and opportunities.

GOV-1 – 22 D – MONITORING OF OBJECTIVES AND PROGRESS ON MATERIAL IMPACTS, RISKS AND OPPORTUNITIES BY ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Supervisory Board and the Executive Board of SBO monitor key risks and opportunities through regular meetings and detailed reporting, with targets set based on strategic priorities, risk assessments and objectives. As part of the ongoing analysis, the defined impacts, risks and opportunities identified through the double materiality assessment are being reviewed for potential integration into the existing risk management framework to ensure a comprehensive and aligned approach.

GOV-1 – 23 – DETERMINING SKILLS AND EXPERTISE FOR OVERSEEING SUSTAINABILITY MATTERS

The Managing Directors/Executive Board possess relevant commercial as well as technical educational backgrounds and have gained significant professional experience in leadership roles, including managing strategic and operational challenges. The Supervisory Board members bring numerous expertise in areas such as corporate management, finance, technical and business administration, as well as corporate governance, sustainability, and compliance.

Diversity of the Supervisory Board	**2024**	**2023**	**2022**
GOV-1-21d	**GOV-1 21-d, e**	**GOV-1-21d, e**	**GOV-1 21-d, e**
Total number of Supervisory Board members	5	5	5
Male	3	3	3
Female	2	2	2
Proportion of independent board members (%)	100	80	80

Diversity of the Executive Board	**2024**	**2023**	**2022**
GOV-1 21d	**GOV-1 21d**	**GOV-1 21d**	**GOV-1 21d**
Total number of Executive board members	2	2	2
Proportion male (in %)	100	100	100
Proportion female (in %)	0	0	0

Composition of the Management Board:	**GOV-1-22a, GOV-1-21b**	**Executive Board member CEO**	**Executive Board member COO**
Name	GOV-1-22a	Klaus Mader	Campbell MacPherson
Experience	GOV-1-21c	Klaus Mader has been appointed Chairman of the Executive Board as of 1 January 2024 and was previously the Chief Financial Officer of the Group. He has been a member of the Executive Board since October 2015. Prior to joining SBO, Klaus was the Executive Vice President Finance & Administration of TYROLIT Group for over 10 years. Before that he gained significant experience at renowned companies, including Wienerberger Baustoffindustrie AG. Klaus holds a master's degree in business administration from Vienna University of Economics and Business. He is responsible for Strategy, Public Relations / Investor Relations, ESG & Sustainability, Compliance, Finance and Accounting, Human Resources, Legal Matters and Digitalization.	Campbell MacPherson was appointed to the Executive Board for the first time as Chief Operating Officer (COO) as of 1 January 2024. He has been with SBO for over 15 years, most recently serving as the Executive Vice President of the Advanced Manufacturing & Services division. In his time with SBO, Campbell has served in critical roles including Managing Director of SBO's subsidiaries in the UK, Vietnam for which he led the setup and the Middle East. He also held executive positions in Forth Tool & Valve Ltd. (now Proclad), Havelock Europe and the CEO role for Premier Hytemp. Campbell holds a Bachelor of Engineering in Naval Architecture & Offshore Engineering from the University of Strathclyde, Glasgow. He is responsible for Production, Supply Chain Management, Sales and Marketing, Product and Market Strategy, R&D and Innovation Management
Skills and expertise in monitoring sustainability aspects	GOV-1-23a	Access to experts	Access to experts
Relation of skills and expertise to the material IROs	GOV-1-23b	When developing and implementing the corporate strategy, which encompasses both organic and acquisitive growth, the Executive Board considers sustainability aspects as well as associated opportunities and risks related to environmental, social, and governance (ESG) factors. For example, during an M&A process, the Executive Board evaluates the extent to which a potential transaction impacts SBO's sustainability positioning with regard to key impacts, risks, and opportunities. In this process, the Executive Board is supported by internal and external ESG experts.	

Composition of the Supervisory Board:	**Name**	**Independence**	**Experience**	**Skills and expertise in monitoring sustainability aspects**
GOV-1-22a, GOV-1-21b	GOV-1-22a	GOV-1-21e	GOV-1-21c	GOV-1-23a
Chairman of the Supervisory Board	Norbert Zimmermann	Yes	Norbert Zimmermann, Chairman of the Supervisory Board, has been a member of the SBO Supervisory Board since 1995. He is a renowned Austrian entrepreneur and has gained extensive management experience at companies such as Spar AG and Berndorf AG and held various Executive Board and Supervisory Board positions in the Berndorf Group, including Chairman of the Supervisory Boards at Berndorf AG and Berndorf Industrieholding AG (to date). In addition to his role as Chairman of the Supervisory Board at SBO, Norbert Zimmermann is actively involved in various foundations. Norbert Zimmermann holds a Master's degree in Commercial Sciences from the Vienna University of Economics and Business.	
Deputy Chairwoman of the Supervisory Board	Brigitte Ederer	Yes	Brigitte Ederer, Deputy Chairwoman of the Supervisory Board, was first elected to the SBO Supervisory Board in 2014. She was active in politics for many years in various roles, including serving as Austria's State Secretary for European Affairs. From 2000 onwards, she held executive positions within the Siemens Group in Austria and Germany. Brigitte Ederer also holds supervisory board mandates at major companies such as ÖBB Holding AG, Marinomed Biotech AG, ams-OSRAM AG, TTTech Computertechnik AG, and WEB Windenergie AG. Brigitte Ederer holds a Master's degree in Economics from the University of Vienna.	Training courses

Member of the Supervisory Board	Simon William Caines Eyers	Yes	Simon WC Eyers has been a member of the SBO Supervisory Board since 2024. He has worked as a manager in technology companies and investment banks such as Goldman Sachs. He was a founding partner of 4D Global Energy Advisors, a partner and advisor at Warburg Pincus International, and Chairman of Evrythng. Simon Eyers also holds supervisory board mandates in international companies, such as Technip Energies. Simon WC Eyers holds a Bachelor of Science in Electrical and Electronic Engineering from the University of Edinburgh.
Member of the Supervisory Board	Wolfram Littich	Yes	Wolfram Littich has been a member of the SBO Supervisory Board since 2016. He has held various leadership positions in the banking and insurance sectors, including serving on the Executive Board of the Vienna Stock Exchange and Bank Austria. From 2001 to 2017, he was CEO of Allianz Elementar. In addition to his role at SBO, he is a member of various supervisory boards within the Berndorf Group. Wolfram Littich studied Business Administration at the Vienna University of Economics and Business and earned his Doctorate in Economics from the University of Vienna.
Member of the Supervisory Board	Sonja Zimmermann	Yes	Sonja Zimmermann has been a member of the SBO Supervisory Board since 2018. She holds various executive and supervisory board positions within the Berndorf Group, including Chairwoman of the Supervisory Board at Berndorf AG and a member of the Executive Board of Berndorf Industrieholding AG. As a board member of the Berndorf Private Foundation, she is committed to education, culture, and social projects. Sonja Zimmermann furthermore holds a supervisory board mandate Bank für Tirol und Vorarlberg AG. She holds a Master of Arts in Translation and Interpreting with a focus on Commercial Sciences from the University of Vienna.

G1 GOV-1- The role of the administrative, management and supervisory bodies

G1 GOV-1 - 5 A - ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES IN RELATION TO ENTERPRISE POLICY

The Executive Board of SBO holds both operational and strategic responsibility for corporate governance. At a strategic level, key elements include developing the strategy of SBO. SBO's Code of Conduct guides SBO's principles and practices. In coordination with the compliance team, division heads and local presidents, the Executive Board measures and aligns strategic objectives, which are then implemented and monitored at an operational level.

The Executive Board oversees corporate governance and the business conduct of the subsidiaries, ensuring alignment with SBO's strategic goals and practices. The Supervisory Board provides oversight to ensure compliance and effectiveness.

G1 GOV-1 - 5 B - EXPERTISE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES IN ASPECTS OF ENTERPRISE POLICY

Both members of the Executive Board have expertise in corporate governance and risk management which enables them to guide SBO in alignment with CSRD and ESRS requirements. Their combined experience supports SBO's strategic objectives, ensuring adherence to ethical, social, and environmental standards while driving sustainable value creation.

GOV-2 - Information provided to sustainability matters addressed by SBO's administrative, management and supervisory bodies

GOV-2 - 26 A - INFORMATION TO ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES ON MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The Senior Expert ESG and Sustainability, supported by local sustainability managers, informs the Executive Board about material impacts, risks, and opportunities. The local sustainability managers collaborate to provide comprehensive analyses and ensure that sustainability-related factors are communicated. The Senior Expert ESG and Sustainability, reports, based on the provided feedback from local sustainability managers, on the effectiveness of strategies and actions. This ensures transparency and accountability of all involved parties. The results are then communicated via regular reports.

GOV-2 - 26 B - CONSIDERATION OF IMPACTS, RISKS AND OPPORTUNITIES IN IMPORTANT DECISIONS BY ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Executive Board considers material impacts, risks, and opportunities when defining the strategy of SBO, using input from subsidiaries to guide their decisions. ESG related IROs are initially identified through the double materiality assessment and a standardized process for their systematic consideration in decision-making is currently under analysis.

GOV-2 – 26 C – LIST OF MATERIAL IMPACTS, RISKS AND OPPORTUNITIES ADDRESSED BY ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES DURING THE REPORTING PERIOD

During the reporting period, SBO's Executive Board and Supervisory Board addressed key risks, including health and safety, financial risks, and regulatory changes. Efforts were made to improve workplace safety and meet regulatory requirements. In the reporting year 2024, SBO completed the double materiality analysis in accordance with the requirements of the ESRS and CSRD, identifying the key impacts, risks, and opportunities (IROs). Therefore, SBO has not yet actively addressed these IROs but will integrate them into its risk management and strategy in the future.

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

GOV-3 – 29 A – INCENTIVE AND REMUNERATION SYSTEMS FOR ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The remuneration system for SBO's Executive Board includes performance-based variable components linked to both financial and non-financial criteria. Non-financial criteria are partially aligned with sustainable and strategic objectives, contributing to accountability for environmental, social, and governance (ESG) priorities.
For the Supervisory Board, remuneration is not linked to company performance, as per Austrian regulations.

GOV-3 – 29 B – ASSESS THE PERFORMANCE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AGAINST SPECIFIC SUSTAINABILITY-RELATED OBJECTIVES AND/OR IMPACTS

In the reporting period 2024 SBO does not integrate sustainability-related targets into the performance measurement of the Executive Board. Performance is evaluated using qualitative criteria that align with SBO's broader strategic goals.

GOV-3 – 29 C – CONSIDERATION OF SUSTAINABILITY PARAMETERS IN REMUNERATION POLICY

Variable remuneration for Executive Board members includes both financial and non-financial performance criteria. Non-financial criteria are tied to areas like ESG projects and strategic corporate development.

GOV-3 – 29 D – PROPORTION OF VARIABLE REMUNERATION OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES THAT DEPENDS ON SUSTAINABILITY-RELATED OBJECTIVES AND/OR IMPACTS

The average variable remuneration for both Executive Board members is 36,3 %. This remuneration part is linked to financial and non-financial performance criteria. The non financial performance criteria include sustainability-related projects and strategic corporate development but are not separately quantified.

GOV-3 - 29 E - LEVEL OF RESPONSIBILITY OF INCENTIVE SYSTEMS FOR ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Nomination and Remuneration Committee of the Supervisory Board is responsible for preparing, regularly reviewing and monitoring the implementation of the Remuneration Policy for the Executive Board. The Nomination and Remuneration Committee is responsible for determining the target achievement of the performance criteria for the performance-related remuneration.

E1-GOV-3 - Integration of sustainability-related performance in incentive schemes

E1 GOV-3 - 13 - INTEGRATING CLIMATE-RELATED CONSIDERATIONS INTO THE REMUNERATION OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Climate-related factors are integrated into the compensation of the Executive Board as part of its sustainability and ESG-related responsibilities; however, they are not separately quantified. The qualitative performance criteria include strategic corporate development, ESG projects, the implementation of key initiatives, as well as market and product innovations.

Furthermore, SBO integrates sustainability aspects into the corporate strategy, particularly within the ESG approach. In this corporate strategy, which is valid in the 2024 financial year, the company pursues a sustainable growth strategy based on three key elements: “Value Creation in the Core Business,” “Building a New Energy Business for Further Growth,” and “Embedding Sustainability in the Company.” These factors are reviewed and defined annually. The annually established qualitative goals serve as the basis for assessing both the overall performance of the Executive Board and the individual performance of each Executive Board member.

This strategy was recalibrated in 2024. The new corporate strategy of SBO will be presented in 2025, in which sustainability will also play a key role.

GOV-4 - Statement on due diligence

GOV-4 - 32 - KEY ASPECTS AND STEPS TO DO DUE DILIGENCE IN THE SUSTAINABILITY STATEMENT

SBO aligns its sustainability reporting with the requirements of the ESRS. Through the double materiality assessment, significant impacts, risks, and opportunities (IROs) across the value chain were identified. These findings are integrated into the sustainability statement to demonstrate how key ESG topics are addressed in practice.

Compliance with ESRS standards is ensured through a systematic approach that prioritizes relevant topics and ensures transparent documentation. Transparency is achieved by incorporating stakeholder feedback and clearly presenting the outcomes.

This approach ensures that the essential aspects of due diligence are incorporated into sustainability reporting and continuously improved.

Core elements of due diligence	Paragraphs in the sustainability declaration
GOV-4-32	**GOV-4-32**
a) Integration of due diligence into governance, strategy and business model	GOV-1-22A, GOV-2-26A, GOV-3-29A, SBM-1-40A (Description of how due diligence is integrated into governance and strategy) MDR-P (Policies defining how due diligence is managed, including ethical frameworks, human rights, and environmental compliance)
b) Involvement of affected stakeholders in all key steps of the due diligence process	SBM-2-45A, SBM-2-45B, SBM-2-45C, SBM-2-45D (How stakeholders, including employees, suppliers, and communities, are engaged in due diligence) IRO-1, GOV-2-26A (Materiality analysis on stakeholder concerns) ESRS S1-S4: SBM-2-45, S1-SBM-2-12, S2-SBM-2-9 (How stakeholder rights, social impact, and human rights issues are integrated) MDR-P (Policies and procedures for engaging stakeholders in due diligence processes)
c) Identification/determination and assessment of negative impacts	SBM-3-48A, SBM-3-48B, SBM-3-48C, IRO-1 (Methodologies used to identify material ESG risks and opportunities) ESRS E1-E5: SBM-3-48A, SBM-3-48C (Environmental risks such as climate change, pollution, and resource use) ESRS S1-S4: SBM-3-48A (Social risks such as labor rights, supply chain risks, and discrimination)
d) Actions to counter these negative impacts	MDR-A (Actions taken to mitigate or remediate ESG risks, such as changes to supply chain policies, investment in clean technology, or improvement in social programs)
e) Tracking the effectiveness of these efforts and communication	GOV-2-26C, GOV-1-22D (Company-wide monitoring systems, internal reporting structures, and ESG disclosures) MDR-M (Specific metrics used to measure the effectiveness of due diligence actions, such as ESG impact assessments, supplier audits, and diversity ratios) MDR-T (Tracking against sustainability goals, such as net-zero by 2050, supplier ESG compliance or employee well-being initiatives)

GOV-5 - Risk management and internal controls over sustainability reporting

GOV-5 – 36 A – RISK MANAGEMENT AND INTERNAL CONTROL OF SUSTAINABILITY REPORTING

SBO's approach to risk management in sustainability reporting focuses on ensuring the accuracy, reliability, and transparency of disclosed data. Key components include:

Risk Mitigation: SBO has implemented measures to reduce the likelihood of errors in material key figures. These include standardizing data collection processes and enhancing data verification to improve accuracy and consistency.

Training Programs: Employees involved in sustainability data collection processing and reporting are provided with targeted training to enhance understanding of reporting requirements and processes.

Documentation and Control Loops: SBO employs clear guidelines for collecting and validating key figures, ensuring that all data is subject to comprehensive review and control procedures before being published.

These measures help SBO align its sustainability reporting with regulatory requirements, ensuring transparency and accountability.

GOV-5 – 36 B – RISK ASSESSMENT AND PRIORITIZATION APPROACH

SBO uses a clear process to manage and prioritize risks in sustainability reporting. This includes engaging with stakeholders to identify relevant risks and opportunities, organizing cross-functional teams for data collection and analysis, and implementing validation steps to ensure data accuracy and completeness. Identified risks are systematically documented and assessed based on their potential impact and likelihood. Departments, such as sustainability managers, controllers, and risk management teams, regularly review and update risk assessments to maintain reporting reliability and transparency. Additionally, internal controls and review mechanisms are in place to ensure compliance with regulatory requirements and alignment with SBO's broader sustainability objectives.

GOV-5 – 36 C – MAIN RISKS AND MITIGATION STRATEGIES

Completeness and Integrity of Data:

Risk: Potential gaps or inaccuracies in sustainability data due to incomplete information from upstream or downstream value chain partners.

Planned mitigation Strategy: Establish clear communication protocols with suppliers and partners, implement fallback options such as data extrapolation based on historical data, and enhance data validation processes.

Monitoring: Regular reviews of data completeness and integrity by designated teams, with discrepancies flagged for immediate correction.

Accuracy of Estimation Results:

Risk: Challenges in ensuring precise estimates for sustainability metrics.

Planned mitigation Strategy: Develop standardized estimation methodologies and conduct periodic audits to verify accuracy.

Monitoring: Continuous evaluation through comparison of estimates with actual results over time.

GOV-5 – 36 D – INTEGRATION OF THE RESULTS OF THE RISK ASSESSMENT AND INTERNAL CONTROLS INTO THE SUSTAINABILITY REPORTING PROCESS

SBO incorporates risk assessment findings into its sustainability reporting by coordinating across departments, integrating risk data into management systems, and including updates in regular reviews for the Executive Board. Feedback mechanisms between risk management and reporting ensure accurate and reliable disclosures, aligning sustainability reporting with SBO's governance framework.

GOV-5 – 36 E – REGULAR REPORTING OF THESE RESULTS TO THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

SBO regularly reports on risk management and internal control mechanisms to the Executive and Supervisory Board through structured updates. This ensures informed decision-making and continuous improvement in sustainability reporting, aligning with SBO's governance framework.

SBM-1 - Market position, strategy, business model(s) and value chain

SBM-1 - 40 - CORE ELEMENTS OF ITS GENERAL STRATEGY

Significant product (groups) / (groups of) services	Share of turnover of SBO	Mention of (possible) negative impacts on people and the environment
SBM-1-40a-i	**SBM-1-40a-i**	**SBM-1-40a-i**
Manufacturing of high-precision components	more than 10 %	yes
Sale and rental of drilling tools and well completion equipment	more than 10 %	yes
Manufacturing of non-magnetic steel collars	more than 10 %	yes
Services and Repair	more than 10 %	yes

Customer groups served	Share of turnover of SBO	Mention of (possible) negative impacts on people and the environment	Specification of customer-related sustainability targets (if available)	Assessment with regard to the stated sustainability goals (if available)
SBM-1-40a-ii	**SBM-1-40a-ii**	**SBM-1-40a-i**	**SBM-1-40e**	**SBM-1-40f**
Large companies	more than 10%	yes	no	not applicable
SMEs (small and medium-sized enterprises)	less than 10%	yes	no	not applicable
Government sector	less than 10%	yes	no	not applicable

Markets served	Share of turnover of SBO	Mention of (possible) negative impacts on people and the environment	Specification of market-related sustainability targets (if available)	Assessment with regard to the stated sustainability goals (if available)
SBM-1-40a-ii	**SBM-1-40a-ii**	**SBM-1-40a-i**	**SBM-1-40e**	**SBM-1-40f**
Middle East	more than 10%	yes	no	not implemented
North America	more than 10%	yes	no	not implemented
Asia	more than 10%	yes	no	not implemented
Central and South America	less than 10%	yes	no	not implemented
Other	less than 10%	yes	no	not implemented
Europe	less than 10%	yes	no	not implemented

Geographical area	Number of employees (HC)
SBM-1-40a-iii	**SBM-1-40a-iii**
Europe	465
North America	729
Asia-Pacific	150
Middle East	116
others (South America, Russia)	136
Total	1596

SBM-1 – 40 D I – DECLARATION THAT THE COMPANY OPERATES IN THE FOSSIL FUEL SECTOR (COAL, OIL AND GAS)

SBO specializes in manufacturing high-alloy, non-magnetic steels and high-precision components and equipment for the energy sector and other industries. With its two divisions, Advanced Manufacturing & Services (AMS) and Oilfield Equipment (OE), SBO operates globally.

Reliable data on the distribution of drilling activities across different energy sources is not available and cannot be derived with certainty.

SBM-1 – 40 E – SUSTAINABILITY TARGETS

SBO has established specific sustainability goals, including emission reduction targets and diversification objectives. As of today, there are no explicitly defined targets for individual product groups, services, customer groups or stakeholder relationships.

SBM-1 – 40 G – STRATEGIC RELEVANCE OF SUSTAINABILITY ASPECTS

SBO’s strategy includes sustainability targets. A key objective is the reduction of emissions, achieved through the transition to renewable energy, optimization of manufacturing processes and resource-efficient circular economy practices. SBO is strategically leveraging its existing technologies to penetrate adjacent industries, such as Next-generation geothermal energy, while simultaneously driving innovation with advanced products in 3D metal printing in energy transition and industrial markets. Key challenges include meeting evolving regulatory requirements, ensuring supply chain resilience and maintaining competitiveness while advancing sustainable solutions.

SBM-1 – 42 – BUSINESS MODEL AND VALUE CHAIN

SBO is a leading manufacturer of high-alloy, non-magnetic steels and high-precision components and equipment for the energy sector and beyond. With around 1,600 employees and a worldwide network of subsidiaries, SBO is at the forefront of the industry with an unwavering commitment to optimum precision. SBO´s ability to deliver cutting-edge, high-performance solutions is backed by a highly innovative product portfolio, protected through strong intellectual property.

Headquartered in Ternitz, Austria, and with 23 locations worldwide, SBO stays close to its customers, ensuring fast, efficient and high-quality services. SBO´s strategic, long-standing relationships with both customers and suppliers are key to delivering industry-specific solutions of the highest quality that enable greater operational efficiency and reduced environmental impact. SBO is proud to contribute with its products and services to securing the global energy supply. SBO’s value chain encompasses all key stages from raw material sourcing to the end use of its products. The process begins with the global procurement of high-alloy and non-magnetic steels, followed by transportation to SBO’s production facilities. Finished components are then distributed worldwide to customers in the energy, geothermal, and industrial sectors. After their use, many of these products can be recycled or reintegrated into further industrial processes, supporting long-term operational efficiency.

SBM-1 – 42 A – INPUTS AND APPROACH OF THE BUSINESS MODEL AND VALUE CHAIN

Advanced Manufacturing & Services (AMS):[1] SBO manufactures custom components with the highest accuracy. From complex steel parts to advanced additive manufacturing solutions, SBO supplies various industries such as energy, space, aerospace, semiconductors and others, that demand precision and high performance.

Oilfield Equipment (OE):[1] SBO provides high-end tools for horizontal and directional drilling and well-completion, designed for the toughest onshore and offshore conditions. Built to excel in high-temperature and high-pressure environments, its solutions serve industries like oil and gas, geothermal, and carbon capture & storage. Available for rent and/or purchase, SBO's customer-focused innovations deliver efficiency, reliability, and sustainability across diverse industries.

SBO's production processes rely on a range of essential raw materials, including steel, metal powder for additive manufacturing, aluminium, resin and hardener (used for composites), fiber glass, rubber, polyester, and magnesium. To ensure supply chain stability and procurement security, SBO maintains long-term relationships with suppliers.

SBM-1 – 42 B – BUSINESS MODEL OUTPUTS AND OUTCOMES FOR CUSTOMERS, INVESTORS, AND OTHER STAKEHOLDERS

Outputs: SBO manufactures high-precision components and equipment, components used for directional drilling, rotary steerable systems, and well-completion products and solutions. These products are primarily used in the energy sector today, but increasingly in geothermal applications.

Customer Benefits: The products of SBO meet high performance and quality standards, providing customers with a technological edge and thus competitive advantages in their respective industry through tailored and often customer-specific designs.

Stakeholder Benefits:

- **Investors:** Benefit from revenue growth, an increase in company value, and dividends through diversification into business areas such as energy transformation and other industrial applications. Earnings and cash generation across market cycles thanks to a strong market position (niche provider).

- **Employees:** Personal development and career opportunities through innovation-driven programs.

- **Communities:** Experience reduced environmental impact through SBO's technologies as well as the company's compliance and sustainability efforts.

SBM-1 – 42 C – KEY FEATURES OF THE UPSTREAM AND DOWNSTREAM VALUE CHAIN

Upstream Value Chain: SBO's upstream value chain relies on robust relationships with suppliers of high-quality raw materials, ensuring the consistent manufacturing of its specialized products.

Downstream Value Chain: SBO works closely with its customers, offering tailored solutions to maintain high performance standards, reliability, and efficiency improvements. This collaboration significantly contributes to the overall value creation in the energy sector.

[1] As of 2025, SBO's business segments have been renamed. The former Advanced Manufacturing & Services division is now being referred to as „Precision Technology ", the Oilfield Equipment division has been renamed to „Energy Equipment ".

SBM-2 - Interests and views of stakeholders

SBM-2 - 45 A-C - KEY STAKEHOLDERS: ENGAGEMENT, CATEGORIES, AND INTEGRATION INTO STRATEGY AND BUSINESS MODEL

SBO engages with key stakeholder groups, including customers, suppliers, banks, shareholders, and employees, through regular communication and collaboration. This includes direct exchanges with customers to address specific needs, close coordination with suppliers to strengthen supply chain reliability and foster long-term partnerships, ongoing dialogue with banks regarding financial matters, transparent communication with shareholders on strategic developments, and continuous engagement with employees to support their well-being and professional growth.

SBM-2 - 43, S1-SBM-2 - 12, S2-SBM-2 - 9, S3-SBM-2 - 7, S4-SBM-2 - 8 INTEGRATING INTERESTS AND VIEWS INTO STRATEGY AND BUSINESS MODEL

SBO actively engages with its workforce to understand their interests, views, and rights, considering these insights to inform its strategy and business model while maintaining a strong commitment to respecting human rights. However, the interests and views of value chain workers, affected communities, and consumers are not fully integrated into this process, although their rights are upheld.

Stakeholder	SBM-2-45 a ii	Customers/distributors
Purpose of inclusion	SBM-2-45 a iv	Challenge own assumptions and create better results, products and services, etc.
Organisation/type of integration	SBM-2-45 a iii	Annual and quarterly meetings, stakeholder events, fairs, etc.
Consideration of the results	SBM-2-45 a v	Feedback incorporated into business offering
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Innovative products, On-time delivery, High Quality, Financial strength, etc.
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	SBO's customers are critical to SBO's success. Future strategic adjustments may be made based on customer feedback.
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	Continue to implement feedback mechanisms to discuss operational and strategic topics
Realisation date of the planned further steps	SBM-2-45 c ii	Ongoing
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Grow further with existing customers as well as win new clients

Stakeholder	SBM-2-45 a ii	Employees
Purpose of inclusion	SBM-2-45 a iv	Ensure employee satisfaction, improve working conditions and employee retention
Organisation/type of integration	SBM-2-45 a iii	Feedback box, dialogue with the works council, suggestion system etc.
Consideration of the results	SBM-2-45 a v	Employee surveys were conducted at selected subsidiaries and the results were communicated to affected managers
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Safe and fair working environment, development opportunities
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	SBO continuously integrates valuable ideas for new business opportunities, which may lead to strategic adjustments in the future (e.g., through leadership meetings).
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	Implement training and development workshops
Realisation date of the planned further steps	SBM-2-45 c ii	Ongoing
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Higher employee retention

Stakeholder	**SBM-2-45 a ii**	**Shareholder**
Purpose of inclusion	SBM-2-45 a iv	Aligning with shareholder expectations for company growth, share price, dividend payment and overall financial stability of SBO
Organisation/type of integration	SBM-2-45 a iii	Annual General Meeting, Conferences, roadshows, investor calls and financial quarterly reports
Consideration of the results	SBM-2-45 a v	Input considered for strategy and financial planning
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Pursue strategies which ensure sustainable and profitable company growth
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	SBO may refine its strategy based on constructive feedback from shareholders, particularly in the context of conferenc-es, roadshows, and similar engagements.
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	Further strengthen reporting processes and enhance governance
Realisation date of the planned further steps	SBM-2-45 c ii	Ongoing
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Maintained investor confidence and alignment with strategic goals

Stakeholder	**SBM-2-45 a ii**	**Suppliers**
Purpose of inclusion	SBM-2-45 a iv	Foster collaboration for supply chain efficiency and sustainability
Organisation/type of integration	SBM-2-45 a iii	Annual to quarterly meetings. Stakeholder events, direct communication
Consideration of the results	SBM-2-45 a v	Supplier feedback incorporated into procurement processes
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Stable relationships, sustainable procurement practices
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	Continue close collaboration and maintain regular meetings to ensure ongoing alignment with supplier expectations
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	SBO's suppliers are vital value chain partners and play a crucial role in SBO's success. At this moment in time SBO does not plan to alter its strategy in response to supplier feedback.
Realisation date of the planned further steps	SBM-2-45 c ii	Within 1-5 years
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Increased reliability and sustainability in the supply chain

Stakeholder	SBM-2-45 a ii	Banks
Purpose of inclusion	SBM-2-45 a iv	Ensure alignment with financial expectations and compliance
Organisation/type of integration	SBM-2-45 a iii	Regular dialogue, financial reports, annual meetings
Consideration of the results	SBM-2-45 a v	Feedback incorporated into financial risk assessments
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Risk management, stability, and sustainability
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	While banks are key financial partners and essential to the successful execution of SBO's strategy, SBO will not adjust its strategic direction based on their input.
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	Ongoing engagement with financial institutions
Realisation date of the planned further steps	SBM-2-45 c ii	Ongoing
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Continued strong credit rating and financial reliability

Stakeholder	SBM-2-45 a ii	Authorities, politics
Purpose of inclusion	SBM-2-45 a iv	Compliance with regulations
Organisation/type of integration	SBM-2-45 a iii	Monitoring of political discourse
Consideration of the results	SBM-2-45 a v	Results used to ensure legal compliance
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Legal and regulatory adherence
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	Authorities and political parties will not play a central role in shaping SBO's future strategy. However, geopolitical changes may necessitate flexible adjustments of any strategy.
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	None
Realisation date of the planned further steps	SBM-2-45 c ii	n/a
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Compliance with changing legal frameworks

Stakeholder	SBM-2-45 a ii	NGOs
Purpose of inclusion	SBM-2-45 a iv	Limited communication
Organisation/type of integration	SBM-2-45 a iii	No regular formats
Consideration of the results	SBM-2-45 a v	Not applicable
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Social and environmental considerations
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	At this moment SBO does not plan to modify its strategy based on input from NGO's
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	None
Realisation date of the planned further steps	SBM-2-45 c ii	n/a
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Minimal direct impact

Stakeholder	SBM-2-45 a ii	Local communities
Purpose of inclusion	SBM-2-45 a iv	Support targeted local initiatives
Organisation/type of integration	SBM-2-45 a iii	Project-based collaboration
Consideration of the results	SBM-2-45 a v	Community feedback integrated into local projects
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Social impact and environmental improvement
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	Focus on maintaining existing community engagement activities and evaluating potential new opportunities if aligned with strategic goals
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	At this moment SBO does not plan to modify its strategy based on input from local communities.
Realisation date of the planned further steps	SBM-2-45 c ii	Long-term
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Strengthened community relationships

Stakeholder	SBM-2-45 a ii	Media
Purpose of inclusion	SBM-2-45 a iv	Public relations and brand positioning
Organisation/type of integration	SBM-2-45 a iii	Press releases, media events
Consideration of the results	SBM-2-45 a v	Media feedback influences corporate image
Description of the interests of key stakeholders with regard to the corporate strategy and business model	SBM-2-45 b	Transparent communication, enhanced reputation
Adaptation of the financial year strategy or business model to the interests of stakeholders	SBM-2-45 c i	In 2024, there were no changes to the strategy or business model.
Planned adaptation of the strategy or business model to the interests of stakeholders in the future	SBM-2-45 c ii	SBO will not alter its strategy in response to media influence.
Planned steps to address the interests of stakeholders	SBM-2-45 c ii	None
Realisation date of the planned further steps	SBM-2-45 c ii	Ongoing
Expected result of the changes in strategy, business model and further steps	SBM-2-45 c iii	Improved public image and stakeholder awareness

SBM-2 - 45 D - INFORMING ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES ABOUT STAKEHOLDER VIEWS ON SUSTAINABILITY-RELATED IMPACTS

At SBO, the executive and supervisory boards are informed about stakeholder views and interests regularly through verbal updates or reports and summaries prepared by responsible managers, ensuring these insights are considered in decision-making processes.

SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model(s)

SBM-3 - 48 A - EXPLANATION OF MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

SBO has identified key environmental impacts, risks, and opportunities, mainly focused on emissions and resource utilization in manufacturing and across the upstream and downstream value chain. Risks also arise from regulatory changes and market dynamics, while opportunities exist in business model diversification and advancements in the circular economy.

SBM-3 - 48 B - INFLUENCE OF MATERIAL IMPACTS, RISKS AND OPPORTUNITIES ON THE BUSINESS MODEL, VALUE CHAIN, STRATEGY AND DECISION-MAKING

SBO acknowledges that material impacts, risks, and opportunities significantly affect its business model, value chain, strategy, and decision-making. Current and future focus areas include emission reduction and circular economy optimization.

SBM-3 - 48 F INFORMATION ABOUT RESILIENCE OF STRATEGY AND BUSINESS MODEL

By applying the double materiality principle, SBO has analyzed all Impact, Risk, and Opportunity factors (IROs). In addition, the climate risk and vulnerability analysis has provided valuable insights, further enhancing the understanding of key climate-related risks and opportunities. SBO is strategically well-positioned to manage these challenges and leverage opportunities.

SBM - 3 - 48 G CHANGES TO THE MATERIAL IMPACTS, RISKS AND OPPORTUNITIES COMPARED TO THE PREVIOUS REPORTING PERIOD

This was SBO's first double materiality analysis, so no comparisons to the previous reporting period are available.

LIST OF ALL MATERIAL IMPACTS

Topic/Sub-Sub-Topic	SBM-3-48a	E1-Climate change mitigation (Environmental concern)
List of all material impacts	SBM-3-48a	Emissions from transportation (land, air, marine)
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Entire value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Emissions from transportation occur throughout the entire value chain, as products are transported from raw material suppliers to manufacturing locations and subsequently to the field of operation.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Air pollution, greenhouse gas emissions contribute to climate change, and health issues in communities near transport routes.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Naturally there is a relation as SBO's products must be transported to the field of operation which leads to transportation emissions.
Period	SBM-3-48c iii	All time horizons
Participation of the SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO is fully aware of its responsibilities regarding logistics operations and global shipping, which are integral to its business model.
Influence on business model	SBM-3-48a	Current: Raises costs and regulatory demands: impacts logistics performance. Expected: Adopting lower emission transport solutions
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	**SBM-3-48a**	**E1-Climate change mitigation (Environmental concern)**
List of all material impacts	SBM-3-48a	Emissions from purchased raw materials and emissions from manufacturing of iron and steel.
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Upstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the upstream value chain, particularly in regions where steel suppliers operate
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Carbon emissions and pollution during manufacturing affect global warming and air quality.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Strongly related: reliance on high-emission raw materials like steel is central to SBO's product offerings.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO shares impacts through supplier relationships in steel and raw material procurement.
Influence on business model	SBM-3-48a	Current: Contributes to the overall carbon footprint. Expected: Drives the adoption of lower carbon materials.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	**SBM-3-48a**	**E1-Climate change mitigation (Environmental concerns)**
List of all material impacts	SBM-3-48a	Emissions from oil & gas extracted with SBO products
Type of sustainability impact	SBM-3-48a	Negative impacts (potential)
Concentration in the value chain	SBM-3-48a	Downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Primarily concentrated in the global downstream value chain.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Downstream emissions contribute to climate change.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related, as SBO's products are designed to support oil and gas extraction, making these emissions an indirect result of the business model.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares responsibility using its products in fossil fuel extraction.
Influence on business model	SBM-3-48a	Current: Links SBO to downstream carbon impacts, increasing concerns from certain stakeholders. Expected: Drives product innovation toward lower-emission technologies.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E1-Climate change mitigation (Environmental concerns)
List of all material impacts	SBM-3-48a	Use of GHG intensive raw materials (potential)
Type of sustainability impact	SBM-3-48a	Negative impacts
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	None
Description of how impacts affect people and the environment	SBM-3-48c i	Positive: Reduction in virgin raw material usage decreases energy consumption and emissions. Negative: Limited availability of high-quality recycled materials may restrict full potential benefits.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related, Use of GHG intensive raw materials accounts for a large share of SBO's GHG footprint.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO has a direct share by incorporating recycled materials in its manufacturing processes.
Influence on business model	SBM-3-48a	Current manufacturing: Reduces emissions and aligns with sustainability targets. Expected: Enhanced competitive advantage through increased use of recycled inputs.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Topic	SBM-3-48a	E1-Energy (Environmental concerns)
List of all material impacts	SBM-3-48a	Energy Consumption in manufacturing, offices and services
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in SBO´s global locations
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Energy usage increases carbon footprint and local environmental impact.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related: Manufacturing is an integral part of SBO's business model
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly contributes to this impact through energy use in its manufacturing facilities and offices.
Influence on business model	SBM-3-48a	Current: Raises operational costs and contributes to direct emissions. Expected: Accelerates expenditures in energy from renewable sources and energy efficiency measures.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E2-Microplastics (Environmental concerns)
List of all material impacts	SBM-3-48a	Pollution through microplastics (actual)
Type of sustainability impact	SBM-3-48a	Negative impacts
Concentration in the value chain	SBM-3-48a	Downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the downstream value chain where SBO products are used in extraction processes.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Microplastics contaminate ecosystems, harming biodiversity.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: downstream activities involving SBO products may contribute to microplastics pollution.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly contributes as some components of its products contain polymers.
Influence on business model	SBM-3-48a	Detailed impact analysis
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E2-Pollution of air (Environmental concerns)
List of all material impacts	SBM-3-48a	Air pollution from global industrial processes
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in own activities, particularly in manufacturing
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Emissions degrade air quality and could affect nearby communities' health.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related: emissions stem from SBO's manufacturing processes at facilities in these regions.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly shares responsibility due to emissions from its manufacturing activities.
Influence on business model	SBM-3-48a	Current: Increases in regulatory compliance costs. Expected: Drives technological upgrades in manufacturing facilities.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E2-Pollution of air (Environmental concerns)
List of all material impacts	SBM-3-48a	Air pollution from manufacturing of iron and steel
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Upstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the upstream value chain, originating from steel suppliers.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Emissions harm ecosystems
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Strongly related, steel is a critical input for majority of SBO´s products. Its manufacturing is directly linked to upstream value chain emissions.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares impacts through its upstream value chain suppliers of steel and other materials.
Influence on business model	SBM-3-48a	Current: Contributes to indirect emissions and stakeholder concerns. Expected: Strengthens collaboration with suppliers on emissions reduction.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E2-Pollution of air (Environmental concerns)
List of all material impacts	SBM-3-48a	Air pollution from transportation
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Entire value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Distributed across the entire value chain, encompassing logistics between suppliers, SBO facilities, and customers globally.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Carbon emissions and particulate matter impact air quality.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related: global logistics tied to SBO's operations contribute to transportation-related air pollution.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO shares responsibility directly through its logistics operations and supply chain management.
Influence on business model	SBM-3-48a	Current: Adds to logistics costs and environmental footprint. Expected: Expenditures in efficient logistics and alternative fuels.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E2-Pollution of air (Environmental concerns)
List of all material impacts	SBM-3-48a	Air pollution from mining operations - Nickel, Copper, Chromite and other raw materials
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Upstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the upstream value chain, affecting regions supplying raw materials
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Mining causes habitat destruction, water contamination, and community displacement.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: SBO's dependence on mined raw materials connects it to upstream pollution.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	The majority of SBO's customers and suppliers are publicly traded companies. Therefore, SBO assumes that they comply with the relevant legal regulations not only for legal reasons but also for reputational considerations. To date, SBO is not aware of any violations in this area.
Influence on business model	SBM-3-48a	Current: Links SBO to upstream ecological degradation risks. Expected: Strengthens responsible sourcing policies.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E2-Pollution of soil (Environmental concerns)
List of all material impacts	SBM-3-48a	Soil pollution from mining operations - Nickel, Copper, Chromite and other raw materials
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Upstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the upstream value chain, affecting regions supplying raw materials
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Mining causes habitat destruction, water contamination, and community displacement.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: SBO's dependence on mined raw materials connects it to upstream pollution.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO typically collaborates with companies that are significantly larger who also must comply with environmental regulations. The most important customers of SBO are all stock listed.
Influence on business model	SBM-3-48a	Links SBO to upstream value chain
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E3-Water consumption (Environmental concerns)
List of all material impacts	SBM-3-48a	Water usage (actual)
Type of sustainability impact	SBM-3-48a	Negative impacts
Concentration in the value chain	SBM-3-48a	Entire value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Water consumption occurs across the value chain, with a focus on manufacturing processes and operations in water-stressed regions. Significant upstream and down-stream value chain impacts include sourcing raw materials and processing.
Description of how impacts affect people and the environment	SBM-3-48c i	High water consumption can contribute to water scarcity in affected regions, impacting local communities, ecosystems, and biodiversity. Mismanagement of water resources may also lead to reputational risks for the company.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO complies with legal requirements related to water con-sumption. Recognizing the need to address water risks in certain areas, the locally impacted subsidiaries may assess its water footprint and explore reduction initiatives.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO contributes directly to water consumption through its operations and indirectly through its supply chain. Partners and suppliers in regions with high water stress amplify the impacts.
Influence on business model	SBM-3-48a	Uncontrolled water consumption could lead to operational disruptions, increased costs, and reputational damage, particularly in regions facing water scarcity. Developing a water management strategy is essential for mitigating these risks and ensuring business continuity.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	**SBM-3-48a**	**E3-Water discharges in the oceans (Environmental concerns)**
List of all material impacts	SBM-3-48a	Liquid pollutant discharges in the ocean
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the downstream value chain, where SBO products are used in oil and gas operations that may impact marine environments.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Pollutants harm marine life and ecosystems.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: downstream operations using SBO's products may contribute to these impacts.
Period	SBM-3-48c iii	All time horizons, based on downstream mitigation efforts and improved operational standards.
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	Key suppliers of SBO are large-sized companies. Therefore, SBO assumes that they comply with the relevant legal regulations not only for legal reasons but also for reputational considerations. To date, SBO is not aware of any violations in this area.
Influence on business model	SBM-3-48a	Current: Risks harming biodiversity and marine ecosystems indirectly. Expected: It is unclear to what extent sustainable practices and environmental protection measures will be promoted in customer operations.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E4- Land-use change, fresh water-use change and sea-use change (Environmental concerns)
List of all material impacts	SBM-3-48a	Land-use change upstream value chain(mining)
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Upstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the upstream value chain, linked to mining activities for raw materials.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Deforestation, freshwater depletion, and ecosystem disruption.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: sourcing raw materials for SBO's products affects ecosystems through mining operations.
Period	SBM-3-48c iii	All time horizons.
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	Key suppliers of SBO are large-sized companies. Therefore, SBO assumes that they comply with the relevant legal regulations not only for legal reasons but also for reputational considerations. To date, SBO is not aware of any violations in this area.
Influence on business model	SBM-3-48a	Current: Exposes SBO to reputational and sourcing risks. Expected: To be determined
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E4- Land-use change, fresh water-use change and sea-use change (Environmental concerns)
List of all material impacts	SBM-3-48a	Land-use change for mining, freshwater use for production, sea-use change in use of product
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Upstream and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the value chain, linked to mining activities for raw materials.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Deforestation, freshwater depletion, and ecosystem disruption.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: sourcing raw materials for SBO's products affects ecosystems through mining operations.
Period	SBM-3-48c iii	All time horizons, as these impacts are tied to the lifecycle of mining operations.
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	The majority of SBO's customers and suppliers are publicly traded companies. Therefore, SBO assumes that they comply with the relevant legal regulations not only for legal reasons but also for reputational considerations. To date, SBO is not aware of any violations in this area.
Influence on business model	SBM-3-48a	Current: Exposes SBO to reputational and sourcing risks. Expected: To be determined
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E4-Climate Change (Environmental concerns)
List of all material impacts	SBM-3-48a	Use of product for extraction of oil & gas
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the downstream value chain, where SBO's products are used in drilling and extraction activities.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Facilitates fossil fuel production, which contributes to climate change.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related as SBO products are used to extract oil and gas
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares responsibility through its products' role in enabling fossil fuel extraction.
Influence on business model	SBM-3-48a	Current: Ties SBO's business model to the fossil fuel industry. Expected: Gradual diversification
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E4: Land degradation: Desertification: Soil sealing (Environmental concerns)
List of all material impacts	SBM-3-48a	Drilling activities causing impact on ecosystems
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the downstream value chain, particularly in oil-and gas operations in sensitive ecosystems.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Habitat destruction and noise pollution.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: SBO products support extraction process-es that may affect ecosystems.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares responsibility through the operational use of its products in drilling.
Influence on business model	SBM-3-48a	Current: Impacts ecosystems in extraction regions. Expected: Advances in precision drilling products reduce these impacts.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E4-Pollution (Environmental concerns)
List of all material impacts	SBM-3-48a	Pollution along the value chain impacting biodiversity
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Entire value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Distributed across the entire value chain, including emissions and discharges during manufacturing, transportation, and product usage.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Harmful emissions and waste reduce species diversity.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO shares impact directly through emissions and indirectly through its value chain operations.
Influence on business model	SBM-3-48a	Current: Contributes to negative biodiversity impacts across the value chain. Expected: Emphasizes nature-positive initiatives and practices.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E5-Resources inflows, including resource use
List of all material impacts	SBM-3-48a	Resource consumption in manufacturing
Type of sustainability impact	SBM-3-48a	Negative impact (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Resource consumption is concentrated in the SBO's own manufacturing processes including raw material usage. This has a direct environmental impact and contributes to resource depletion.
Description of how impacts affect people and the environment	SBM-3-48c i	The consumption of materials like steel contributes to environmental impacts such as resource depletion and waste generation.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO´s strategy recognizes the importance of efficient resource use. Efforts are underway to develop measures to optimize resource inflows and reduce waste
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly contributes to resource consumption through its manufacturing processes. Indirect impacts arise from upstream suppliers providing raw materials
Influence on business model	SBM-3-48a	Inefficient resource use could increase operational costs, regulatory risks, and reputational damage. Optimizing resource inflows and reducing waste are critical for maintaining long-term business sustainability.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E5-Resources inflows, including resource use (Environmental concerns)
List of all material impacts	SBM-3-48a	Dependency on primary raw materials
Type of sustainability impact	SBM-3-48a	Negative impact (potential)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in own activities within manufacturing facilities, particularly in Austria the US and Vietnam, where recycled inputs are incorporated into manufacturing processes.
Description of how impacts affect people and the environment	SBM-3-48c i	Decreases environmental degradation and energy use in raw material extraction. SBO is dependent on procured primary raw materials.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Related to a positive strategic shift: reflects SBO's commitment to reducing reliance on virgin raw materials.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly reduces its share of environmental impacts by utilizing recycled inputs in manufacturing.
Influence on business model	SBM-3-48a	Current: Lowers operational emissions and waste. Expected: Builds long-term resilience in material sourcing.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E5-Resources inflows, including resource use (Environmental concerns)
List of all material impacts	SBM-3-48a	Inefficient use of raw materials and resources
Type of sustainability impact	SBM-3-48a	Negative impact (potential)
Concentration in the value chain	SBM-3-48a	Upstream value chain and own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrating on upstream value chain processes and own operations aiming to optimize input efficiency globally
Description of how impacts affect people and the environment	SBM-3-48c i	Current material and energy consumption may be inefficient in certain areas of the manufacturing process as well as in the use of manufacturing and office facilities.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Aligned with strategic goals: improving material efficiency supports sustainability targets.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly influences impacts by improving resource efficiency in its manufacturing processes.
Influence on business model	SBM-3-48a	Current: Reduces costs and waste. Expected: Further supports circular economy goals.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E5-Waste (Environmental concerns)
List of all material impacts	SBM-3-48a	Development of products that allow for a higher recyclability
Type of sustainability impact	SBM-3-48a	Positive impact (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in SBO's own activities, particularly in facilities integrating recycled materials into manufacturing.
Description of how impacts affect people and the environment	SBM-3-48c i	Positive: Promotes circular economy and reduces material waste.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Partially related: represents a proactive strategy to align product design with circular economy principles.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly contributes to positive impacts through its design and engineering efforts.
Influence on business model	SBM-3-48a	Current: Enhances SBO's environmental profile. Expected: Creates competitive advantage in sustainable markets.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E5-Waste (Environmental concerns)
List of all material impacts	SBM-3-48a	Waste from own processes - Regions: Asia/Middle East/ Middle and South America
Type of sustainability impact	SBM-3-48a	Negative impact (potential) due to waste generation, disposal challenges and potential environmental pollution.
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Waste generation in SBO's facilities located in the regions of Asia, the Middle East, and Middle/South America.
Description of how impacts affect people and the environment	SBM-3-48c i	Waste from manufacturing processes can lead to soil, air, and water pollution if not properly managed, affecting local communities and ecosystems. Poor waste management can also harm public health in the affected regions.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO adheres to all applicable legal and regulatory requirements regarding waste management. SBO recognizes the importance of developing a systematic approach to further reduce waste and minimize negative environmental and social impacts in the future.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO is directly responsible for waste generation through its manufacturing activities. Indirect impacts may arise through contractors or suppliers involved in handling or disposing of waste.
Influence on business model	SBM-3-48a	Inefficient waste management could lead to regulatory penalties, reputational damage, and increased operational costs.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Collective bargaining, including rate of workers covered by collective agreements (Employee and social concerns)
List of all material impacts	SBM-3-48a	Missing collective bargaining
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in own activities where employment contracts lack collective agreements, varying by subsidiary location.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Limits workers' rights and fair representation.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related: SBO respects the right for collective bargaining and maintains good relations with works councils and unions. The employment practices within SBO subsidiaries are monitored by local management.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO shares direct responsibility where subsidiaries do not engage in collective agreements.
Influence on business model	SBM-3-48a	Could reduce worker satisfaction and increase turnover risk.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Child labor (Respect for human rights)
List of all material impacts	SBM-3-48a	Incidents of child labor
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	The topic of child labor is addressed within SBO's Code of Conduct and related human rights commitments. To date, SBO has not identified any instances of child labour within SBO or its value chain.
Description of how impacts affect people and the environment	SBM-3-48c i	Child labor could result in exploitation and harm to children's well-being within affected supply chains.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO's Code of Conduct, supported by a robust compliance management system, is designed to mitigate risks of child labor and ensure adherence to human rights standards throughout the value chain.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	To date, SBO has not identified any instances of child labour within SBO and among its value chain partners.
Influence on business model	SBM-3-48a	Could pose reputational and operational risks.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Diversity (Employee and social concerns)
List of all material impacts	SBM-3-48a	Incidents of discrimination at the workplace
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Potential impact concentrated in SBO's own activities.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Creates an inequitable and hostile work environment.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	The potential impact relates to SBO's own activities.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO recognizes its responsibility through its workplace policies and practices.
Influence on business model	SBM-3-48a	Could affect employee morale and diversity.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	**SBM-3-48a**	**S1-Employment and inclusion of persons with disabilities (Employee and social concerns)**
List of all material impacts	SBM-3-48a	Inclusion of persons with disabilities
Type of sustainability impact	SBM-3-48a	Positive impact (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in SBO's own activities, with positive impacts driven by internal policies and inclusion programs.
Description of how impacts affect people and the environment	SBM-3-48c i	Positive: Promotes equitable opportunities and diverse perspectives.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Related to strategic policies: reflects SBO's effort to create an inclusive workplace.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly shares responsibility through its hiring practices and inclusion policies.
Influence on business model	SBM-3-48a	Current: Improves workplace inclusivity. Expected: Strengthens SBO's social impact and employer brand.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Forced labor (Respect for human rights)
List of all material impacts	SBM-3-48a	Incidents of forced labor
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities, with consideration of the broader regional context
Details on the placement of the appearance in the value chain	SBM-3-48a	While SBO operates in regions where forced labor risks may exist, the company enforces strict internal policies and compliance standards, ensuring that such practices do not occur within its own operations.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative impacts: In regions with higher labor rights risks
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO's commitment to human rights is embedded in its operational practices.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO operates under strict labor policies that eliminate the risk of forced labor within its own workforce, despite being active in regions where such risks exist.
Influence on business model	SBM-3-48a	Current: Maintains brand integrity and operational resilience through strong labor compliance frameworks. Expected: Continued reinforcement of labor standards and commitment to human rights, safeguarding employee safety and well-being.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Gender equality and equal pay for work of equal value (Respect for human rights)
List of all material impacts	SBM-3-48a	Gender inequality
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in SBO's own activities and value chain, depending on regional cultural norms and employment practices.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Limits workplace equity and progression opportunities.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Partially related: workplace practices and regional cultural factors may contribute to this impact.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO ensures accountability through its commitment to responsible workplace policies. To date, SBO has not identified any instances of gender inequality.
Influence on business model	SBM-3-48a	SBO is committed to fair treatment and equal opportunities, creating a strong foundation for greater workforce inclusivity. Any gender inequality may hinder equal opportunities.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Health and safety (Respect for human rights)
List of all material impacts	SBM-3-48a	Work incidents
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in SBO's own activities at manufacturing sites and field operations.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Injuries reduce workforce morale and productivity.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related: safety standards and practices at SBO facilities are directly within its control.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly shares responsibility through safety practices at its facilities and operations.
Influence on business model	SBM-3-48a	Current: Affects workforce productivity and health. Expected: Increases focus on workplace safety and training.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Measures against violence and harassment in the workplace (Respect for human rights)
List of all material impacts	SBM-3-48a	Incidents of violence and harassment at the workplace
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in SBO's own activities, requiring consistent enforcement of workplace policies globally.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Harm employee well-being and organizational culture.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Directly related: linked to internal workplace policies and enforcement mechanisms. SBO has a zero-tolerance policy towards violence and harassment in the workplace.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly shares responsibility through its internal policies and oversight.
Influence on business model	SBM-3-48a	Current: Creates a hostile work environment. Expected: Strengthens anti-harassment policies and enforcement.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1 – Adequate wages (Respect for human rights)
List of all material impacts	SBM-3-48a	Purchasing power of employees
Type of sustainability impact	SBM-3-48a	Positive Impact (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	The impact is concentrated within SBO's direct operations, particularly in wage-setting practices for employees and contracted workers.
Description of how impacts affect people and the environment	SBM-3-48c i	Adequate wages improve the purchasing power of employees, contributing to their overall well-being and financial stability. This also positively impacts local economies by increasing demand for goods and services.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO´s strategy includes ensuring competitive and fair compensation aligned with industry standards, supporting employee satisfaction and retention. Adequate wages also strengthen the company's reputation as an employer of choice.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO contributes directly to material impacts through compensation structure for employees.
Influence on business model	SBM-3-48a	Adequate wages contribute to employee satisfaction, productivity, and retention, which are critical for the sustainability of the business model. Competitive compensation also enhances the company's attractiveness in the labor market.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Training and skills development (Employee and social concerns)
List of all material impacts	SBM-3-48a	Upskilling
Type of sustainability impact	SBM-3-48a	Positive Impact (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	The impact is concentrated within SBO's own activities, particularly in employee development programs, on-the-job training, and internal learning initiatives.
Description of how impacts affect people and the environment	SBM-3-48c i	Training and skills development enhances employee capabilities, job satisfaction, and career growth. This has a positive effect on the workforce's productivity, innovation, and adaptability to technological and market changes. It also contributes to social benefits by improving employability.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO's strategy emphasizes continuous learning and development as a key driver for innovation, operational excellence, and employee retention. Structured programs for upskilling are aligned with business goals to foster a competitive and adaptable workforce.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly contributes to upskilling through its internal training initiatives and development programs.
Influence on business model	SBM-3-48a	Skills development strengthens the business model by enhancing employee performance, fostering innovation, and maintaining a competitive edge in the industry. It also helps to attract and retain top talent.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	**SBM-3-48a**	**S2-Adequate housing (Respect for human rights)**
List of all material impacts	SBM-3-48a	Incidents of inadequate housing
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	SBO focuses on the entire value chain, particularly on upstream regions and accommodations for contractors. So far, no cases of inadequate accommodations among value chain partners have been identified.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Poor conditions for workers in supply chains affect health and morale.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: contractors and suppliers in upstream value chains may face housing issues.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares impacts through supply chain partners, especially in developing regions.
Influence on business model	SBM-3-48a	Current: Affects worker well-being in supply chains. Expected: Drives housing improvement initiatives.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Adequate wages (Respect for human rights)
List of all material impacts	SBM-3-48a	Non-living wage
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in the value chain in regions such as Asia and South America.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Low wage standards in certain regions can exacerbate economic inequalities.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: upstream supply chains in regions with low wage standards impact this issue.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO directly collaborates with companies that are typically significantly larger and also required to comply with human rights regulations. The most important customers of SBO are all stock listed.
Influence on business model	SBM-3-48a	Current: Impacts workforce satisfaction in upstream supply chains. Expected: Promotes fair wage standards with suppliers.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Child labor (Respect for human rights)
List of all material impacts	SBM-3-48a	Incidents of child labor
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Upstream and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Risks are primarily concentrated in the upstream value chain. To date, SBO has not identified any instances of child labor in SBO and among its value chain partners.
Description of how impacts affect people and the environment	SBM-3-48c i	Potential negative impacts: Poses a risk of exploiting vulnerable populations within supply chains.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly connected: supply chain practices and supplier compliance standards play a crucial role in managing this risk.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares responsibility through its supply chain relationships in high-risk regions. SBO adheres to all applicable legal regulations. SBO's key suppliers and customers are publicly listed companies with strong reputations and high standards. SBO has not identified any instances of child labor in SBO and among its value chain partners.
Influence on business model	SBM-3-48a	Could pose reputational risks and impact supply chain stability if associated with non-compliant practices.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Forced labor (Respect for human rights)
List of all material impacts	SBM-3-48a	Incidents of forced labor
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Risks are primarily concentrated in the upstream value chain, particularly in regions with weaker labor standards. SBO complies with all applicable legal regulations. SBO's key suppliers and customers are publicly listed companies known for their strong reputations and high compliance standards. To date, SBO has not identified any instances of forced labor within its operations or among its value chain partners.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Violates human rights and damages reputation.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly connected: potential risks may arise in upstream sourcing from regions where labor law enforcement is less stringent.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares responsibility through its sourcing in regions with poor labor enforcement. To date, SBO has not identified any instances of forced labor in SBO and among its value chain partners.
Influence on business model	SBM-3-48a	Could pose reputational risks and impact supply chain stability if associated with non-compliant practices.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Gender equality and equal pay for work of equal value (Respect for human rights)
List of all material impacts	SBM-3-48a	Gender inequality
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in SBO's value chain at mining or drilling
Description of how impacts affect people and the environment	SBM-3-48c i	Gender inequality in the workplace leads to unequal opportunities, pay gaps, and lack of diversity, which can negatively affect employee morale, productivity, and organizational culture. It can also reinforce systemic inequities in the broader value chain.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO is committed to gender equality and equal pay for work of equal value, creating a strong foundation for greater workforce inclusivity and addressing underrepresentation in certain roles. This commitment is embedded in SBO's Code of Conduct, reinforcing its dedication to fair and inclusive workplace practices. SBO is considering targeted initiatives to address gender inequality and pay gaps even better in the future.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO contributes to material impacts through direct operations and business relationships in sectors where gender inequality is prevalent, such as mining and drilling.
Influence on business model	SBM-3-48a	Persistent gender inequality can harm the business model by limiting access to diverse talent, damaging reputation, and increasing legal and compliance risks.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Health and safety (Respect for human rights)
List of all material impacts	SBM-3-48a	Work incidents
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated in SBO’s value chain at mining or drilling
Description of how impacts affect people and the environment	SBM-3-48c i	Workplace incidents can lead to injuries, loss of life, and environmental damage, particularly in high-risk operations like mining or drilling. These impacts directly affect employee safety, operational continuity, and environmental sustainability. To date, SBO has not identified any instances of unsafe work among its value chain partners.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO´s strategy and policies include adherence to a strict Code of Conduct and safety standards to reduce workplace incidents. This involves ensuring compliance with legal requirements and conducting regular risk assessments.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO contributes to material impacts through operations and business relationships in mining and drilling activities. Currently, no specific measures are in place to mitigate these risks because to date, SBO has not identified any instances of unsafe work and among its value chain partners.
Influence on business model	SBM-3-48a	Incidents could lead to operational disruptions, financial losses, and reputational damage, thereby impacting the sustainability and efficiency of the business model.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	**SBM-3-48a**	**S2-Measures against violence and harassment in the workplace (Respect for human rights)**
List of all material impacts	SBM-3-48a	Incidents of violence and harassment at the workplace
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain, particularly in upstream regions and contractor accommodations in Asia, Africa, and South America.
Description of how impacts affect people and the environment	SBM-3-48c i	Incidents of violence and harassment negatively affect employee well-being, mental health, and overall productivity. They may also contribute to high staff turnover and reputational risks for the organization.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO has implemented a Code of Conduct that outlines expectations for respectful workplace behaviour and zero tolerance for violence and harassment. This serves as a guiding framework for addressing these issues and ensuring compliance across the organization and its business relationships.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO contributes indirectly through business relationships with suppliers, contractors, and partners operating in regions with differing labor standards and legal protections. Direct contributions are mitigated by internal policies and compliance measures.
Influence on business model	SBM-3-48a	Persistent incidents could influence the business model by increasing legal risks, damaging brand reputation, and reducing operational efficiency due to disruptions in the workforce.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Diversity
List of all material impacts	SBM-3-48a	Incidents of discrimination at the workplace
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain.
Description of how impacts affect people and the environment	SBM-3-48c i	Incidents of discrimination negatively affect employee well-being, mental health, and overall productivity. They may also contribute to high staff turnover and reputational risks.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO has implemented a Code of Conduct that outlines expectations for respectful workplace behaviour and zero tolerance for discrimination. This serves as a guiding framework for addressing these issues and ensuring compliance across the organization and its business relationships.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO contributes indirectly through business relationships with suppliers, contractors, and partners operating in regions with differing labor standards and legal protections. Direct contributions are mitigated by internal policies and compliance measures.
Influence on business model	SBM-3-48a	Persistent incidents could influence the business model by increasing legal risks, damaging brand reputation, and reducing operational efficiency due to disruptions in the workforce.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Water and sanitation (Respect for human rights)
List of all material impacts	SBM-3-48a	Insufficient water and sanitation
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain, particularly in upstream sourcing regions with limited infrastructure. SBO typically collaborates with companies that are significantly larger who also must comply with human rights regulations. The most important customers of SBO are all stock listed.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Impacts on workers health in supply chains.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: upstream and downstream partners may face this issue in regions with inadequate infrastructure.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO typically collaborates with companies that are significantly larger who also must comply with human rights regulations. The most important customers of SBO are all stock listed.
Influence on business model	SBM-3-48a	Current: Reduces productivity and worker health in supply chains. Expected: Increases focus on infrastructure investments in high-risk regions.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3-Adequate food (Respect for human rights)
List of all material impacts	SBM-3-48a	Lacking food security - Regions: Asia/Africa/Middle and South America
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	SBO typically collaborates with companies that are significantly larger who also must comply with human rights regulations. To date, SBO has not identified any instances of food insecurity among its value chain partners.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Undermines worker health and productivity.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: connected to sourcing regions with socioeconomic challenges.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	Until today SBO has not identified any instances of insufficient food security among its value chain partners. SBO indirectly shares impacts through sourcing relationships in regions facing food insecurity.
Influence on business model	SBM-3-48a	Current: Affects supplier performance in vulnerable regions. Expected: Encourages support for local food access programs
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3-Adequate housing (Respect for human rights)
List of all material impacts	SBM-3-48a	Incidents of inadequate housing - Regions: Asia/Africa/ Middle and South America
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain, especially in these regions, affecting employees and local communities. To date, SBO has not identified any instances of inadequate housing among its value chain partners.
Description of how impacts affect people and the environment	SBM-3-48c i	Inadequate housing conditions negatively impact the health, safety, and overall well-being of employees and local communities. This can lead to social instability and reduced productivity in affected regions.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO recognizes the importance of adequate housing but has not yet developed a systematic strategy to address housing issues within its operations or value chain. Compliance with local laws is ensured for SBO's own operations.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	To date, SBO has not identified any instances of inadequate housing among its value chain partners. SBO contributes indirectly to housing impacts through contractors, suppliers, and business partners in regions such as Asia, Africa, and Middle and South America, where housing standards may vary significantly.
Influence on business model	SBM-3-48a	Inadequate housing can lead to reduced worker satisfaction and productivity, as well as reputational risks, particularly in regions where the issue is most prevalent. Addressing housing standards could strengthen relationships with employees and local communities.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3-Freedom of assembly (Respect for human rights)
List of all material impacts	SBM-3-48a	Suppression of freedom of assembly - Saudi Arabia, Russia and Vietnam
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain, especially in these regions, affecting employees and local communities.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Limits to worker rights and stakeholder advocacy.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: SBO's presence in these regions may expose it to these risks.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares responsibility through its presence and partnerships in these regions.
Influence on business model	SBM-3-48a	Current: Limits stakeholder engagement. Expected: Advocates adherence to international standards.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3-Freedom of expression (Respect for human rights)
List of all material impacts	SBM-3-48a	Suppression of freedom of expression - Russia and Vietnam
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain, especially in these regions, affecting employees and local communities.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Limits to worker rights and stakeholder advocacy.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: SBO's presence in these regions may expose it to these risks.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO subsidiaries collectively employ approximately 1,600 people across 23 locations on five continents. The global average by legal entity is fewer than 100 employees. As a result, SBO does not have a realistic opportunity to mitigate this general risk..
Influence on business model	SBM-3-48a	Current: Limits stakeholder engagement. Expected: Advocates adherence to international standards.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3-Impacts on human rights defenders (Respect for human rights)
List of all material impacts	SBM-3-48a	Harassment of human rights defenders - Russia and Vietnam
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain, particularly in regions with limited protection for human rights activists.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Risks harm to advocates for ethical practices.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: local regulatory and operational contexts influence these risks.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO subsidiaries collectively employ approximately 1,600 people across 23 locations on five continents. The global average by legal entity is fewer than 100 employees. As a result, SBO does not have a realistic opportunity to mitigate this general risk.
Influence on business model	SBM-3-48a	Current: Ties SBO to risks in politically sensitive regions. Expected: Promotes transparent engagement practices.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3-Land-related impacts (Respect for human rights)
List of all material impacts	SBM-3-48a	Withhold land and resource rights
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain, particularly in upstream sourcing regions.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Displaces communities and undermines livelihoods.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: upstream sourcing practices may contribute to this.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO subsidiaries collectively employ approximately 1,600 people across 23 locations on five continents. The global average by legal entity is fewer than 100 employees. As a result, SBO does not have a realistic opportunity to mitigate this general risk.
Influence on business model	SBM-3-48a	Currently: Creates conflicts with local communities. Expected: Encourages supplier compliance with land rights standards.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3-Security-related impacts (Respect for human rights)
List of all material impacts	SBM-3-48a	Insufficient community security
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the up- and downstream value chain, particularly in sourcing and operational regions in Asia, Africa, and South America.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Threatens local populations near operations or sourcing regions.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: operations and sourcing in vulnerable regions influence community security.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO subsidiaries collectively employ approximately 1,600 people across 23 locations on five continents. The global average by legal entity is fewer than 100 employees. As a result, SBO does not have a realistic opportunity to mitigate this general risk.
Influence on business model	SBM-3-48a	Current: Disrupts sourcing operations. Expected: Drives partnerships for community development.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3-Water and sanitation (Respect for human rights)
List of all material impacts	SBM-3-48a	Incidents of improper water and sanitation - Regions: Asia/ Africa/Middle and South America
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Up- and downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrated across the entire value chain, particularly in upstream sourcing regions with inadequate infrastructure.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Endangers health and disrupts operations in supply chains.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO subsidiaries collectively employ approximately 1,600 people across 23 locations on five continents. The global average by legal entity is fewer than 100 employees. As a result, SBO does not have a realistic opportunity to mitigate this general risk.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO indirectly shares impacts through its supply chain relationships in regions with inadequate infrastructure.
Influence on business model	SBM-3-48a	Current: Affects workers and community health. Expected: Supports investments in water and sanitation access.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	G1-Corruption and bribery (Combating corruption and bribery)
List of all material impacts	SBM-3-48a	Incidents of corruption and bribery
Type of sustainability impact	SBM-3-48a	Negative impacts (actual)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Concentrating on own activities, particularly in sales and administrative functions across all subsidiaries.
Description of how impacts affect people and the environment	SBM-3-48c i	Negative: Undermines trust and fairness in operations.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	Indirectly related: administrative processes and procurement policies must address corruption risks.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO explicitly addresses the topic of corruption and bribery in within its Code of Conduct.
Influence on business model	SBM-3-48a	Current: Exposes SBO to reputational and regulatory risks. Expected: Strengthens governance practices and compliance culture.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	G1-Protection of whistle-blowers
List of all material impacts	SBM-3-48a	Improper protection of whistle-blowers
Type of sustainability impact	SBM-3-48a	Negative impacts (potential)
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Entire Value Chain
Description of how impacts affect people and the environment	SBM-3-48c i	Inadequate protection of whistle-blowers can discourage individuals from reporting unethical or illegal activities, leading to unresolved misconduct and a negative impact on organizational culture and employee trust.
Relationship between SBO's strategy and business model and the resulting impacts	SBM-3-48c ii	SBO complies with legal requirements regarding whistle-blower protection and has implemented a whistle-blower policy to provide a secure channel for reporting concerns.
Period	SBM-3-48c iii	All time horizons
Participation of SBO in material impacts through its own activities or business relationships	SBM-3-48c iv	SBO does have a Whistleblowing platform where all players in the value chain can get access to.
Influence on business model	SBM-3-48a	Inadequate whistle-blower protection could damage employee confidence, expose the company to legal risks, and harm its reputation. Strengthening whistle-blower mechanisms supports transparency and long-term business integrity.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

LIST OF ALL MATERIAL RISKS AND OPPORTUNITIES

Topic/Sub-Sub-Topic	SBM-3-48a	E1-Climate change adaptation (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Emerging new business opportunities
Type of financial impact	SBM-3-48a	Opportunity
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	SBO is strategically leveraging its existing technologies to penetrate adjacent industries, such as Next-generation geothermal energy, while simultaneously driving innovation with advanced products in 3D metal printing.
Influence on the business model	SBM-3-48a	Enter new industries in Energy Transition and Industrial Sectors
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	None at this moment in time.
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	Assessment and monitoring of potential impacts.
Changes in the reporting period	SBM-3-48g	Not considered at this moment in time
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E1-Climate change mitigation (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Rising taxes on GHG-Emissions
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Operational costs related to manufacturing and logistics
Influence on the business model	SBM-3-48a	Increased costs due to carbon pricing and taxes
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Enhanced energy efficiency programs and transition to cleaner energy sources
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	No significant adjustments
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E1-Climate change mitigation (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Damages caused by extreme weather events and natural disasters
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Impacts on facilities and supply chain disruptions
Influence on the business model	SBM-3-48a	More frequent risk assessments and Increased insurance premiums and potential downtime
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Implementation of disaster preparedness measures
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Reinforced risk mitigation strategies
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E1-Climate change mitigation (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Transitional risk by phase out of fossil fuels
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Direct impact on sales of components required for the oil and gas industry
Influence on the business model	SBM-3-48a	Accelerates diversification to lower carbon technologies
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Investments in technologies for energy transition and industrial applications
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Expanded focus on alternative energy
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E1-Energy (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Rising energy prices
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Increases manufacturing costs
Influence on the business model	SBM-3-48a	Encourages energy efficiency programs and renewable energy adoption
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Greater focus on renewable energy sourcing
Current financial impacts	SBM-3-48d	Currently, no estimates can be made.
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Investments in energy-efficient processes; price increases
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E3-Water (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Water shortages and bottlenecks at manufacturing sites
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Operational facilities impacted by water availability
Influence on the business model	SBM-3-48a	Risks to manufacturing continuity
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Evaluation ongoing
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Water recycling initiatives expanded
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E3-Water (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Increasing water scarcity in the upstream value chain (mining sites, steel-manufacture)
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Upstream
Details on the placement of the appearance in the value chain	SBM-3-48a	Supplier operations impacted by water stress
Influence on the business model	SBM-3-48a	Risk of business interruption
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Evaluation ongoing
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Evaluating supplier engagement programs
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E5 - Circular economy (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Promoting circular economy practices through better product life cycle management
Type of financial impact	SBM-3-48a	Opportunity
Concentration in the value chain	SBM-3-48a	Entire value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Product design and supply chain management
Influence on the business model	SBM-3-48a	Improved sustainability of product offerings
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Investments in recyclable materials and extended product life designs
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Evaluation of circular product policies
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	E5-Resources inflows, including resource use (Environmental concerns)
List of all material risks and opportunities	SBM-3-48a	Increasing use of recycled materials
Type of financial impact	SBM-3-48a	Opportunity
Concentration in the value chain	SBM-3-48a	Upstream/downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Upstream raw material sourcing
Influence on the business model	SBM-3-48a	Reduction in raw material costs and carbon footprint
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Enhanced collaboration with suppliers for recycled inputs
Current financial impacts	SBM-3-48d	Currently, no estimates can be made.
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Expand supplier partnerships
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Equal treatment and opportunities for all (Employee and social concerns)
List of all material risks and opportunities	SBM-3-48a	Equal opportunities for heterogeneous teams and working groups
Type of financial impact	SBM-3-48a	Opportunity
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Talent acquisition and retention
Influence on the business model	SBM-3-48a	Enhance diversity and innovation
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Strengthened diversity and inclusion programs
Current financial impacts	SBM-3-48d	Currently, no estimates can be made.
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Add diversity metrics to HR policies
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Health and safety (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	Lack of health and safety measures
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Employee well-being at manufacturing facilities
Influence on the business model	SBM-3-48a	Increases operational risks and compliance costs
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Enhanced workplace safety protocols
Current financial impacts	SBM-3-48d	Currently, no estimates can be made.
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	SBO has a key focus on health and safety. In 2025 for example SBO started the “Compliance Future Fit” program, where the entire group will collaboratively address essential group-wide health, safety, and environmental (HSE) topics.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Health and safety (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	Work accidents due to inadequate safety measures
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Manufacturing operations
Influence on the business model	SBM-3-48a	As a supplier of high quality products and services, SBO has a strong focus on Health and Safety in all its operations. Possible disruptions in operations may occur.
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Comprehensive training and monitoring systems
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Incident reporting systems expanded
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Working conditions (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	Low standards regarding working conditions and job security
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Employee satisfaction and retention
Influence on the business model	SBM-3-48a	Risk to operational continuity
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Adjustments to HR policies and worker engagement programs
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Review and refinement of HR policies and engagement strategies to address identified risks.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Working conditions (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	High standards of working conditions and job security
Type of financial impact	SBM-3-48a	Opportunity
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Employee satisfaction and retention
Influence on the business model	SBM-3-48a	Improved employee retention and operational efficiency
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Ongoing assessment and implementation of measures to enhance working conditions and job security.
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated based on current conditions.
Changes in the reporting period	SBM-3-48g	No significant adjustments
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Working conditions (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	High workload
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Operational risks
Influence on the business model	SBM-3-48a	Employee fatigue and lower productivity
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Ongoing review of workload management and implementation of measures to distribute tasks more effectively.
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated, but workload-related risks are being monitored.
Changes in the reporting period	SBM-3-48g	Continuous monitoring of workload-related risks and assessment of potential mitigation strategies.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S1-Working conditions (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	Work-life balance and adequate working hours
Type of financial impact	SBM-3-48a	Opportunity
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Employee satisfaction and retention
Influence on the business model	SBM-3-48a	Improved employee well-being and productivity
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Ongoing evaluation of policies to support work-life balance and adequate working hours.
Current financial impacts	SBM-3-48d	Currently, no estimates can be made.
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated; monitoring continues to ensure alignment with employee satisfaction goals.
Changes in the reporting period	SBM-3-48g	Continuous assessment of employee feedback and exploration of initiatives to enhance work-life balance.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Health and safety (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	Incidents of health risks through pollutants for workers in mining industries
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Upstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Supplier operations
Influence on the business model	SBM-3-48a	Supply chain continuity risks
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Implementation of health monitoring programs
Current financial impacts	SBM-3-48d	Currently, no estimates can be made.
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	Initiate supplier monitoring programs where it makes sense
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S2-Working conditions (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	Opportunity to report grievances
Type of financial impact	SBM-3-48a	Opportunity
Concentration in the value chain	SBM-3-48a	Downstream/upstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Grievance mechanisms in supply chain
Influence on the business model	SBM-3-48a	Increased transparency and accountability
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	No significant adjustments
Current financial impacts	SBM-3-48d	Currently, no estimates can be made.
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated
Changes in the reporting period	SBM-3-48g	No significant adjustments
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S3- Communities' civil and political rights (Respect for human rights)
List of all material risks and opportunities	SBM-3-48a	Transportation and logistics risk due to political disturbances
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Downstream/upstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Supply chain and distribution
Influence on the business model	SBM-3-48a	Risk of delays and disruptions
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Ongoing assessment of supply chain strategies and risk mitigation measures to address political disturbances.
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	No significant adjustments anticipated; political and logistic risks are being actively monitored.
Changes in the reporting period	SBM-3-48g	Continued monitoring of political developments and their impact on transportation and logistics operations
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	S4 - Consumers and end- users
List of all material risks and opportunities	SBM-3-48a	Reduced demand due to new trends in the energy sector
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Downstream value chain
Details on the placement of the appearance in the value chain	SBM-3-48a	Shifting consumer preferences
Influence on the business model	SBM-3-48a	Diversification into new industries.
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Increased product diversification efforts
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	Active monitoring of market trends and evaluation of the financial implications of shifting consumer demand.
Changes in the reporting period	SBM-3-48g	Continued analysis of energy sector trends and the potential need for accelerated diversification efforts.
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

Topic/Sub-Sub-Topic	SBM-3-48a	G1-Corruption and bribery (Combating corruption and bribery)
List of all material risks and opportunities	SBM-3-48a	Lack of anti-corruption standards
Type of financial impact	SBM-3-48a	Risk
Concentration in the value chain	SBM-3-48a	Own activities
Details on the placement of the appearance in the value chain	SBM-3-48a	Governance processes
Influence on the business model	SBM-3-48a	Risk to reputation and financial penalties
Changes to the business model in the reporting year due to the identified risk/opportunity	SBM-3-48b	Updated anti-corruption training programs
Current financial impacts	SBM-3-48d	No significant impacts during the reporting year
Significant risk of a material adjustment to the carrying amounts in the next reporting period	SBM-3-48d	SBO has company-wide policies, such as the Code of Conduct and the Ethics Policy, which establish clear rules against corruption and promote ethical business practices. At this moment there are no additional significant adjustments anticipated.
Changes in the reporting period	SBM-3-48g	Expand training for employees
Covered by ESRS/company-specific disclosure requirements	SBM-3-48h	Subject to ESRS disclosure requirements

E1 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

E1 SBM-3 - 18 - IDENTIFICATION OF CLIMATE-RELATED RISKS

Climate-Related Physical Risks

- Damages caused by extreme weather events and natural disasters: Includes risks like storms, floods, and other extreme weather phenomena that can disrupt operations or damage infrastructure.

Climate-Related Transition Risks

- Rising taxes on GHG-Emissions: Financial impact from increasing carbon taxes or regulatory costs.
- Transitional risk by phase-out of fossil fuels: Risks associated with changing regulations and market demands as economies shift to renewable energy.
- Rising energy prices: Increased operational costs due to the rising cost of energy, particularly from fossil fuel sources.

E1 SBM-3 - 19 A - SCOPE OF RESILIENCE ANALYSIS

The resilience analysis in combination with the double materiality analysis covered the value chain, including suppliers and customers – from sourcing to end-of-life management.

E1 SBM-3 - 19 B - CONDUCTING THE RESILIENCE ANALYSIS

SBO started its resilience analysis in 2023 and finalized it in 2024. The assessment applied climate scenarios (RCP 2.6, RCP 4.5, and RCP 8.5) to evaluate short-term (2030), medium-term (2050), and long-term (2100) risks and opportunities. It focuses on physical risks like extreme weather and water scarcity, as well as transition risks such as regulatory changes and carbon pricing. The results will support SBO's strategy and adaptation measures to enhance resilience. The exact financial effects of physical and transition risks have not yet been fully quantified, but the relevant risks and mitigation measures are being considered as part of the ongoing analysis.

E1 SBM-3 – AR 7 B – EXPLANATION OF RESILIENCE ANALYSIS CONDUCT

Short-term (2030): To address immediate risks and opportunities affecting current operations and strategies.
Medium-term (2050): To evaluate mid-range impacts and align with global climate goals and regulatory trends.
Long-term (2100): To assess long-lasting physical risks, such as sea-level rise and chronic climate impacts, ensuring long-term strategic resilience.

E1 SBM-3 – 19 C – RESULTS OF RESILIENCE ANALYSIS

The resilience analysis revealed key climate-related risks and opportunities. Transition risks, such as rising carbon taxes, and physical risks like extreme weather events emphasize the importance of proactive risk management and long-term strategic planning. The results were also included in SBO's planned climate protection measures including electricity from renewable sources and operational optimizations.

Strategic Integration

Development of a long-term decarbonization pathway to minimize regulatory and market-driven transition risks.

Investment Decisions

Consideration of climate scenarios (RCP 2.6, 4.5, 8.5) in risk assessment.
Investments in energy from renewable sources, energy efficiency measures, and climate-friendly technologies.

Mitigation Measures

Reduction of CO_2 intensity through measures to increase the use of energy from renewable sources and improve energy efficiency.
Scenario analyses for the early identification of financial impacts of climate-related risks.

Uncertainties in the Resilience Analysis

Data Gaps in the Value Chain: Limited availability of detailed supplier-level climate impact data.
Climate Scenario Variability: Differences in projections under RCP 2.6, 4.5, and 8.5 scenarios create challenges in long-term planning.
Evolving Regulations: Uncertainty regarding future regulatory frameworks and carbon pricing mechanisms.

Ability to adjust or adapt strategy and business model to climate change

SBO considers climate-related risks in strategic decisions, investments, and operational processes. Site-specific measures, such as infrastructure improvements and energy efficiency initiatives, contribute to increasing resilience to physical risks. Climate scenario analyses (RCP 2.6, 4.5, 8.5) support long-term risk assessment, although uncertainties in projections and regulatory developments present challenges. Potential impacts on the supply chain are monitored, and adjustments to evolving market and regulatory conditions are made gradually. SBO continues to refine its measures to enable the most effective possible adaptation to climate risks.

E1 SBM-3 - AR 8 B - EXPLANATION OF RESILIENCE ANALYSIS RESULTS

In the short term, SBO's strategy focuses on enhancing energy efficiency and increasing the use of electricity from renewable sources, which strengthens resilience against transition risks. While medium- and long-term plans are still in development, SBO continuously evaluates risks and opportunities to ensure adaptability.

E4 SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model

E4 SBM-3 - 16 A -DISCLOSURE OF MATERIAL SITES AND BIODIVERSITY IMPACT ASSESSMENT

The majority of SBO's operating sites are not located within or near biodiversity-sensitive areas. Three sites require attention due to their proximity to key biodiversity areas or protected zones:

Schoeller-Bleckmann do Brasil Ltda. (Brazil - Macae): Located near a biodiversity hotspot.

DSI PBL de Mexico S.A. de C.V. (Mexico - Villahermosa): Situated near a Ramsar site.

DSI FZE Services Private Limited (India - Mumbai): Located near urban biodiversity zones.

The activities at these locations are limited in size and include tool rental only, with no manufacturing. In India, SBO maintains only administrative operations, with no direct involvement in manufacturing. Most of SBO's operating sites have no significant negative impacts on biodiversity or ecosystems, as they are located on appropriately designated properties and comply with all legal requirements. The evaluation is based on an initial analysis and is still being refined to ensure a more comprehensive assessment. While no significant negative risks have been identified so far, further analysis may provide additional insights.

E4 SBM-3 - 16 B - IDENTIFICATION OF MATERIAL NEGATIVE IMPACTS

SBO´s operating sites have no significant material negative impacts on biodiversity or eco-systems. In the double materiality analysis SBO has identified material negative impacts across the value chain, primarily linked to land-use change, pollution and ecosystem disruption.

E4 SBM-3 - 16 C - OPERATIONS AFFECTING THREATENED SPECIES

No impact on individual species or their population size stemming from activities in our operational area could be identified.

S1 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

S1 SBM-3 - 13 A - ACTUAL AND POTENTIAL IMPACTS ON OWN WORKFORCE

The fact that SBO operates in countries where incidents related to missing collective bargaining, risks of forced and child labor, workplace discrimination, gender inequality, and inadequate health and safety measures cannot be entirely ruled out has led to the identification of these impacts in the double materiality analysis. Positive impacts include initiatives promoting diversity, inclusion of persons with disabilities, and high standards of working conditions, offering opportunities for improvement and employee well-being.

Several material impacts on employees at SBO are directly tied to its business model and strategic direction:

Health and Safety Risks: The nature of SBO's operations, involving heavy equipment, inherently carries risks of workplace accidents and injuries.

Challenges with adequate working hours: To meet global demand and maintain efficiency, shift work and extended hours are required, which can affect employees' working time.

Employee Training and Development: SBO's strategic focus on being a market leader necessitates comprehensive training programs, enhancing employee skills and career opportunities.

Diversity and Inclusion Initiatives: SBO's Code of Conduct emphasizes non-discrimination and equal opportunities, reflecting a strategic commitment to fostering a diverse and inclusive workforce.

These impacts stem from SBO's operational and strategic priorities, as outlined in its Code of Conduct and strategic documents.

Business Model Adjustments:

Health and safety risks, as well as challenges with adequate working hours, are being reviewed to identify areas where improvements can be made over time.

S1 SBM-3 - 13 B - RELATIONSHIP BETWEEN MATERIAL RISKS AND OPPORTUNITIES AND STRATEGY

The employee-related risks and opportunities are closely tied to SBO's corporate strategy and business model:
Relation to Corporate Strategy:
SBO's strategy emphasizes innovation, high-quality manufacturing and sustainability, directly addressing risks such as health and safety, diversity, and working conditions.
Relation to the Business Model:
Risks like inadequate safety measures could disrupt operations if not mitigated, emphasizing the need for continuous adaptation within the business model.
These risks and opportunities are not severe enough to question the fundamental business model but require ongoing improvements to ensure alignment with SBO's long-term vision and operational demands.

S1 SBM-3 - 14 - SCOPE OF DISCLOSURE UNDER ESRS 2

All employees potentially affected by material impacts are included in ESRS2 under the description of the value chain (SBM-1) and the list of stakeholders (SBM-2). There are no discrepancies; temporary workers, self-employed individuals working exclusively for SBO, and employees deployed at customer sites are appropriately accounted for.

S1 SBM-3 - 14 A - DESCRIPTION OF TYPES OF EMPLOYEES AND NON-EMPLOYEES

All material impacts affect both own employees and relevant non-employee categories, including workshop employees (blue-collar), administrative staff (white-collar) and management. These impacts are comprehensively included in ESRS2 key figures and data.

S1 SBM-3 - 14 B - MATERIAL NEGATIVE IMPACTS

The identified impacts on SBO's employees are primarily systemic and reflect industry-wide or regional characteristics. Health and safety risks are systemic, typical for manufacturing environments involving heavy machinery, and addressed through targeted safety measures. Challenges with adequate working hours are systemic, arising from shift work and extended hours common in the industry. Diversity-related risks are also systemic in regions with limited legal protection.

S1 SBM-3 - 14 C - MATERIAL POSITIVE IMPACTS

Material Positive Impacts on SBO's Own Employees:
Comprehensive Training Activities:
Activity Causing Impact: SBO provides targeted training and development programs to enhance employees' skills and career opportunities.
Own Employees Affected: Yes.
Non-Employees Affected: No.
Countries or Regions: No specific limitation; training is accessible across all regions where SBO operates.
Diversity and Inclusion Initiatives:
Activity Causing Impact: Fostering diversity by ensuring equal opportunities for all.
Own Employees Affected: Yes.
Non-Employees Affected: No.
Countries or Regions: Impact is systemic across all operational regions but may be more significant in areas with diverse labor markets.

S1 SBM-3 - 14 D - MATERIAL RISKS AND OPPORTUNITIES FROM IMPACTS AND DEPENDENCIES

Health and Safety Risks:
Result from a material employee-related impact: Yes.
Material Impact: Risks associated with injuries, harm, or lack of safety measures during manufacturing processes.
Result from a material employee-related dependency: Yes.
Material Dependency: On employees' physical well-being for efficient manufacturing and operational continuity.
Result from a material employee-related dependency: Yes.
Material Dependency: Reliance on motivated and healthy employees for sustained productivity and talent retention.

Diversity and Inclusion Opportunities:
Result from a material employee-related impact: Yes.
Material Impact: Promoting equal opportunities and addressing discrimination risks.
Result from a material employee-related dependency: Yes.
Material Dependency: Need for diverse talent and an inclusive work environment to foster innovation and maintain a competitive edge.

Training and Development Opportunities:
Result from a material employee-related impact: Yes.
Material Impact: Enhancing skills and career growth for employees.
Result from a material employee-related dependency: Yes.

Material Dependency: Reliance on a skilled and knowledgeable workforce to maintain product quality and market leadership.

S1 SBM-3 – 14 E – IMPACTS FROM TRANSITION PLANS FOR GREENER OPERATIONS

SBO's strategy to diversify its business does not negatively affect employees.

S1 SBM-3 – 14 F – RISK OF FORCED LABOR OR COMPULSORY LABOR

There is no significant risk of forced labor among SBO's own employees, including temporary workers or self-employed persons who work primarily for SBO.

S1 SBM-3 – 14 G – RISK OF CHILD LABOR

There is no risk of child labor among the SBO's own employees, including temporary workers or self-employed persons who work primarily for SBO.

S1 SBM-3 – 15 – UNDERSTANDING OF RISK TO SPECIFIC GROUPS

In the course of the materiality analysis, SBO developed an understanding of negative impacts on employees, contracted workers, and self-employed individuals through systematic processes and structured oversight. SBO understands the challenges faced by vulnerable groups to foster inclusivity and equality across the workforce. Additionally, a dedicated safety officer is assigned at each site to continuously monitor and address workplace safety concerns. Regular safety reviews and direct feedback from employees in manufacturing environments ensure that risks related to noise, equipment and physical strain are identified and mitigated effectively.

S1 SBM-3 – 16 – MATERIAL RISKS AND OPPORTUNITIES RELATED TO SPECIFIC GROUPS

For SBO, the disclosure of key employee-related risks and opportunities is as follows:
Material Impacts: Health and safety risks in manufacturing.
Affected Group: This impact does not apply to the entire workforce but specifically to employees in manufacturing who are exposed to physical and environmental risks.
Dependency: The dependency relates to the availability and well-being of production employees to maintain operations.
Material Impacts: Due to the nature of shift work and long working hours in certain roles.
Affected Group: This impact primarily concerns manufacturing and shift workers and does not apply to the entire workforce.
Dependency: Related to employee motivation and retention for sustainable productivity.
Material Opportunities: Training and development programs.
Affected Group: While certain programs are generally available, they are specifically designed for technical and processing professions to bridge skill gaps.
Dependency: Refers to SBO's reliance on highly skilled employees to maintain its market leadership.
Key Impacts: Addressing systemic risks related to unequal opportunities.
Affected Group: Primarily affects women and minority groups, aiming to improve their representation and inclusion across the workforce.
Dependency: Linked to the need for a diverse talent pool to drive innovation and competitive advantage.

S2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

S2 SBM-3 - 10 A - ACTUAL AND POTENTIAL IMPACTS ON VALUE CHAIN WORKERS

The material impacts identified include:

Health and Safety Risks: Workers in upstream value chain activities, such as mining operations, face potential exposure to hazardous conditions like particulate matter and insufficient safety measures.
Unfair Labor Practices: Risks of forced labor and child labor in countries with weak labor protections where raw materials are sourced.

Wage Inequalities: Non-living wages in certain upstream regions, impacting workers' ability to meet basic needs.

Processes to systematically identify and assess these impacts:

Stakeholder Engagement: Regular engagement with suppliers are conducted to identify risks.

Assessment Frameworks: Application of established due diligence frameworks (e.g., OECD Guidelines) to assess labor rights compliance and identify high-risk regions or suppliers. These impacts are directly linked to SBO's reliance on a global value chain for raw materials and components. For example, the sourcing of critical inputs such as steel and minerals is integral to the business model, making associated labor conditions a material consideration.
It is clear to SBO that the company itself and its value chain partners operate in countries where the possibility of incidents related to fair labor, wage inequalities or inadequate health and safety measures cannot be entirely ruled out. This makes it even more important for SBO to emphasize its zero-tolerance policy on child labor, worker discrimination, and equal pay for equal work, as outlined in its Code of Conduct. Health and safety risks in upstream activities arise from the reliance on raw material sourcing, such as mining, which involves hazardous working conditions typical for the industry. Similarly, fair labor practices and wage inequalities stem from cost-driven procurement practices in regions with weak labor protections, exposing workers to risks like non-living wages and forced labor. SBO's commitment to addressing these issues is embedded in its corporate responsibility policies.

S2 SBM-3 - 10 B - RELATIONSHIP BETWEEN MATERIAL RISKS AND OPPORTUNITIES AND POLICY

SBO's policies are designed to identify and manage material risks and opportunities across its operations and value chain. By aligning its business strategy with sustainability principles, SBO aims to mitigate social and environmental risks while fostering long-term value creation.

S2 SBM-3 - 11 - SCOPE OF DISCLOSURE UNDER ESRS 2

All workers in the value chain who are potentially impacted by material impacts are appropriately included in the ESRS 2 disclosures under SBM-1 (description of the value chain) and SBM-2 (list of stakeholders). There are no discrepancies, and all relevant workers are accounted for in the scope of disclosure.

S2 SBM-3 - 11 A - DESCRIPTION OF TYPES OF VALUE CHAIN WORKERS

Description of Types of Value Chain Workers Subject to Material Impacts:

Workers in Raw Material Extraction (Upstream Value Chain):

Description: These workers are involved in mining and other raw material sourcing processes and are exposed to health and safety risks due to hazardous working conditions and weak safety standards.

Material Impact: These workers are significantly affected, particularly in regions with insufficient regulatory protections.

Manufacturing and Processing Workers (Suppliers):

Description: Workers in supplier facilities involved in processing raw materials, such as manufacturing of iron and steel, may face risks related to pollution exposure and inadequate health and safety measures.

Material Impact: Due to exposure to unsafe working environments and wage inequalities in some regions.

Downstream (Value Chain) Drilling Operations Workers:

Description: Workers involved in downstream value chain drilling operations, where SBO products are used, face risks related to hazardous working conditions, environmental exposure, and potential accidents.

Material Impact: These workers are materially impacted, particularly in regions where drilling operations occur with minimal regulatory oversight.

Logistics and Distribution Workers:

Description: Workers involved in transporting SBO's products to customers, including drivers, warehouse staff, and shipping personnel.

Material Impacts: These workers face risks such as long working hours, insufficient rest, and exposure to safety hazards during handling and transportation.

SBO does not operate through SPVs (special purpose vehivle) or joint ventures where material impacts on workers would arise. As such, there are no specific types of employees affected under this category.

Certain workers in the value chain are particularly vulnerable to negative impacts. Migrant workers, especially those employed in raw material extraction or manufacturing, face unique challenges such as language barriers, limited awareness of labor rights, and heightened dependency on their employers, which increases their risk of exploitation or unsafe working conditions. Women workers, particularly in manufacturing or logistics roles, are often at risk of discrimination, unequal pay, or harassment, with societal norms in certain regions exacerbating these issues. Additionally, workers in regions with weak labor protections or high environmental risks, such as those engaged in hazardous material handling or drilling operations, face elevated safety concerns. It is clear to SBO that the company itself and its value chain partners operate in countries where the possibility of such incidents related to fair labor, discrimination, harassment, wage inequalities or inadequate health and safety measures cannot be entirely ruled out. This makes it even more important for SBO to emphasize its zero-tolerance policy on all those topics, as outlined in its Code of Conduct. SBO is fully committed to addressing these vulnerabilities through responsible sourcing practices, stringent supplier requirements, and efforts to improve working conditions across the value chain.

S2 SBM-3 – 11 B – GEOGRAPHIES OR COMMODITIES AT RISK

The identified risks of forced and child labor in the supply chain are linked to specific geographic regions and raw materials. Certain parts of Southeast Asia, Africa, and South America are known for labor rights violations, particularly due to inadequate enforcement of labor laws. In the mining sector, nickel, copper, and chromite are particularly affected, as the extraction of these raw materials in regions with weak regulatory oversight increases the risk of forced labor. Child labor is also a concern in some mining areas, especially in economically disadvantaged regions with high poverty rates and limited access to education.

S2 SBM-3 – 11 C – MATERIAL NEGATIVE IMPACTS

Widespread/Systemic Negative Impacts:

Nickel, Copper, and Chromite Mining: These raw materials' supply chains face widespread systemic issues related to forced labor, inadequate health and safety measures and environmental degradation in certain regions. These impacts are typical for the mining industry in countries with weak regulatory frameworks, especially in parts of Southeast Asia, South America and Africa.

In certain regions within the value chain, workers face challenges regarding inadequate housing conditions and insufficient wages, which negatively impact their health, safety, and overall adequate working hours, contributing to social instability.

Across production and extraction sites, there are ongoing risks of workplace accidents due to inadequate safety measures, particularly in high-risk environments like mining and heavy industry sectors.

Instances of violence, harassment, and discrimination have been identified as systemic issues in some parts of the supply chain, especially in regions with weak labor protections.

Gender inequality, discriminatory labor practices, and unequal access to opportunities remain challenges within certain areas of the supply chain, particularly in regions lacking strong labor rights enforcement.

Water scarcity and poor water management practices in certain regions impact not only local communities but also workers, leading to health risks and reduced workplace safety.

It is clear to SBO that the company itself and its value chain partners operate in countries where the possibility of such incidents related to fair labor, discrimination, inadequate housing, harassment, wage inequalities or inadequate health and safety measures cannot be entirely ruled out. This makes it even more important for SBO to emphasize its zero-tolerance policy on all those topics, as outlined in its Code of Conduct.

S2 SBM-3 – 11 D – MATERIAL POSITIVE IMPACTS

SBO subsidiaries collectively employ approximately 1,600 people across 23 locations on five continents. The global average by legal entity is fewer than 100 employees. As a result, SBO does not conduct activities such as updated purchasing practices or capacity-building initiatives aimed at generating positive material impacts for workers in the value chain.

S2 SBM-3 - 11 E - MATERIAL RISKS AND OPPORTUNITIES FROM IMPACTS AND DEPENDENCIES

Material risks include systemic forced labor in high-risk regions of the supply chain, posing reputational, legal, and operational challenges. Dependencies on upstream labor also risk supply disruptions due to regional instability. Opportunities arise from improving labor conditions and ethical sourcing, strengthening reputation, and enhancing supply chain resilience through targeted measures.

S2 SBM-3 - 12 - UNDERSTANDING OF RISK TO SPECIFIC GROUPS

The identification of negative impacts on workers within the value chain is based on industry best practices, sector-specific risk assessments, and publicly available data rather than direct stakeholder engagement or dedicated working groups. This approach focuses on recognizing risks faced by vulnerable groups, including minorities, workers exposed to hazardous environments (e.g., chemical handling), and those involved in high-risk tasks.

S2 SBM-3 - 13 - MATERIAL RISKS AND OPPORTUNITIES RELATED TO SPECIFIC GROUPS

Certain groups within the value chain, such as workers in high-risk regions or industries, face increased exposure to local challenges and job-specific hazards. At the same time, opportunities like improving safety standards and working conditions can directly benefit these groups, helping to reduce risks and promote fair and safe employment practices.

S3 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

S3 SBM-3 - 8 A - ACTUAL AND POTENTIAL IMPACTS ON AFFECTED COMMUNITIES

Negative Impacts:

Environmental Pollution: Emissions from transportation, industrial processes, and raw material extraction contribute to air, soil, and water pollution, affecting local communities' health and biodiversity.

Land and Resource Use: Land degradation, mining activities, and land-use changes disrupt ecosystems and displace communities, especially in upstream operations.

Workplace Issues: Incidents of forced labor, child labor, gender inequality, and inadequate wages impact workers and their families across the entire value chain.

Insufficient Basic Needs: Limited access to water, sanitation, housing, and food security, especially in regions like Asia, Africa, and South America, exacerbates social vulnerabilities.

Human Rights Violations: Suppression of freedom of expression, harassment of human rights defenders, and lack of community security negatively impact specific regions such as Saudi Arabia, Russia and Vietnam.

Environmental Impacts from Resource Extraction: The sourcing of raw materials (e.g., steel, nickel, and copper) involves upstream mining activities that can disrupt ecosystems and affect the health and livelihoods of local communities near mining operations.

Positive Impacts:

Energy and Emission Reductions:

SBO's focus on reducing greenhouse gas emissions and transitioning to sustainable operations indirectly benefits communities by mitigating the negative impacts of climate change. This aligns with SBO's strategic goal of sustainability and climate resilience.

Recycling and Resource Efficiency:

Increased use of recycled materials and efficient raw material usage help reduce the environmental footprint, benefiting communities globally.

Inclusion and Equality:

Efforts to employ persons with disabilities promote inclusivity and diversity, positively impacting community well-being.

SBO recognizes the importance of understanding and addressing material impacts, including emissions, resource usage, and other environmental concerns, that may affect local communities. Given that SBO collectively employs approximately 1,600 people across 23 locations on five continents, with each subsidiary averaging fewer than 100 employees, the company has not implemented specific measures or processes to adapt its strategy on identified impacts on affected communities. SBO thereby strives to minimize the risk of any violations of these rights.

S3 SBM-3 – 8 B – RELATIONSHIP BETWEEN MATERIAL RISKS AND OPPORTUNITIES AND STRATEGY

SBO recognizes the importance of understanding how the identified material risks and opportunities arising from its impacts and dependencies on affected communities relate to its corporate strategy.

Current evaluations indicate that the main risks involve environmental impacts such as emissions and resource usage, which could potentially affect local communities near manufacturing sites. Should these or other material risks and opportunities impact SBO's business model, they will be addressed at the strategic corporate level. If SBO becomes aware of additional material risks and opportunities arising from its impacts and dependencies on affected communities it will address it.

S3 SBM-3 – 9 – SCOPE OF DISCLOSURE UNDER ESRS 2

SBO ensures that all materially affected communities identified through its materiality assessment are included within the disclosures mandated by ESRS 2. Currently, the communities listed align with the description of the value chain (SBM-1) and the list of stakeholders (SBM-2). No discrepancies have been identified between the material impacts on affected communities and their representation in these sections of ESRS 2.

Should future assessments identify additional affected communities or discrepancies, SBO will update the disclosures accordingly to ensure compliance and transparency

S3 SBM-3 – 9 A – DESCRIPTION OF TYPES OF AFFECTED COMMUNITIES

SBO recognizes the importance of understanding how identified material risks and opportunities arising from its impacts and dependencies on affected communities relate to its corporate strategy and business model. Given that SBO collectively employs approximately 1,600 people across 23 locations on five continents, with each subsidiary averaging fewer than 100 employees, the company has not implemented specific measures or processes to adapt its strategy based on identified impacts on affected communities. However, it is important to note that SBO collaborates exclusively with customers who uphold the same high human rights standards as SBO, thereby working to minimize the likelihood of any violations of these rights.

Below are the types of affected communities:

Proximal Communities: These are communities living near operational sites, factories, and physical facilities, potentially affected by emissions, noise, or disruptions caused by SBO's activities.

Value Chain Communities:

Communities along the upstream or downstream value chain, such as those affected by supplier operations or the logistics network, may experience material impacts due to activities critical to SBO's operations.

Vulnerable Populations:

This includes communities with limited access to basic services, indigenous populations, or those whose socio-economic status leaves them particularly susceptible to operational impacts.

Communities Near Supplier Operations:

These communities may be exposed to environmental impacts such as air or water pollution from manufacturing processes. Examples include those near raw material processing plants or manufacturing facilities.

Communities Affected by Logistics and Distribution:

Populations residing close to major transportation routes or distribution hubs could experience noise pollution, traffic disruptions, or increased emissions.

Communities close to Drilling Site:

While this is not the norm, improper oil and gas drilling practices can have significant impacts on nearby communities. These may include air and water pollution, noise disturbances, and potential land-use conflicts. Additionally, health risks from exposure to hazardous materials and accidents, such as oil spills, can pose further challenges. Many of these communities depend on local ecosystems for their livelihoods, making them particularly vulnerable to environmental disruptions.

S3 SBM-3 – 9 B – MATERIAL NEGATIVE IMPACTS

The identified negative impacts are largely systemic and typical for industries reliant on resource extraction. These include inadequate housing, insufficient nutrition, suppression of freedom of association and expression, violations of land and resource rights, safety and security risks, as well as challenges related to water supply and wastewater management.

S3 SBM-3 – 9 C – MATERIAL POSITIVE IMPACTS

Based on the materiality assessment, no significant positive impacts on affected communities have been identified in SBO's operations or value chain. Consequently, there are no specific activities or types of communities that are positively affected to report at this stage.

S3 SBM-3 - 9 D - MATERIAL RISKS AND OPPORTUNITIES FROM IMPACTS AND DEPENDENCIES

The double materiality analysis revealed transportation and logistics risks which may be caused by political unrest. While this risk is not solely tied to affected communities, it can impact supply chain stability and operational resilience in certain regions.

S3 SBM-3 - 10 - UNDERSTANDING OF RISK TO SPECIFIC COMMUNITIES

Based on the materiality assessment under ESRS 2 IRO-1, no specific communities have been identified as particularly vulnerable to negative impacts. Should future assessments highlight risks to communities due to factors such as geographic isolation, limited social services, or cultural and economic constraints, SBO will analyze and report these comprehensively.

S3 SBM-3 - 11 - MATERIAL RISKS AND OPPORTUNITIES RELATED TO SPECIFIC GROUPS

Based on the materiality assessment, no specific groups of affected communities have been identified as generating unique risks or opportunities distinct from broader community impacts.

S4 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

S4 SBM-3 - 9B - 10 D - MATERIAL RISKS AND OPPORTUNITIES FROM IMPACTS AND DEPENDENCIES & RELATIONSHIP BETWEEN MATERIAL RISKS AND OPPORTUNITIES AND STRATEGY

Reduced demand due to new trends in the energy sector

The shift towards renewable energy and decarbonization presents a material risk and opportunity for SBO, as it impacts demand for oilfield service equipment on the one hand and creates opportunities on the other hand. Global energy security concerns and continued reliance on oil and especially natural gas, sustain demand for the next decade.

At the same time, oil and gas extraction is becoming more complex, requiring advanced technology. SBO's high-performance solutions give SBO a competitive edge in challenging environments. This positions SBO as a key supplier even in a changing energy landscape. At the same time, SBO is diversifying its business by strategically leveraging its existing technologies to penetrate adjacent industries, such as Next-generation geothermal energy, while simultaneously driving innovation with advanced products in 3D metal printing in energy transition and industrial markets.

S4 SBM-3 - 12 - MATERIAL RISKS AND OPPORTUNITIES RELATED TO SPECIFIC GROUPS

While regulatory shifts influence the market, energy security and economic stability ensure ongoing investments in exploration and manufacturing. SBO is responding by leveraging its technological leadership and diversifying its portfolio to stay resilient in the evolving energy sector.

IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

IRO-1 - 53 A - METHODOLOGIES AND ASSUMPTIONS FOR IDENTIFYING IMPACTS, RISKS AND OPPORTUNITIES AND ASSESSING THEIR MATERIALITY

The identification and assessment of impacts, risks, and opportunities were conducted in reporting year 2024 according to the principles of double materiality, as outlined in the methodological requirements of ESRS 1. This process integrates both financial materiality, which considers the impacts on SBO's financial position and performance, and impact materiality, which evaluates SBO's effects on the environment, society, and other stakeholders.

The methodologies applied include stakeholder analysis, value chain mapping, and scenario-based assessments. Key assumptions underpinning the analysis include the alignment with internationally recognized frameworks, such as the EU Taxonomy and IPCC climate scenarios, to ensure robust and consistent evaluations.

IRO-1 - 53 B – ASSESSMENT OF IMPACTS

SBO has implemented a process to identify, assess, prioritize and monitor its potential and actual impacts on people and the environment. The assessment was conducted using SBO's value chain as the basis, capturing upstream, core, and downstream activities.

An impact assessment was methodically carried out to identify and evaluate both negative and positive impacts from an „inside-out" perspective. This analysis considered key parameters, including the scale, scope, and irremediability, using a predefined scale from 1 to 5, where 5 represents the highest severity for the respective parameter. This structured approach ensures that significant impacts are systematically prioritized and monitored, reflecting SBO's commitment to and compliance with CSRD requirements.

As part of the impact assessment and the outlined value chain, SBO specifically identified impacts associated with its business activities, business relationships, and geographical locations that pose heightened risks of adverse impacts. Company-specific information and assumptions were utilized to support an external expert assessment, enabling the differentiation between material and non-material impacts.

SBO's impact assessment process specifically considers the effects arising from its own operations and those linked to its business relationships. This includes identifying direct impacts, such as emissions or resource use from core activities, as well as indirect impacts that occur through interactions with suppliers, partners, or customers within the value chain.

By leveraging internal data and collaborating with external experts, the company ensures a robust evaluation of these interconnected impacts.

SBO conducted consultations with relevant stakeholder groups to understand their perspectives and potential impacts on them. The process focused on identifying stakeholders connected to SBO's activities, business relationships, and value chain. Interviews were held with selected stakeholders, including employee representatives, customers, suppliers, and financial institutions. These interviews addressed topics within the CSRD framework to evaluate stakeholder-relevant impacts.

Stakeholders were asked to provide feedback on key topics and rate their significance using a predefined scale. The results were used to enhance the assessment of material impacts.

External experts were engaged to support this process, providing methodological guidance and validating the results. Their involvement ensured that stakeholder perspectives were accurately captured and incorporated into SBO's materiality assessment.

SBO assesses potential and actual, positive and negative impacts using a structured methodology aligned with ESRS 1 Section 3.4 on impact materiality. The assessment evaluates impacts based on three parameters: scale, scope, and irreversibility. These parameters are scored on a predefined scale of 1-5, with an additional weighting applied for potential impacts based on their probability of occurrence.

For actual impacts, severity is calculated as an average value of the three parameters, while for potential impacts, the likelihood of occurrence further refines the assessment. This approach enables a prioritization of negative impacts by their relative severity and likelihood and, where applicable, evaluates positive impacts based on their contribution to sustainability objectives.

IRO-1 – 53 C – ASSESSMENT OF RISKS AND OPPORTUNITIES

SBO applies to a structured process for identifying, assessing, prioritizing, and monitoring risks and opportunities with potential financial impacts, as part of its double materiality analysis in accordance with ESRS 1. Initially, a risk inventory is created, identifying company-specific risks and opportunities. The assessment uses two parameters: „extent of damage" and „probability of occurrence," evaluated on a predefined 1-5 scale (1 being the lowest extent of damage). Quantitative financial thresholds, adapted from SBO's existing risk framework, were applied to refine the „extent of damage" parameter.

SBO evaluates the interconnections between impacts and the risks and opportunities that arise from these. As part of the materiality assessment process, impacts were identified and assessed first. Building upon these identified impacts, risks and opportunities for SBO were derived.

Additionally, the assessment also considered SBO's dependencies on ecosystem services, such as local water consumption at operational sites and social capital. These dependencies directly informed the identification and evaluation of specific risks and opportunities.

SBO currently addresses sustainability risks separately from other risk categories through a dedicated approach. In the coming years, this approach is planned to be integrated with the overall risk management system to enable a holistic assessment of all risk types.

SBO assesses the likelihood, magnitude, and nature of identified risks and opportunities using a predefined scale of 1 to 5. This scale incorporates two key parameters: the extent of potential impact and the probability of occurrence. The extent of impact ranges from 1 (minor) to 5 (critical), while probabilities are defined in percentage intervals, with 1 representing very unlikely events and 5 representing almost certain events.

IRO-1 – 53 D – DECISION-MAKING PROCESS AND CONTROL PROCEDURES

Workshops were conducted with the responsible departments to assess the identified topics concerning their positive and negative impacts, risks, and opportunities. The assessment considered both potential and actual effects, depending on the topic. The results were subsequently reviewed to ensure alignment with the identified impacts, risks, and opportunities. Final approval of the assessment was carried out by the relevant committees within SBO, confirming the materiality of these impacts, risks, and opportunities.

IRO-1 – 53 E – INTEGRATING ESG RISKS INTO THE RISK MANAGEMENT PROCESS

The integration of processes for identifying, assessing, and managing sustainability-related impacts and risks into SBO's overall risk management system has been initiated. While ESG risks are currently evaluated using a distinct scale tailored to non-financial considerations, their classification has been aligned with financial thresholds to ensure comparability. SBO plans to further harmonize the assessment methodologies and fully incorporate ESG risks as a core component of its risk management framework in the coming years.

IRO-1 – 53 F INTEGRATION OF ESG OPPORTUNITIES INTO THE RISK MANAGEMENT PROCESS

SBO uses the same process for identifying and managing ESG opportunities as it does for ESG risks. These opportunities will be integrated into the existing management framework to ensure consistency and alignment in the future.

IRO-1 – 53 G – INPUT PARAMETERS

SBO utilized a combination of internal and external data sources to evaluate impacts, risks, and opportunities. Internal data includes employee numbers and purchasing volumes, while external sources involve indices such as the OECD and UNICEF social indices, and environmental tools like a Water Risk Filter and WWF Biodiversity Risk Filter.

IRO-1 – 53 H – CHANGES AND REVIEWS OF THE MATERIALITY ANALYSIS

The process for identifying, assessing, and managing impacts, risks, and opportunities represents the first double materiality assessment conducted by SBO. Future reviews are planned in alignment with the company's regular reporting cycles to ensure continuous improvement.

E1 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

E1 IRO-1 – 20 A – EFFECTS ON CLIMATE CHANGE

SBO's climate-related impacts primarily stem from emissions generated across its value chain. Key sources include transportation emissions and emissions from purchased and used raw materials and manufacturing at operational sites and emissions resulting from oil and gas extracted using SBO's equipment. To assess and manage these impacts SBO applies a structured Double Materiality Analysis (DMA) process considering both financial materiality which reflects how climate-related factors affect the company's performance and impact materiality which evaluates SBO's influence on climate change and the environment. Climate-related risks and opportunities are assessed through data collection and stakeholder engagement and scenario analysis taking into account regulatory developments and market trends and physical climate risks. The evaluation covers both transition and physical risks and also identifies potential opportunities.

E1 IRO-1 – 20 B – CLIMATE-RELATED PHYSICAL RISKS IN THE COMPANY'S OWN OPERATIONS AND WITHIN THE UPSTREAM AND DOWNSTREAM VALUE CHAIN

The identification and assessment of climate-related physical risks in SBO's operations and value chain involved a systematic process. This included analyzing potential impacts from extreme weather events, temperature variations, and other climate-related phenomena on facilities, supply chain, and logistics. SBO assessed upstream value chain risks such as disruptions in raw material extraction and downstream risks including impacts on distribution channels. Geographic and operational hotspots were identified using climate modelling tools and historical data. This process ensures comprehensive risk identification to mitigate potential disruptions and enhance resilience across the value chain.

The assessment of physical climate risks incorporated high-emission climate scenarios, such as RCP 8.5 (or

SSP5-8.5), to account for severe outcomes if insufficient climate protection measures are implemented. This scenario assumes continued high emissions, resulting in more pronounced climate change effects and heightened physical risks. By integrating these scenarios, SBO ensured a comprehensive understanding of potential hazards under worst-case emission trajectories. This approach supports informed decision-making and strengthens resilience planning.

For SBO, the assessment of gross physical risks considers the potential exposure of its assets and business activities to climate-related hazards such as extreme weather events and long-term environmental changes. The focus includes specific operational sites, drilling processes, and the reliance on specialized materials, given their geographic distribution and climate-sensitive locations. SBO's documentation highlights the challenges in assessing risks across its upstream and downstream value chain, including suppliers and waste management systems, but acknowledges the importance of these evaluations for maintaining operational resilience. While detailed data for the full value chain is limited, SBO emphasizes localized assessments for its core operations, reflecting its strategic focus on high-priority areas for climate risk adaptation and mitigation.

E1 IRO-1 – AR 11 A – IDENTIFICATION AND ASSESSMENT OF SHORT-, MEDIUM- AND LONG-TERM CLIMATE HAZARDS

To comply with the CSRD reporting requirements, the identification and assessment of climate-related hazards have been carried out across short-, medium-, and long-term time horizons. This process followed a standardized approach using the climate hazard table outlined in the EU Taxonomy (Appendix A, Annex 1, Delegated Act 2021/2139).
While robust climate data was available for some hazards, others presented challenges due to limited data availability. For instance, hazards like forest fires or specific wind-related risks required qualitative assessments or could not be included in the analysis due to a lack of reliable data.

In these instances, the exclusions and methodological limitations have been transparently documented. This ensures that stakeholders have a clear understanding of the scope of the assessment, the hazards analyzed, and the rationale for excluding certain risks. This approach aligns with best practices in climate risk management and fulfills the EU Taxonomy and CSRD requirements for transparent and comprehensive reporting.

E1 IRO-1 – AR 11 B – DEFINITION OF TIME HORIZONS AND THEIR RELATIONSHIP TO ASSETS AND STRATEGIC PLANS

Short-, medium-, and long-term time horizons have been clearly defined and linked to the expected lifecycle of SBO's assets, strategic planning horizons, and capital allocation plans. These definitions take into account that physical climate hazards and associated risks may develop and reach critical thresholds over extended periods, especially for assets with long lifespans, such as manufacturing facilities or infrastructure.

Short-term 2030

Medium-term 2050

Long-term 2100

E1 IRO-1 – AR 11 C – ASSESSING THE VULNERABILITY OF ASSETS AND BUSINESS ACTIVITIES TO CLIMATE HAZARDS

Short-, medium-, and long-term time horizons have been defined in alignment with SBO's operational planning and climate risk management framework. These horizons correspond to 2030, 2050, and 2100, reflecting the scenarios outlined by the IPCC and used for climate risk assessments.

These timeframes ensure that both immediate and long-term risks are considered. The extended horizons are essential for addressing the potential impacts of climate risks on long-lived assets, ensuring a comprehensive evaluation that supports both current operations and future sustainability. To quantify exposure, SBO applied a site-specific localization approach, using geographical coordinates and risk mapping tools to assess exposure to physical climate hazards such as floods, heavy precipitation, storms, extreme temperatures, and droughts. The climate risk scenario analysis incorporates RCP2.6, RCP4.5, and RCP8.5 projections for the years 2030, 2050, and 2100, ensuring a long-term risk perspective. Each site's susceptibility to climate-related hazards is further assessed through vulnerability matrices, where risks are classified based on impact severity and probability using a scale from 1 to 6.

The climate risk analysis indicates that the assessed locations are affected by physical climate risks to varying degrees. While some sites are particularly vulnerable to heavy rainfall events and storms, others face significant threats from hurricanes and extreme temperatures. The vulnerability assessment revealed that floods and strong winds, in particular, can cause structural damage to buildings and lead to operational disruptions. Additionally, rising temperatures pose a risk of production losses due to the overloading of cooling systems. The financial impacts vary by location and scenario, with increased repair costs and potential downtime identified as key risk factors. Adaptation measures such as improved infrastructure resilience, optimization of cooling and drainage systems, and adjustments to operational procedures have been identified as essential strategies for risk mitigation.

E1 IRO-1 – AR 11 D – ASSESSMENT OF CLIMATE HAZARDS BASED ON HIGH-EMISSION SCENARIOS

The identification of climate-related hazards, as well as the assessment of exposure and vulnerability, is informed by climate scenarios that reflect varying levels of greenhouse gas emissions. These scenarios, IPCC RCP 2.6, RCP 4.5, and RCP 8.5, represent different pathways, ranging from moderate mitigation efforts to continued high emissions, with the latter leading to more severe physical climate risks. Additionally, relevant regional climate projections based on these emission pathways are incorporated into the analysis. These projections include localized climate models and region-specific datasets that account for geographic variations in temperature trends, precipitation patterns, and extreme weather events, ensuring a more precise assessment of risks at SBO's operational sites.

E1 IRO-1 – 20 C – CLIMATE-RELATED TRANSITION RISKS AND OPPORTUNITIES IN THE COMPANY'S OWN OPERATIONS AND WITHIN THE UPSTREAM AND DOWNSTREAM VALUE CHAIN

From the perspective of SBO, climate-related transition risks and opportunities have been identified and assessed across its operations and value chain in alignment with TCFD guidelines. These risks primarily stem from regulatory changes, shifts in customer preferences toward lower-emission technologies, and emerging social and market expectations. The assessment includes analyzing potential cost increases due to stricter emission regulations. The identification of climate-related transition events includes the consideration of at least one climate scenario aligned with limiting global warming to 1.5°C, with no or limited overshoot. This scenario represents an ambitious pathway that assumes rapid and significant political and regulatory measures, such as substantial increases in carbon pricing, to achieve the temperature limit.

Under this scenario, physical risks are expected to be comparatively lower, while transition risks, including regulatory, market, and technological changes, become more significant. By incorporating this scenario, SBO ensures a comprehensive understanding of potential transition impacts.

E1 IRO-1 – AR 12 A – ASSESSMENT OF EXPOSURE TO SHORT-, MEDIUM- AND LONG-TERM TRANSITION EVENTS IN THE CONTEXT OF CLIMATE-RELATED POLICY OBJECTIVES

Transition events have been identified across short-, medium-, and long-term time horizons (2030/2050/2100) as part of an initial screening process.

SBO acknowledges the importance of aligning long-term horizons with climate-related public policy goals, such as the EU Green Deal and net zero emissions by 2050. A framework to assess these risks comprehensively is being designed and will be implemented in future reporting cycles to ensure full compliance with CSRD requirements.

E1 IRO-1 – AR 12 B – VULNERABILITY ASSESSMENT OF ASSETS AND BUSINESS ACTIVITIES TO TRANSITION EVENTS

Initial efforts of SBO have focused on identifying physical risks. The detailed evaluation of exposure to transition risks, including factors such as likelihood, magnitude, and duration, is currently under development. Therefore, SBO has not completed a comprehensive assessment of the extent to which its assets and business activities may be exposed and sensitive to identified transition events.

E1 IRO-1 – AR 12 C – APPLICATION OF CLIMATE-RELATED SCENARIO ANALYSES TO ASSESS EXPOSURE TO TRANSITIONAL EVENTS IN LINE WITH THE PARIS AGREEMENT

SBO has not conducted a scenario analysis for transition risks. However, the identification of transition risks was guided by the TCFD classification.

E1 IRO-1 - AR 12 D - IDENTIFICATION OF ASSETS AND BUSINESS ACTIVITIES WITH A VIEW TO THEIR COMPATIBILITY WITH THE TRANSITION TO A NET ZERO EMISSION ECONOMY

SBO is in the process of identifying assets and business activities that may be incompatible with the transition to a net zero emission economy or require significant efforts to achieve compatibility. As part of this assessment, activities that may necessitate substantial capital investment or technological innovation to meet net zero emissions are being evaluated. This ongoing analysis ensures transparency and alignment with CSRD reporting requirements while addressing the challenges posed by transition risks and opportunities.

E1 IRO-1 - 21 - APPLYING CLIMATE-RELATED SCENARIO ANALYSIS TO ASSESS PHYSICAL AND TRANSITION RISKS AND OPPORTUNITIES

SBO utilizes climate-related scenario analyses to identify and assess physical and transition risks over short-, medium-, and long-term horizons. These analyses incorporate scientifically validated climate scenarios from the Intergovernmental Panel on Climate Change (IPCC). Specifically, three Representative Concentration Pathways (RCPs) are used to assess potential future climate conditions:

RCP 2.6 – A low-emission scenario aligned with the Paris Agreement's goal of limiting global warming to 2°C, requiring substantial emission reduction efforts.

RCP 4.5 – A moderate-emission scenario assuming stabilization policies and intermediate warming outcomes.

RCP 8.5 – A high-emission scenario representing continued fossil fuel use, leading to global temperature increases exceeding 4°C

These scenarios are applied across three key time horizons—2030, 2050, and 2100—to evaluate how climate risks may evolve over time. SBO integrates these findings into a vulnerability assessment to measure potential risks to operations, infrastructure, and supply chains

While quantitative scenario modeling is conducted where feasible, SBO acknowledges that data limitations in certain areas require the use of qualitative analyses. These qualitative assessments ensure a comprehensive risk evaluation, incorporating expert judgment, industry benchmarks, and stakeholder insights.

E1 IRO-1 - AR 15 - CONSISTENCY OF THE CLIMATE SCENARIOS USED WITH CLIMATE-RELATED ASSUMPTIONS IN THE FINANCIAL STATEMENTS

SBO acknowledges the importance of aligning climate scenarios and financial reporting to address and adequately reflect physical climate risks and opportunities. The sustainability report provides a detailed assessment of potential ESG-related risks, including potential impacts and management approaches. The financial statements correspondingly consider ESG-related risks towards non-current assets such as property, plant and equipment as well as towards intangible assets such as goodwill or other intangible assets. The notes section of the consolidated financial statements provides further explanatory information and addresses implications of ESG-related considerations on SBO's financial data.

E2 IRO-1 - Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

E2 IRO-1 - 11 A - VERIFICATION OF SITES AND BUSINESS ACTIVITIES RELATED TO POLLUTION

As part of the materiality analysis, SBO conducted an assessment of its own sites for pollution-related risks, considering both physical and transition risks. Additionally, the analysis covered upstream and downstream activities across the entire value chain to ensure a comprehensive evaluation in accordance with EU Taxonomy and CSRD requirements. Recognized materiality assessment methods were applied to identify and evaluate relevant risks, including impact materiality assessments and the use of quantitative thresholds and qualitative evaluations. The analysis was based on scientific foundations and stakeholder inputs to ensure a well-founded and objective assessment of material risks.

E2 IRO-1 - 11 B - CONSULTATIONS WITH AFFECTED COMMUNITIES

SBO primarily relied on internal stakeholder engagements and external guidance. The perspectives of affected communities were not specifically included in the assessment process. Future evaluations may consider broader stakeholder engagement as regulatory requirements and best practices evolve.

E2 IRO-1 - AR 9 - MATERIALITY ASSESSMENT RESULTS

SBO identified material pollution impacts at its manufacturing sites, particularly related to emissions and waste streams. In the upstream value chain, resource extraction and material processing are key pollution sources, while downstream value chain impacts are tied to waste management and recycling. Business activities with material impacts include manufacturing processes, waste handling, and upstream value chain procurement of raw materials. These findings are integrated into SBO's ongoing risk and opportunity assessments.

E3 IRO-1 - Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

E3 IRO-1 - 8 A - REVIEW OF ASSETS AND BUSINESS ACTIVITIES RELATED TO WATER AND MARINE RESOURCES

SBO has evaluated its operations and value chain to identify impacts, risks, and opportunities related to water and marine resources. SBO utilized the World Resources Institute's Aqueduct Water Risk Atlas to assess water stress levels at its facilities. These assessments informed SBO's strategies to mitigate water-related risks and capitalize on opportunities within its operations and supply chain.

E3 IRO-1 - 8 B - CONSULTATIONS WITH AFFECTED COMMUNITIES

SBO has consulted relevant stakeholder groups as part of its assessment of water and marine resource impacts, risks, and opportunities. Engagement has primarily been conducted via internal stakeholders, including suppliers and experts. These efforts aim to ensure a comprehensive understanding of impacts while addressing material issues identified in the value chain.

E3 IRO-1 - AR 1 - MATERIALITY ASSESSMENT OF WATER AND MARINE RESOURCES: APPLICATION OF THE LEAP APPROACH

SBO is currently not applying the LEAP approach.

E4 IRO 1 - Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities

E4 IRO-1 - 17 A - ASSESSMENT OF IMPACTS ON BIODIVERSITY AND ECOSYSTEMS ALONG THE VALUE CHAIN

SBO has assessed actual and potential biodiversity and ecosystem impacts across its operations and value chain. The assessment uses structured criteria based on ESRS guidance, focusing on severity, scope, and irremediability. Impacts are analyzed, differentiating regions with diverse standards. SBO integrates stakeholder input and scientific data to evaluate materiality, emphasizing ecosystem changes due to resource use and waste generation. The approach aligns with CSRD and SASB frameworks to ensure comprehensive impact analysis and reporting.

E4 IRO-1 - 17 B - ASSESSMENT OF THE DEPENDENCIES ON BIODIVERSITY AND ECOSYSTEM SERVICES ALONG THE VALUE CHAIN

Dependencies on biodiversity and ecosystems at its own sites and across its upstream and downstream value chains are not fully assessed. Future evaluations may consider key criteria such as the extent of potential damage, probability of occurrence, and dependencies on ecosystem services like pollination.

E4 IRO-1 - 17 C - IDENTIFICATION AND ASSESSMENT OF TRANSITION RISKS, PHYSICAL RISKS AND OPPORTUNITIES

SBO conducted a double materiality assessment to evaluate biodiversity-related risks and impacts, using scientific literature, global reports, and environmental studies. Key sources included the IPCC AR6 Synthesis Report (2023), European Environment Agency reports, UNEP studies, and research on habitat destruction and biodiversity loss from National Geographic, Science Advances, and the Royal Society B.

The assessment covered transitory and physical biodiversity risks, such as habitat destruction from mining, deep-sea drilling impacts, invasive species spread through shipping, and pollution across SBO’s value chain. Additional insights were taken from studies on shipping traffic (Nature Sustainability) and offshore drilling safety (ScienceDirect).

While these sources provided a broad understanding of biodiversity risks, SBO has not yet conducted a dedicated, in-depth analysis to quantify these risks, nor has it analyzed any systemic risks. SBO is currently evaluating whether further assessments are needed to strengthen risk monitoring and mitigation efforts.

E4 IRO-1 – 17 E – CONSULTATIONS WITH AFFECTED COMMUNITIES

SBO has not yet conducted consultations with affected communities.

SBO's materiality assessment has identified significant biodiversity-related impacts stemming from upstream value chain activities. These include:
Land-use change associated with mining operations: Mining activities upstream contribute to habitat loss and alterations in land use, which can significantly impact local ecosystems and biodiversity.
Freshwater use and sea-use change (upstream and downstream value chain): The extraction and manufacturing processes involve substantial freshwater use, creating potential stress on local water resources and aquatic ecosystems.
Pollution along the value chain: Pollution from upstream value chain operations, including industrial waste and emissions, affects biodiversity by contaminating ecosystems and reducing habitat quality.
These impacts demonstrate clear dependencies and potential consequences for ecosystems and, indirectly, for local communities relying on these resources.

E4 IRO-1 – 19 – ASSESSMENT OF THE IMPACTS OF SITES IN OR NEAR AREAS WITH BIODIVERSITY IN NEED OF PROTECTION

SBO has not identified any negative impacts within our own operations; therefore, no mitigation measures are planned. However, this will continue to be analyzed as part of our ongoing assessment process. A detailed list of SBO's locations relevant to this assessment can be found in SBM-3-16.

E5 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

E5 IRO-1 – 11 A – 11B – REVIEW OF ASSETS AND BUSINESS ACTIVITIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY – INFORMATION ABOUT PROCESS FOR CONDUCTING CONSULTATIONS

SBO aligns its practices with EU Taxonomy and CSRD requirements. The development and integration of additional tools such as Material Flow Analysis (MFA) or Product Environmental Footprint (PEF), to comprehensively assess actual and potential impacts, risks, and opportunities across its operations and value chain are currently not planned.

Manufacturing facilities use high-grade metals and alloys, with opportunities in improving material efficiency. Waste management handles scrap metals and manufacturing residues, supporting circular economy efforts. Product lifecycle services focus on refurbishing, remanufacturing, and recycling tools and components to extend their use and reduce waste.

SBO emphasizes the strategic importance of high-grade steel, alloys, and other specialized materials, which are integral to the manufacturing of precision components. These materials are indispensable due to their unique mechanical and chemical properties, ensuring optimal performance in demanding and extreme environments. SBO remains committed to securing a reliable supply of these essential resources while actively exploring opportunities to enhance resource efficiency and recyclability in line with general circular economy principles.

SBO is committed to continuous improvement rather than maintaining a business-as-usual approach. By proactively enhancing supply chain efficiency, SBO can unlock new opportunities upstream in the value chain. Downstream in the value chain, a stronger focus on recyclability and circular economy practices can help optimize waste management costs and ensure regulatory compliance, reinforcing long-term sustainability and resilience.

The transition to a circular economy basically presents both opportunities and risks for SBO. While further expenditures in product redesign and infrastructure for material recovery may enhance these efforts, the company already has strong foundations in place. Ongoing improvements in supply chain management and stakeholder collaboration will help optimize circular practices while minimizing operational complexities.

Upstream Value Chain (Material Procurement): The highest resource usage during the sourcing of raw materials, particularly high-grade metals and alloys. Risks at this stage include supply chain disruptions, environmental impacts from mining, and reliance on external suppliers.

Manufacturing (Own Operations): Negative impacts, such as energy consumption, emissions, and waste generation (including hazardous waste), are most concentrated in manufacturing processes.

Downstream value chain (End-of-Life Management): The downstream stage involves waste management, including the disposal and recycling of used components.

SBO has not conducted specific consultations with affected communities regarding resource inflows, resource outflows, and waste management.

G1 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

G1 IRO–1 – 6 – PROCEDURES FOR IDENTIFYING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES IN CORPORATE GOVERNANCE: CRITERIA AND METHODOLOGY

SBO approaches the identification and assessment of material impacts, risks, and opportunities in business conduct matters by integrating location, activity, sector, and transaction structure as key evaluation criteria. This process aligns with the materiality analysis conducted under ESRS 2 and IRO-1 requirements. SBO identified corporate governance as material through stakeholder engagement and sector-specific evaluations, assessing its significance across various geographic locations and business activities. This determination was guided by factors such as regulatory requirements, operational activities, and stakeholder priorities, ensuring a comprehensive understanding of governance-related risks and opportunities. Further refinements to clearly link ESRS G1 and ESRS 2 criteria may enhance the transparency of this process.

IRO-2 - Disclosure Requirements in ESRS covered by SBO's sustainability statements

IRO-2 – 59 – IDENTIFICATION OF MATERIAL INFORMATION ON IMPACTS, RISKS AND OPPORTUNITIES: METHODOLOGY AND THRESHOLDS

SBO determines material information to be disclosed in align- ment with the requirements of ESRS 1, section 3.2. The materiality assessment process involves evaluating impacts, risks, and opportunities (IROs) against predefined thresholds and criteria. These thresholds are established by considering stakeholder expectations, regulatory requirements, and align- ment with frameworks such as GRI and ISSB. SBO reconciles identified IROs with the specific ESRS disclosure points to ensure compliance with both general and company-specific reporting obligations. In cases where material sustainability aspects are not yet fully addressed, SBO commits to disclosing the gaps and defining a timeframe.

IRO-2 – 56 – LIST OF DISCLOSURE REQUIREMENTS FOLLOWED

ESRS Code	Disclosure requirement	Page	Incorporation by reference
IRO-2-56	**IRO-2-56**	**IRO-2-56**	**BP-2-16**
ESRS 2			
BP-1	General basis for preparation of sustainability statements	67	
BP-2	Disclosures in relation to specific circumstances	67	
GOV-1	The role of the administrative, management and supervisory bodies	69	
GOV-2	Information provided to and sustainability matters addressed by SBO's administrative, management and supervisory bodies	75	
GOV-3	Integration of sustainability-related performance in incentive schemes	76	
GOV-4	Statement on due diligence	77	
GOV-5	Risk management and internal controls over sustainability reporting	78	
SBM-1	Strategy, business model and value chain	80	
SBM-2	Interests and views of stakeholders	83	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	89	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	154	
IRO-2	Disclosure requirements in ESRS covered by SBO's sustainability statement	166	
E1			
GOV-3	Integration of sustainability-related performance in incentive schemes	77	
E1-1	Transition plan for climate change mitigation	188	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	141	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	156	
E1-2	Policies related to climate change mitigation and adaptation	188	
E1-3	Actions and resources in relation to climate change policies	188	
E1-4	Targets related to climate change mitigation and adaptation	189	

ESRS Code	Disclosure requirement	Page	Incorporation by reference
S1-1	Policies related to own workforce	220	
S1-2	Processes for engaging with own workers and workers' representatives about impacts	223	
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	224	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	226	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	230	
S1-6	Characteristics of SBO's employees	232	
S1-7	Characteristics of non-employee workers in SBO's own workforce	233	
S1-8	Collective bargaining coverage and social dialogue	235	
S1-9	Diversity metrics	236	
S1-10	Adequate remuneration of employees in line with applicable benchmarks	236	
S1-12	Persons with disabilities	237	
S1-14	Health and safety metrics	237	
S1-15	Work-life balance metrics	Phasing-In	
S1-16	Compensation metrics (pay gap and total compensation)	238	
S1-17	Incidents, complaints and severe human rights impacts	239	
S2			
SBM-2	Interests and views of stakeholder	83	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	147	
S2-1	Policies related to value chain workers	245	
S2-2	Processes for engaging with value chain workers about impacts	246	
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	247	
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	249	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	251	
S3			
SBM-2	Interests and views of stakeholders	83	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	150	
S3-1	Policies related to affected communities	252	
S3-2	Processes for engaging with affected communities about impacts	252	
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	253	
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	254	
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	255	
S4			

ESRS Code	Disclosure requirement	Page	Incorporation by reference
SBM-2	Interests and views of stakeholders	83	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business mode	153	
S4-1	Policies related to consumers and end-users	256	
S4-2	Statement in case the undertaking has not adopted a general process to engage with consumers and/or end-users	256	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	257	
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	257	
G1			
GOV-1	The role of the administrative, supervisory and management bodies	75	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	165	
G1-1	Corporate culture and business conduct policies and corporate culture	258	
G1-3	Prevention and detection of corruption and bribery	262	
G1-4	Confirmed incidents of corruption or bribery	264	

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality
IRO-2-56	**IRO-2-56**	**IRO-2-56**	**IRO-2-56**	**IRO-2-56**	**IRO-2-56**	**IRO-2-56**	**IRO-2-56**
ESRS 2							
GOV-1	Board's gender diversity	§21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/181627, Annex II		material
GOV-1	Percentage of board members who are independent	§21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		material
GOV-4	Statement on due diligence	§30	Indicator number 10 Table #3 of Annex 1				material
SBM-1	Involvement in activities related to fossil fuel activities	§40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245328 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		material

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality
SBM-1	Involvement in activities related to chemical production	§40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		not material
SBM-1	Involvement in activities related to controversial weapons	§40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/181829 , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not material
SBM-1	Involvement in activities related to cultivation and production of tobacco	§40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not material
E1							
E1-1	Transition plan to reach climate neutrality by 2050	§14				Regulation (EU) 2021/1119, Article 2(1)	material
E1-1	Undertakings excluded from Paris-aligned Benchmarks	§16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book[1]Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		material
E1-4	GHG emission reduction targets	§34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		material
E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	§38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				material
E1-5	Energy consumption and mix	§37	Indicator number 5 Table #1 of Annex 1				material
E1-5	Energy intensity associated with activities in high climate impact sectors	paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				material

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality
E1-6	Gross Scope 1, 2, 3 and Total GHG emissions	§44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		material
E1-6	Gross GHG emissions intensity	paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		material
E1-7	GHG removals and carbon credits	§56				Regulation (EU) 2021/1119, Article 2(1)	material
E1-9	Exposure of the benchmark portfolio to climate-related physical risks	§66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		material
E1-9	Disaggregation of monetary amounts by acute and chronic physical risk	§66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			material
E1-9	Location of significant assets at material physical risk	§66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			material

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality
E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	§67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 §34; Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			material
E1-9	Degree of exposure of the portfolio to climate-related opportunities	§69			Delegated Regulation (EU) 2020/1818, Annex II		material
E2							
E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	§28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				not material
E3							
E3-1	Water and marine resources	§9	Indicator number 7 Table #2 of Annex 1				material
E3-1	Dedicated policy	§13	Indicator number 8 Table 2 of Annex 1				material
E3-1	Sustainable oceans and seas	§14	Indicator number 12 Table #2 of Annex 1				material
E3-4	Total water recycled and reused	§28 (c)	Indicator number 6.2 Table #2 of Annex 1				material
E3-4	Total water consumption in m3 per net revenue on own operations	§29	Indicator number 6.1 Table #2 of Annex 1				material
E4							
SBM-3 – E4	Activities related to sites located in or near biodiversity-sensitive areas negatively affect these areas where conclusions or necessary mitigation measures have not been implemented or are ongoing	§16 (a) i	Indicator number 7 Table #1 of Annex 1				material

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality
SBM-3 – E4	Material negative impacts with regards to land degradation, desertification or soil sealing have been identified	§16 (b)	Indicator number 10 Table #2 of Annex 1				material
SBM-3 – E4	Own operations affect threatened species	§16 (c)	Indicator number 14 Table #2 of Annex 1				material
E4-2	Sustainable land / agriculture practices or policies	§24 (b)	Indicator number 11 Table #2 of Annex 1				material
E4-2	Sustainable oceans/ seas practices or policies	§24 (c)	Indicator number 12 Table #2 of Annex 1				material
E4-2	Policies to address deforestation	§24 (d)	Indicator number 15 Table #2 of Annex 1				material
E5							
E5-5	Non-recycled waste	§37 (d)	Indicator number 13 Table #2 of Annex 1				material
E5-5	Hazardous waste and radioactive waste	§39	Indicator number 9 Table #1 of Annex 1				not material
S1							
SBM-3 – S1	Risk of incidents of forced labor	§14 (f)	Indicator number 13 Table #3 of Annex I				material
SBM-3 – S1	Risk of incidents of child labor	§14 (g)	Indicator number 12 Table #3 of Annex I				material
S1-1	Human rights policy commitments	§20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				material
S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	§21			Delegated Regulation (EU) 2020/1816, Annex II		material
S1-1	Processes and measures for preventing trafficking in human beings	§22	Indicator number 11 Table #3 of Annex I				material
S1-1	Workplace accident prevention policy or management system	§23	Indicator number 1 Table #3 of Annex I				material
S1-3	Grievance/complaints handling mechanisms	§32 (c)	Indicator number 5 Table #3 of Annex I				material

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality
S1-14	Number of fatalities and number and rate of work-related accidents	§88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		material
S1-14	Number of days lost to injuries, accidents, fatalities or illness	§88 (e)	Indicator number 3 Table #3 of Annex I				material
S1-16	Unadjusted gender pay gap	§97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		material
S1-16	Annual Total Compensation	§97 (b)	Indicator number 8 Table #3 of Annex I				material
S1-17	Incidents of discrimination	§103 (a)	Indicator number 7 Table #3 of Annex I				material
S1-17	Non-respect of UNGPs on Business and Human Rights and OECD	§104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		material
S2							
SBM-3 – S2	Significant risk of child labor or forced labor in the value chain	§11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				material
S2-1	Human rights policy commitments	§17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				material
S2-1	Policies related to value chain workers	§18	Indicator number 11 and n. 4 Table #3 of Annex 1				material
S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	§19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		material
S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	§19			Delegated Regulation (EU) 2020/1816, Annex II		material
S2-4	Human rights issues and incidents connected to its upstream and downstream value chain	§36	Indicator number 14 Table #3 of Annex 1				material
S3							

Disclosure requirement	Datapoint	Paragraph	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality
S3-1	Human rights policy commitments	§16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				material
S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	§17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		material
S3-4	Human rights issues and incidents	§36	Indicator number 14 Table #3 of Annex 1				material
S4							
S4-1	Policies related to consumers and end-users	§16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				material
S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	§17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material
S4-4	Human rights issues and incidents	§35	Indicator number 14 Table #3 of Annex 1				not material
G1							
G1-1	United Nations Convention against Corruption	§10 (b)	Indicator number 15 Table #3 of Annex 1				material
G1-1	Protection of whistle-blowers	§10 (d)	Indicator number 6 Table #3 of Annex 1				material
G1-4	Fines for violation of anti-corruption and anti-bribery laws	§24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		material
G1-4	Standards of anti-corruption and anti- bribery	§24 (b)	Indicator number 16 Table #3 of Annex 1				material

Environmental Information

Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

The EU Taxonomy Regulation at a glance

The European Green Deal is aimed at achieving a green transition to help the EU become climate neutral by 2050. Article 8 of the EU Taxonomy Regulation (Regulation (EU) 2020 / 852) sets the course for more transparency of sustainability measures. It covers only those economic activities that are explicitly listed in the relevant delegated acts. In the manufacturing industry, the focus is particularly on emissions-intensive industries. The supply industry is not yet satisfactorily covered. However, it is precisely in the supply industry that major innovations are taking place which can make a substantial contribution to climate neutrality. The EU Taxonomy standardizes the definition of environmental sustainability and serves as a guide for investment decisions. Companies must classify their economic activities according to the regulation's criteria. If the economic activities can be attributed to one or more of the potentially sustainable economic activities, they are taxonomy-"eligible". If they also meet the criteria for "substantial contribution", the criteria of "do no significant harm" and the "minimum social safeguards", they are taxonomy-"aligned". The EU Taxonomy Regulation requires companies to classify their economic activities according to the catalogue of criteria in Annex 1 ("Climate Change Mitigation") and Annex 2 ("Climate Change Adaptation") of Delegated Regulation (EU) 2021/2139. These activities are to be assessed against the criteria for "substantial contribution" and "do no significant harm", as well as the "minimum social safeguards". No economic activities have been identified under the environmental taxonomy objectives – Sustainable Use and Protection of Water and Marine Resources (WTR), Transition to a Circular Economy (CE), Pollution Prevention and Control (PPC), and Protection and Restoration of Biodiversity and Ecosystems (BIO).

MANUFACTURING BUSINESS AND CROSS-SECTORAL ACTIVITIES

MANUFACTURE OF IRON AND STEEL (ENVIRONMENTAL OBJECTIVE OF CLIMATE CHANGE MITIGATION)

An economic activity in this category is a transitional activity as defined in Article 10(2) of the EU Taxonomy Regulation. SBO is a manufacturer of non-magnetic corrosion resistant steels. Manufacturing takes place in a shared process with the main supplier. This special type of process sharing has developed historically and is partly reflected in joint patents. The main supplier produces tailor-made raw materials in close coordination with SBO. Cold forging and treatment is carried out by SBO. In the past SBO reported revenue, CAPEX and OPEX related to this process within the economic activity 3.9 "Manufacture of iron and steel".

As the EU Taxonomy is a dynamic framework, it is also subject to ongoing adjustments and new interpretations. Additional guidance, such as the FAQs of the European Commission, can help to provide clarity and are regularly monitored and analyzed by SBO. The FAQs published on 29 November 2024, regarding (DRAFT COMMISSION NOTICE on the interpretation and implementation of certain legal provisions of the EU Taxonomy Environmental Delegated Act, the EU Taxonomy Climate Delegated Act and the EU Taxonomy Disclosures Delegated Act), also address the interpretation of economic activity 3.9 “Manufacture of iron and steel.” As SBO manufactures high-alloy, non-magnetic stainless steels, SBO reported revenues from cold-forged stainless steel products under this economic activity in the business year 2023.

The FAQs published in SBO’s financial year 2024, interpret the economic activity 3.9 “Manufacture of iron and steel” differently, as steel products which undergo deformation or further processing (e.g., cold forging) after the melting and casting process, should not be reported under activity 3.9. Based on this new understanding, SBO will no longer report revenue, CAPEX, or OPEX under economic activity 3.9 “Manufacture of iron and steel” from the financial year 2024 onwards. To ensure comparability of the prior period with the values reported for 2024, the presentation of the 2023 KPIs in the table has been adjusted. Accordingly, the economic activity 3.9 “Manufacture of iron and steel” will no longer be included in the reporting table.

The product range in the Oilfield Equipment segment, including tools and equipment for drilling and completing oil, gas and geothermal wells, could not be assigned to any economic activity set out in Annex 1 to Delegated Regulation (EU) 2021/2139. The company is not active in the extraction or processing of gas. Therefore, no activities falling under CCM/CCA 4.29-4.31 are conducted at any of the company’s locations.

SBO has also run infrastructural and cross-sectoral activities in the financial year 2024. The EU Taxonomy regulation not only classifies core economic activities in terms of environmental sustainability, but also certain CAPEX and OPEX in other activities, such as in renewable energy, buildings or vehicle fleets. The following economic activities are applicable to SBO

TRANSPORT BY MOTORCYCLES, PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

In particular, the acquisition, financing, rental, leasing and operation of vehicles of classes M, N or L are taxonomy-eligible. In this specific case, this activity is relevant with regard to CAPEX and OPEX in connection with the vehicle fleet that are relevant for SBO.

TRANSPORT OF GOODS BY ROAD

The acquisition, financing, leasing, rental and operation of vehicles of classes N1, N2 or N3 for the transport of goods by road that fall under the EURO VI standard Level E or its successor are taxonomy-eligible. In this specific case, this activity is relevant with regard to CAPEX and OPEX in connection with SBO’s own delivery trucks.

CONSTRUCTION OF NEW BUILDINGS AND RENOVATION OF EXISTING BUILDINGS

Individual construction and civil engineering works or preparation thereof are taxonomy-eligible.

INSTALLATION, MAINTENANCE AND REPAIR OF ENERGY-EFFICIENT DEVICES

Individual renovation measures that consist of the installation, maintenance or repair of energy-efficient devices are taxonomy-eligible.

INSTALLATION, MAINTENANCE AND REPAIR OF DEVICES FOR MEASURING, REGULATING AND CONTROLLING THE OVERALL ENERGY EFFICIENCY OF BUILDINGS

The installation, maintenance and repair of devices for measuring, regulating and controlling the overall energy efficiency of buildings are taxonomy-eligible. For SBO, this activity is important in connection with the efficient cooling and heating of buildings.

INSTALLATION, MAINTENANCE AND REPAIR OF RENEWABLE ENERGY TECHNOLOGIES

Taxonomy-eligible are the installation, maintenance and repair of renewable energy technologies on-site. For SBO, this activity is particularly important in connection with the installation of photovoltaic systems at its own locations.

ACQUISITION OF AND OWNERSHIP OF BUILDINGS

The acquisition of real estate and the exercise of ownership of these properties is a taxonomy-eligible activity. In addition to ownership, capitalized usage rights to rented buildings can also represent taxonomy-eligible CapEx. For SBO, the activity is particularly important with regard to administrative and operational buildings.

TAXONOMY-ALIGNMENT FOR FINANCIAL YEAR 2024

For the 2024 financial year, taxonomy alignment has been assessed in accordance with the requirements of the EU Taxonomy Regulation, including the additional environmental objectives beyond climate change mitigation and climate change adaptation. These newly considered objectives include sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. Taxonomy alignment confirms that an economic activity can be attributed to one or more potentially sustainable economic activities and meets the criteria for “substantial contribution,” “do no significant harm,” and “minimum social safeguards.” In addition to the previously reported taxonomy-aligned activity 7.3 (installation, maintenance, and repair of energy efficient devices) — SBO has assessed and reported further relevant activities in line with the expanded taxonomy framework. The integration of additional environmental objectives has led to an evaluation of further taxonomy-aligned activities, particularly in the area of circular economy and resource efficiency. The understanding and interpretation of the technical criteria for the newly assessed activities, as well as the existing ones, are outlined in more detail below. SBO has conducted a thorough analysis of the technical evaluation criteria, reviewing its own activities and obtaining confirmations from key suppliers relevant to these activities.

Minimum social safeguards

In order to achieve taxonomy-alignment, SBO must ensure that, in addition to the two criteria “substantial contribution” and “do no significant harm”, the economic activities under consideration are carried out in compliance with Article 18 of the Taxonomy Regulation. Taking into account the Final Report on Minimum Safeguards of the Platform on Sustainable Finance published in October 2022, SBO focuses on the topics of human rights, bribery / corruption, taxes and fair competition. The following aspects were taken into account in detail:

HUMAN RIGHTS

Business is conducted in compliance with the catalog of internationally recognized human rights. There is a Code of Conduct that requires managers and employees to take appropriate measures to detect, prevent and mitigate possible and actual human rights violations. There have been no convictions related to human rights violations.

BRIBERY / CORRUPTION

SBO has set up a whistleblowing service that ensures protected communication channels and enables incidents of bribery/ corruption to be reported on its own online platform. In addition, there are group-wide guidelines and a zero-tolerance policy regarding bribery, fraud and any form of corruption.

TAXES

In the course of the SBO Group‘s economic activities, tax expenses arise in various forms worldwide. Sales taxes, corporate taxes, taxes related to wages and salaries, etc. mean that SBO‘s economic activities make economic contributions in individual countries. SBO does not pursue an aggressive tax policy. The location of the individual companies follows exclusively the local economic activities in the respective industrial centers. The notes to the consolidated financial statements transparently list the reconciliation to the group income tax rate.

FAIR COMPETITION

By applying a Group-wide Code of Conduct, the SBO Group ensures compliance with the relevant competition rules. For SBO, fair competition means that no cartels, anti-competitive business practices or agreements that exploit or expand market dominance or market power, as well as anti-competitive mergers and acquisitions are entered into or carried out. This applies in particular if they include fixed prices, manipulated offers (collusive tenders), production restrictions or quotas or the division of markets through the allocation of customers, suppliers, territories or business sectors.

KEY PERFORMANCE INDICATORS (KPI)

On this basis, the following key figures are shown:

INFORMATION IN %	TURNOVER	CAPEX	OPEX
Taxonomy-eligible overall	0.0	21.2	2.2
Not taxonomy-eligible overall	100.0	78.8	97.8
Taxonomy-aligned overall	0.0	0.6	0.6
Not taxonomy-aligned overall	100.0	99.4	99.4

Financial year		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	Turnover	Proportion of Turnover, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023	Category enabling activity	Category transitional activity
Text		TEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y			
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y		E	
Of which transitional		0	0%	0%	%	%	%	%	%	Y	Y	Y	Y	Y	Y	Y			T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%*		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		560,446	100.0%																
TOTAL		560,446	100%																

*) Adjusted, see „Changes in Taxonomy-Eligible KPIS compared to the prior period

Financial year		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	CAPEX	Proportion of CAPEX, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CAPEX, year 2023	Category enabling activity	Category transitional activity
Text		TEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	238	0.6%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.4%	E	
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**238**	**0.6%**	**0.6%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.4%**		
Of which enabling		**238**	**0.6%**	**0.6%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.4%**	**E**	
Of which transitional		**0**	**0%**	**0%**	%	%	%	%	%	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		**T**
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	583	1.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.80%		
Freight transport services by road	CCM 6.6	406	1.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Construction of new buildings	CCM 7.1	1,221	3.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Renovation of existing buildings	CCM 7.2	796	2.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.10%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	834	2.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.50%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	387	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.50%		
Acquisition and ownership of buildings	CCM 7.7	3,503	9.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.50%		
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**7,731**	**20.6%**	**20.6%**	**0%**	**0%**	**0%**	**0%**	**0%**								**7.40%**		
A. CAPEX of Taxonomy-eligible activities (A.1+A.2)		**7,969**	**21.2%**	**21.2%**	**0%**	**0%**	**0%**	**0%**	**0%**								**7.80%***		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CAPEX of Taxonomy-non-eligible activities		**29,551**	**78.8%**																
TOTAL		**37,520**	**100%**																

*) Adjusted, see „Changes in Taxonomy-Eligible KPIS compared to the prior period

Financial year		2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	OPEX	Proportion of OPEX, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OPEX, year 2023	Category enabling activity	Category transitional activity
Text		TEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	125	0.6%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.4%	E	
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**125**	**0.6%**	**0.6%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**1.4%**		
Of which enabling		**125**	**0.6%**	**0.6%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**1.4%**	**E**	
Of which transitional		**0**	**0.0%**	**0%**	%	%	%	%	%	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		**T**
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	22	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Freight transport services by road	CCM 6.6	41	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Renovation of existing buildings	CCM 7.2	59	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	292	1.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.6%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	5	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Acquisition and ownership of buildings	CCM 7.7	41	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**460**	**2.2%**	**2.2%**	**0%**	**0%**	**0%**	**0%**	**0%**								**2.20%**		
A. OPEX of Taxonomy-eligible activities (A.1+A.2)		**585**	**2.8%**	**2.8%**	**0%**	**0%**	**0%**	**0%**	**0%**								**3.60%***		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OPEX of Taxonomy-non-eligible activities		**19,975**	**97.2%**																
TOTAL		**20,560**	**100%**																

*) Adjusted, see „Changes in Taxonomy-Eligible KPIS compared to the prior period

	NUCLEAR ENERGY RELATED ACTIVITIES	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	FOSSIL GAS RELATED ACTIVITIES	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

TURNOVER SHARE / TOTAL TURNOVER		
	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CAPEX SHARE / TOTAL CAPEX		
	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0.6%	21.2%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OPEX SHARE / TOTAL OPEX

	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0.6%	2.8%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

DETAILED EXPLANATIONS

The calculation of the Key Performance Indicators (KPI) is carried out in accordance with Annex 1 of Commission Delegated Regulation (EU) 2021/2178.

INFORMATION ON THE CONSOLIDATED FINANCIAL STATEMENTS TO AVOID DOUBLE COUNTING AND GENERAL PROCEDURES

SBO's consolidated financial statements as of 31 December 2024 were prepared in accordance with the principles of the International Financial Reporting Standards (IFRS) and the interpretation of the International Financial Reporting Interpretations Committee (IFRIC) as applicable in the EU. Details on the accounting methods used are disclosed in the notes to the SBO consolidated financial statements. The principles of the IFRS consolidated financial statements for determining turnover, CAPEX and OPEX serve as the basis for deriving taxonomy KPIs. To avoid double counting, when recording sales revenue, only sales with external customers were taken to enable a simple and transparent transfer to the consolidated group sales. In the financial year 2024, SBO does not report any of its revenue streams as taxonomy-aligned under EU Taxonomy. When recording the CAPEX KPI, a screening was carried out at the individual company level with a subsequent aggregation to the consolidated figure of SBO. To record OPEX, a screening was carried out at the individual company level with subsequent aggregation, whereby intra-group charges were excluded in advance in order to avoid inflation of the KPI. In general, it should be noted that a clear allocation to individual economic activities was possible when deriving taxonomy related CAPEX and OPEX. This also allowed for the exclusion of possible double counting of turnover, CAPEX and OPEX in different economic activities.

CALCULATION OF TURNOVER KPI

Turnover KPI for the previous financial year 2023 was calculated as that portion of net sales of goods or services, including intangible goods, associated with taxonomy-aligned economic activities (numerator), divided by net sales (denominator). The denominator corresponds to the consolidated sales revenue from 1 January to 31 December 2023, as reported in the SBO consolidated financial statements for 2023. To determine the numerator, screening was carried out at company level with subsequent assignment to taxonomy-aligned economic activities. As outlined earlier in this report, SBO does not report revenues from high alloy, non-magnetic steel as taxonomy aligned anymore, therefore the turnover KPI of the financial year 2024 is zero. Total turnover of the financial year 2024 amounting to TEUR 560,446 can be found in the consolidated profit and loss statement in line "sales" and more detailed information on turnover under note 21 in the notes section of the financial statement.

CALCULATION OF CAPEX KPI

This KPI is defined as the taxonomy-aligned CAPEX (numerator) divided by the consolidated capital expenditure. The denominator includes consolidated additions to tangible and intangible assets during the fiscal year under consideration before depreciation and revaluations, including those resulting from revaluations and impairments for the fiscal year in question and excluding changes in fair value. The denominator also takes into account additions to property, plant and equipment and intangible assets that result from business combinations, as well as rights of use in accordance with IFRS 16. The denominator amounting to TEUR 37,520 is calculated as the total addition to fixed assets of TEUR 38,911, less additions to prepayments of TEUR 4,535 plus reclassifications of prepayments of TEUR 2,557. Details can be found under note 8 in the notes section of the financial statement. Taxonomy-aligned CAPEX could be clearly identified and assigned to taxonomy-aligned economic activities, so that no assignment key was used.

CALCULATION OF OPEX KPI

This KPI is defined as taxonomy-aligned operating expenses in the numerator divided by the total operating expenses in the sense of the EU Taxonomy in the denominator. The de- nominator covers direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such as- sets. Group-wide, the operating expenses listed above were checked with the EU Taxonomy to see whether they could be assigned to a taxonomy-aligned economic activity, with the uniform group-wide reporting scheme for uncapitalized operating expenses (which are also included in the consolidated group profit and loss statement) forming the starting point for the screening. Taxonomy-aligned OpEx could be clearly identified and assigned to taxonomy aligned economic activities, so that no assignment key was used.

CHANGES IN TAXONOMY-ELIGIBLE KPIs COMPARED TO THE PRIOR PERIOD

Turnover: The reduction of taxonomy-eligible and taxonomy-aligned revenues from 14.1 % as in the financial year 2023 reportet, to 0.0 % in the financial year 2024, was caused by a revised interpretation of the economic activity 3.9 “Manufacture of iron and steel” as outlined in FAQ DRAFT COMMISSION NOTICE on the interpretation and implementation of certain legal provisions of the EU Taxonomy Environmental Delegated Act, the EU Taxonomy Climate Delegated Act and the EU Taxonomy Disclosures Delegated Act. SBO’s internal processes of the manufacturing and distribution of high-alloy, non-magnetic stainless steels remain unchanged compared to the previous reporting period.See section Manufacture of Iron and Steel.

CAPEX: The increase from 10.3 % in 2023 to 20.2 % in 2024 was mainly driven by SBO’s expansion in Vietnam and Saudi Arabia. The construction of a new manufacturing facility in Vietnam was started in 2024 and was reported under economic activity 7.1 construction of new buildings. In Saudi Arabia SBO entered into a new lease agreement under IFRS 16, which was reported under economic activity 7.7 Acquisition and ownership of buildings. The financial year 2023 also included CAPEX for economic activity 3.9 manufacture of iron and steel, with no corresponding amounts under this economic activity starting from financial year 2024 onwards.

OPEX: The decreased from 6.2 % in 2023 to 2.8 % in 2024 in mainly related to two reasons. First OPEX related to economic activity 3.9 manufacture of iron and steel were not reported as taxonomy relevant OPEX in financial year 2024 anymore. Second the denominator increased in the financial year 2024, mainly due to increase R&D expenses.

E1 Climate Change

3.1 E1-1 - Transition plan for climate change mitigation

E1-1 - 17 - CLIMATE TRANSITION PLAN

SBO is developing a transition plan for climate change mitigation and will conduct a comprehensive analysis of all necessary components. As part of this process, SBO is committed to aligning our climate targets with internationally recognized frameworks and is actively working towards joining the Science Based Targets initiative (SBTi). Although the specific SBTi standard for the oil and gas sector is expected to be published in 2025, SBO is already focused on establishing climate targets that drive our sustainable business strategy forward.

E1-2 - Policies related to climate change mitigation and adaptation

E1-MDR-P - 62 & 65 & E1-2 - 25 - POLICIES

SBO is in the process of developing a comprehensive ESG policy, as one has not been established. Until now, ESG aspects were covered within broader policies like the Code of Conduct.

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

E1-MDR-A -62 - REASON FOR NON-DISCLOSURE OF ACTIONS

SBO has defined several measures within the framework of its Climate Transition Plan. Since the estimation of CAPEX and OPEX required for the implementation of these measures is not yet finalized, it is currently not permitted to disclose them. The actions and the Climate Transition Plan will be published once the financial assessments are completed.

E1-4 - Targets related to climate change mitigation and adaptation

MDR-T - 80 A - ALIGNMENT OF TARGETS WITH POLICY OBJECTIVES

These targets will be integrated into the Climate Transition Plan, which is currently being developed and is planned for finalization in 2025. The target primarily addresses climate protection and energy efficiency, with specific focus on emissions reductions (Scope 1, 2, and 3), energy consumption, and the transition to renewable energy sources.

by 2030:

30 % reduction in Scope 1 and 2 emissions.
10 % reduction in Scope 3 emissions.

by 2050:

Achieve net-zero emissions across Scope 1, 2, and 3, aligned with the Paris Agreement.

MDR-T - 80 B - DEFINED TARGET LEVELS AND MEASUREMENT APPROACH

The target is relative, as it is expressed as a percentage reduction compared to a baseline.
The targets are stated in metric tons of CO_2 equivalent (tCO_2e), which is the standard unit for measuring greenhouse gas (GHG) emissions.

MDR-T - 80 C TARGET SCOPE

Upstream Value Chain Activities:
Raw Material Procurement: Emissions related to the extraction and transportation of raw materials used in manufacturing.
Supply Chain Emissions: Emissions from suppliers, including those associated with the procurement of raw material.

Downstream Value Chain Activities:
Product Use: Emissions associated with the use of SBO's products, such as components for drilling and well completion, stem from the consumption of extracted resources.
End-of-Life and Disposal:
Emissions from the disposal or recycling of products at the end of their life cycle.
Geographical Areas:
The target addresses all geographical regions where SBO operates.

MDR-T - 80 D - BASELINE VALUE AND BASE YEAR

The baseline year for the GHG emission reduction targets set by SBO is 2022. This year serves as the reference for measuring the targeted reductions in Scope 1 and 2 emissions (30 % reduction by 2030) and Scope 3 emissions (10 % reduction by 2030).

MDR-T - 80 E - TARGET PERIOD

The target period extends until 2050, with an interim milestone set for 2030.

MDR-T - 80 F - METHODOLOGIES USED TO DEFINE TARGETS

The targets were defined through a comprehensive assessment of potential measures and their expected impacts. This process involved identifying feasible actions and evaluating their effectiveness in reducing emissions and contributing to overall sustainability goals.

In addition to the internal evaluation, we also conducted a thorough screening of the climate-related targets and strategies of our key suppliers and customers. This approach ensures that our targets are aligned with broader value chain expectations and supports a coordinated effort towards achieving shared sustainability objectives.

MDR-T - 80 G - SCIENTIFIC BASIS OF ENVIRONMENTAL TARGETS

SBO's environmental targets are aligned with the long-term goal of achieving Net Zero emissions. Today, it is formally not possible for SBO to align with the SBTi standards, as sector-specific guidelines for the oil and gas industry are expected to be introduced only in the course of 2025. SBO has set its targets to the best of its knowledge and ability. The compatibility with SBTi's official framework will be reassessed once the specific sector standard is published. At this stage, the 2030 milestone targets are not yet aligned with the SBTi framework.

MDR-T - 80 H - STAKEHOLDER INVOLVEMENT IN TARGET SETTING

Stakeholders were not involved in the target-setting process for material sustainability matters during the reporting period. This was due to the ongoing development of our internal frameworks and strategies. SBO recognizes the importance of stakeholder engagement and plans to actively involve relevant stakeholders in future target-setting processes to ensure their perspectives are integrated into our sustainability goals.

MDR-T - 80 I - CHANGES IN TARGETS, METRICS, AND MEASUREMENT METHODOLOGIES

SBO's environmental targets are newly established, and no changes have been made to the targets, corresponding metrics, measurement methodologies, assumptions, or data collection processes. As a result, there are no adjustments affecting comparability over time.

MDR-T - 80 J - MONITORING, REVIEW, AND PERFORMANCE ANALYSIS OF DISCLOSED TARGETS

As the targets have been set this year, they are in the early stages of implementation, and no measurable progress has been recorded.

E1-4 - 30C - 34 B-E-F- GHG EMISSION REDUCTION TARGETS

Consistency between targets and GHG inventory limits

The GHG emission reduction targets are consistent with the GHG inventory boundaries.

Decarbonization levers Scope 1 & 2 in tCO_2e:

The reduction values in Scope 1 and 2 are derived from reported consumption data and the resulting emissions. They result from the transition to electricity from renewable sources and the replacement of gas heating systems and gas-powered machinery.

Electrification: 3,762 tCO_2e

Use of renewable energy: 8,516 tCO_2e

Decarbonization levers Scope 3 in tCO_2e:

SBO's decarbonization levers in Scope 3 are based on estimates derived from the respective Scope 3 category, as the exact measures within the value chain cannot yet be precisely quantified due to significant dependencies on the actions of our value chain partners. The main focus lies on purchased materials within Scope 3.1, with "Material efficiency and consumption reduction" primarily referring to the more sustainable production of steel.

Fuel switching: 11,337 tCO_2e

Material efficiencies and consumption reduction: 60,274 tCO_2e

Energy efficiencies: 5,826 tCO_2e

Other: 2,885 tCO_2e

Consideration of Climate Scenarios in Decarbonization Strategy & External verification:

SBO is in the early stages of analyzing various climate scenarios to identify relevant environmental, social, technological, market, and policy-related developments. Our targets have not been externally verified, and our 2030 goal is not fully aligned with the 1.5°C trajectory. While our reduction ambitions are based on a detailed internal assessment and an evaluation of measures across our value chain, further refinement will be necessary to ensure full compatibility with internationally recognized climate pathways.

E1-4-AR 30B – PLANS TO ADOPT NEW TECHNOLOGIES AND THE ROLE OF THESE TO ACHIEVE ITS GHG EMISSION REDUCTION TARGETS

SBO manufactures components used in carbon capture and storage (CCS) applications; however, CCS is not considered part of our own emissions reduction strategy and is therefore not quantified or included in this context.

E1-4 Targets

Addressed material (sub-) topic	MDR-T-80a	Climate protection
Addressed material IRO	MDR-T-80a	Greenhouse gas emissions
Addressed policy	MDR-T-80a	Transition plan for climate protection (Climate Transition Plan)
Title of the target	MDR-T-80a	SBO plans to reduce its absolute Scope 1 & 2 emissions by 30 % compared to 2022 by 2030.
Target level	MDR-T-80b	-30
Absolute or relative target	MDR-T-80b	Relative target
Target unit	MDR-T-80b	%
Target value in tCO_2e	E1-4-34a	9,550 tCO_2e

Included greenhouse gases	E 1-4-34b	All seven Kyoto gases (CO_2, HFC, Hf6, PFC, CH4, N2O, Hf3)
Included scopes	E 1-4-34b	Scope 1 & 2 (market-based)
For GHG reduction targets (only for Scope 3 targets):	E 1-4-34b	N/A
Included Scope 3 subcategories	E 1-4-34b	N/A
Allocation per scope	E 1-4-34b	Scope 1 & 2
Included share of scopes and total emissions	E 1-4 34b	Scope 1 & 2
Target scope in terms of business activities	MDR-T-80c	Own activities
Target scope in terms of geographical areas	MDR-T-80c	Global
Target base year	MDR-T-80d	2022
Target baseline value	MDR-T-80d	13,643 tCO_2e
Target progress before the base year	E 1-4-34b	None
Target period	MDR-T-80e	2030
Milestones or interim targets	MDR-T-80e	None

Addressed material (sub-) topic	MDR-T-80a	Climate protection
Addressed material IRO	MDR-T-80a	Greenhouse gas emissions
Addressed policy	MDR-T-80a	Transition plan for climate protection (Climate Transition Plan)
Title of the target	MDR-T-80a	SBO plans to reduce its absolute Scope 3 emissions by 10 % compared to 2022 by 2030.
Target level	MDR-T-80b	-10
Absolute or relative target	MDR-T-80b	Relative target
Target unit	MDR-T-80b	%
Target value in tCO_2e	E1-4-34a	80,321 tCO_2e
Included greenhouse gases	E 1-4-34b	All seven Kyoto gases (CO_2, HFC, Hf6, PFC, CH4, N2O, Hf3)
Included scopes	E 1-4-34b	Scope 3
Included Scope 3 subcategories	E 1-4-34b	All
Allocation per scope	E 1-4-34b	Scope 3
Included share of scopes and total emissions	E 1-4 34b	Scope 3
Target scope in terms of business activities	MDR-T-80c	Upstream and downstream value chain
Target scope in terms of geographical areas	MDR-T-80c	Global
Target base year	MDR-T-80d	2022
Target baseline value	MDR-T-80d	89,246 tCO_2e
Target period	MDR-T-80e	2030
Milestones or interim targets	MDR-T-80e	None

Addressed material (sub-) topic	MDR-T-80a	Climate protection
Addressed material IRO	MDR-T-80a	Greenhouse gas emissions
Addressed policy	MDR-T-80a	Transition plan for climate protection (Climate Transition Plan)
Title of the target	MDR-T-80a	SBO plans to reduce its absolute Scope 1 & 2 emissions by 90 % compared to 2022 by 2050.
Target level	MDR-T-80b	-90
Absolute or relative target	MDR-T-80b	Relative target
Target unit	MDR-T-80b	%
Target value in tCO_2e	E1-4-34a	1,364 tCO_2e
Included greenhouse gases	E 1-4-34b	All seven Kyoto gases (CO_2, HFC, Hf6, PFC, CH4, N2O, Hf3)
Included scopes	E 1-4-34b	Scope 1 & 2 (market-based)
Included Scope 3 subcategories	E 1-4-34b	N/A
Allocation per scope	E 1-4-34b	Scope 1 & 2
Included share of scopes and total emissions	E 1-4 34b	Scope 1 & 2
Target scope in terms of business activities	MDR-T-80c	Own activities
Target scope in terms of geographical areas	MDR-T-80c	Global
Target base year	MDR-T-80d	2022
Target baseline value	MDR-T-80d	13,643 tCO_2e
Target period	MDR-T-80e	2050
Milestones or interim targets	MDR-T-80e	None

Addressed material (sub-) topic	**MDR-T-80a**	**Climate protection**
Addressed material IRO	MDR-T-80a	Greenhouse gas emissions
Addressed policy	MDR-T-80a	Transition plan for climate protection (Climate Transition Plan)
Title of the target	MDR-T-80a	SBO plans to reduce its absolute Scope 3 emissions by 90 % compared to 2022 by 2050.
Target level	MDR-T-80b	-90
Absolute or relative target	MDR-T-80b	Relative target
Target unit	MDR-T-80b	%
Target value in tCO_2e	E1-4-34a	8,925 tCO_2e
Included greenhouse gases	E 1-4-34b	All seven Kyoto gases (CO_2, HFC, Hf6, PFC, CH4, N2O, Hf3)
Included scopes	E 1-4-34b	Scope 3
Included Scope 3 subcategories	E 1-4-34b	All
Allocation per scope	E 1-4-34b	Scope 3
Included share of scopes and total emissions	E 1-4 34b	Scope 3
Target scope in terms of business activities	MDR-T-80c	Upstream and downstream value chain
Target scope in terms of geographical areas	MDR-T-80c	Global
Target base year	MDR-T-80d	2022
Target baseline value	MDR-T-80d	89,246 tCO_2e
Target period	MDR-T-80e	2050
Milestones or interim targets	MDR-T-80e	None

3.5 E1-5 - Energy consumption and energy mix

E1-5 – 36-38 & AR 34 - ENERGY CONSUMPTION AND ENERGY MIX

E1-5 - 39 - ENERGY

Energy consumption and energy mix	2023	2024
Fuel consumption from coal and coal products (MWh)	-	-
Fuel consumption from crude oil and petroleum products (MWh)	7,355	5,787
Fuel consumption from natural gas (MWh)	10,792	10,730
Fuel consumption from other fossil sources (MWh)	-	-
Consumption from purchased or received electricity, heat, steam and cooling from fossil sources (MWh)	16,462	14,378
Total consumption of fossil energy (MWh)	**34,609**	**30,896**
Share of fossil energy sources of total energy consumption (in %)	65	**60**
Consumption from nuclear sources (MWh)	4,583	5,748
Share of consumption from nuclear sources of total energy consumption (in %)	9	**11**
Fuel consumption for renewable sources, including biomass (MWh)	-	-
Consumption from purchased or received electricity, heat, steam and cooling from renewable sources (MWh)	12,316	13,553
Consumption of self-generated renewable energy other than fuels (MWh)	1,565	1,365
Total consumption of renewable energy (MWh)	**13,881**	**14,917**
Share of renewable sources of total energy consumption (in %)	26	**29**
Total energy consumption (MWh)	**53,073**	**51,562**

Own energy generation	2023	2024
Self-generated energy from fossil sources (MWh)	-	-
Self-generated energy from renewable sources (MWh)	1,565	1,996

3.5.3 E1-5 - 40 – ENERGY INTENSITY PER NET REVENUE

Energy intensity per net revenue	2023	2024	Change to previous year (in %)
Total energy consumption from activities in climate-intensive sectors per net revenue from activities in climate-intensive sectors (MWh/million € net revenue)	91	92	1.6

E1-5 - 41 - TOTAL ENERGY CONSUMPTION FROM ACTIVITIES IN HIGH CLIMATE IMPACT SECTORS

The total energy consumption from activities in high climate impact sectors amounts to 51,562 MWh.

E1-5 – AR 38B - NET REVENUE FROM ACTIVITIES IN HIGH CLIMATE IMPACT SECTORS AND OTHER THAN HIGH CLIMATE IMPACT SECTORS

The net revenue is reported in the sales section of the profit and loss statement.

E1-5 - 42 - HIGH CLIMATE IMPACT SECTORS

SBO is a manufacturer and equipment supplier in the oilfield services industry and beyond. Operating in this sector, SBO's activities, especially the manufacturing of components like drilling and completion equipment, contribute to a carbon footprint due to energy consumption and emissions from manufacturing processes.

E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions

	Retrospective						
Scope 1 GHG emissions	**Base Year (2022)**	**2023**	**2024**	**Change to previous year (in %)**	**2030**	**2050**	**Annual % target / Base year**
Gross Scope 1 GHG emissions (tCO_2eq)	4,180	4,041	4,120	1.95%	2,926	418	-3%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0.00%	-	-	-
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO_2eq)	11,647	11,980	12,086	0.89%	8,153	1,165	-3%
Gross market-based Scope 2 GHG emissions (tCO_2eq)	9,463	9,610	9,210	-4.16%	6,624	946	-3%
Scope 3 GHG emissions							
Total gross indirect (Scope 3) GHG emissions (tCO_2eq)	89,246	102,828	106,249	3.33%	80,321	8,925	-3%
1 Purchased goods and services	57,813	66,244	66,386	0.22%			
2 Capital goods	6,473	8,479	9,680	14.17%			
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	3,658	3,914	3,971	1.44%			
4 Upstream transportation and distribution	1,243	1,472	3,391	130.41%			
5 Waste generated in operations	3,691	3,372	3,877	14.98%			
6 Business travelling	2,599	3,181	3,264	2.63%			
7 Employee commuting	2,084	2,316	2,450	5.78%			
8 Upstream leased assets	0	0	0	0.00%			
9 Downstream transportation	5,611	6,399	6,554	2.43%			
10 Processing of sold products	5,466	6,828	5,778	-15.37%			
11 Use of sold products	0	0	0	0.00%			
12 End-of-life treatment of sold products	607	625	896	43.54%			
13 Downstream leased assets	0	0	0	0.00%			
14 Franchises	0	0	0	0.00%			
15 Investments	0	0	0	0.00%			
Total GHG emissions							
Total GHG emissions (location-based) (tCO_2eq)	105,073	118,849	122,455	3.03%	91,400	10,507	-3%
Total GHG emissions (market-based) (tCO_2eq)	102,889	116,480	119,579	2.66%	89,871	10,289	-3%

GHG intensity per net revenue	2023	2024	Change to previous year (in %)
Total GHG emissions (location-based) per net revenue (tCO_2eq / million € revenue)	203	218	8%
Total GHG emissions (market-based) per net revenue (tCO_2eq / million € revenue)	199	213	7%

E1-6 - 46 - GUIDELINES FOR DISCLOSING GHG EMISSIONS IN ACCORDANCE WITH ESRS 1

The system boundaries for calculating the Corporate Carbon Footprint include all locations that SBO directly controls

E1-6 - 47 - DISCLOSURE REQUIREMENTS FOR SIGNIFICANT CHANGES IN REPORTING UNDERTAKING AND VALUE CHAIN IMPACT ON GHG EMISSIONS COMPARABILITY

The system boundaries have no material changes compared to the previous year. No companies, investments, or locations were bought or sold, and no new scope categories have been considered.

E1-6 - AR 39 B - DISCLOSURE OF METHODOLOGIES, SIGNIFICANT ASSUMPTIONS AND EMISSIONS FACTORS USED TO CALCULATE OR MEASURE GHG EMISSIONS

In preparing the Corporate Carbon Footprint (CCF) report, SBO applies methodologies, emission factors, and assumptions aligned with the Greenhouse Gas Protocol.

Scope 3 emissions were calculated for the first time in 2023 using a combination of the average-data and spend-based methods. Emission factors were derived from sources such as Ecoinvent, Idemat, and DBEIS, while data gaps were addressed through plausible assumptions, such as estimating product weights or using average employee commuting data.

SBO is actively engaging with suppliers and investing in improved data management tools and employee training to enhance accuracy and transparency in future emissions reporting.

E1-6 - AR 42 C - GROSS SCOPE 1, 2 AND 3 GHG EMISSIONS AND TOTAL GHG EMISSIONS

The consolidation results of other companies are not needed for SBO’s calculation.

E1-6 - 51 - DISCLOSURES ON SCOPE 3 GHG EMISSIONS

SBO has verified the significance of all 15 Scope 3 categories, but certain categories were considered not relevant for the calculation. Specifically, Scope 3.8 (leases of assets) was excluded, as SBO does not lease warehouses or similar assets in its upstream value chain. Additionally, Scope 3.11 and 3.13, which relate to the energy consumption of SBO products, were not applied, as SBO’s sold and rented products do not directly require electricity or fossil fuels for their use.

Further exclusions include Scope 3.14 (franchises), as SBO does not grant franchise licenses, and Scope 3.15 (investments), since all subsidiaries are fully consolidated in both the financial and sustainability reports.

For the remaining Scope 3 categories, emissions were calculated using the average data method and spend-based method due to the limited availability of supplier-specific carbon footprint data, particularly from suppliers outside the EU. In the future, SBO aims to obtain more detailed supplier-specific information to improve the accuracy of these calculations.

E1-6 - AR 46 H-I - CONSOLIDATED GROUP

An internal summary of the calculation approaches for each scope is available in the CCF report. It includes a detailed breakdown of the methodologies used for each Scope category (Scope 1, 2, and 3), including the use of the average data method and spend-based method for Scope 3 emissions. It also highlights the data sources, such as emission factors from reputable databases (e.g., DBEIS, Ecoinvent, Idemat) and the approach to estimating emissions for specific categories where data was unavailable.

For auditors, detailed documentation of the calculation method, data sources, and other relevant aspects, such as assumptions and estimations, is available. This ensures transparency and allows the auditor to verify the accuracy and completeness of the emissions calculations in line with Greenhouse Gas (GHG) Protocol standards.

E1-6 - 55 - AR 55 - RECONCILIATION OF NET REVENUE

The net revenue is reported in the sales section of the profit and loss statement.

E1-MDR-M - Metrics relating to material sustainability aspects

E1-MDR-M-77B

The figures have not been externally verified. To validate the measurements, internal quality controls were carried out, including checks for data completeness, comparisons with prior year values, and plausibility checks between group companies.

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS, SIGNIFICANT ASSUMPTIONS, AND LIMITATIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Total energy consumption related to own operations	ESRS metric	The sum of energy consumption from fossil, nuclear, and renewable sources is calculated by aggregating data from energy meters, as well as energy bills. Each subsidiary delivers energy consumption per energy source. Data is consolidated at group level for each KPI. For the majority of energy consumption, energy mix is available, only few estimations were required.
Total energy consumption from fossil sources	ESRS metric	The sum of energy consumption from fossil sources is calculated by aggregating data from energy meters, as well as energy bills. Each subsidiary delivers energy consumption per energy source. Data is consolidated on group level for each KPI.
Fuel consumption from coal and coal products	ESRS metric	SBO does not directly generate energy by using coal, however electricity purchased include electricity generated by coal, therefore energy/electricity bills are used as a source. Each subsidiary delivers energy consumption per energy source. Data is consolidated on group level for each KPI.
Fuel consumption from crude oil and petroleum products	ESRS metric	Energy consumption from crude oil is based on diesel and petrol, as well as fuel oil (light and heavy) consumption. SBO does consume diesel and petrol, mostly used for company vehicles. Data from each subsidiary is categorized and then aggregated on group level, ensuring all values are standardized translated into MWh. For most of the fuel consumed, energy bills are used as data sources, in few cases estimations are used.
Fuel consumption from natural gas	ESRS metric	The sum of energy consumption from natural gas is calculated by collecting data on various natural gas products, including propane, butane, natural gas, liquefied petroleum gas (LPG), liquefied natural gas (LNG), and compressed natural gas (CNG) from energy bills and energy meters, categorizing this data, and aggregating the consumption figures for each product type into a total, ensuring all values are in the same unit (e.g., MWh).
Fuel consumption from other fossil sources	ESRS metric	Currently there is no fuel consumption from other fossil sources.
Share of fossil energy in total energy consumption	ESRS metric	Share of fossil energy is calculated by dividing the total energy consumption from fossil sources by the total energy consumption.

Total energy consumption from nuclear sources	ESRS metric	Total energy consumption from nuclear sources is used in a few locations and is calculated in megawatt-hours (MWh), by aggregating energy mixes from the invoice of electricity suppliers. Data is consolidated on group level for each KPI.
Share of nuclear energy in total energy consumption	ESRS metric	Share of nuclear energy is calculated by dividing the total energy consumption from nuclear sources by the total energy consumption.
Total energy consumption from renewable sources	ESRS metric	Total renewable energy consumption is assessed using data from consumption of self-generated renewable energy and purchased renewable energy. Each subsidiary delivers energy consumption per energy source. Data is consolidated on group level for each KPI.
Fuel consumption from renewable sources, including biomass, biofuels, biogas, hydrogen from renewable sources	ESRS metric	Currently SBO does not consume a material amount of energy of such sources.
Consumption of self-generated non-fuel renewable energy	ESRS metric	Data gathered from various sources, including energy production reports, utility invoices, and renewable energy monitoring systems. Data is consolidated on group level for each KPI.
Share of renewable energy in total energy consumption	ESRS metric	Share of renewable energy is calculated by dividing the total energy consumption from renewable sources by the total energy consumption.
Consumption of purchased or acquired electricity	ESRS metric	Data is sourced from energy bills and energy meters for each subsidiary. Data is consolidated on group level for each KPI.
Consumption of purchased or acquired heat	ESRS metric	SBO consumes only a non-significant amount of acquired heat through district heating. Data is sourced from energy bills and energy meters for each subsidiary. Data is consolidated on group level for each KPI.
Consumption from purchased or acquired cooling	ESRS metric	Not applicable
Consumption from purchased or acquired steam	ESRS metric	Not applicable
Non-renewable energy production	ESRS metric	Not applicable
Renewable energy production	ESRS metric	Data on renewable energy production is collected with energy production reports, utility invoices, and renewable energy monitoring systems. Currently, renewable energy is produced with PV-systems in a few subsidiaries. Each subsidiary delivers energy consumption per energy source. Data is consolidated on group level for each KPI.
Energy intensity of activities in high climate impact sectors (total energy consumption per net revenue)	ESRS metric	Data from total fossil energy consumption is divided by net revenue of the reporting year.

Gross Scope-1-GHG-Emissions	ESRS metric	Data were collected based on invoices for natural gas and petrol/diesel consumption. In few cases, mileage and average consumption were used for company vehicles. Emission factors from IEA 2021 and AIB 2021 were used.
Gross Scope-2-GHG-Emissions (location-based)	ESRS metric	Gross Scope 2 GHG emissions (location-based) are calculated in accordance with the Greenhouse Gas Protocol (GHG Protocol) – Scope 2 Guidance. This approach focuses on the average emission factors of the grid in the geographical locations where electricity is consumed. In the absence of specific local emission factors, country or region-wide averages are applied.
Gross Scope-2-GHG-Emissions (market-based)	ESRS metric	Gross Scope 2 GHG emissions (market-based) are calculated based on information from the electricity provider.
Total GHG emissions based on location	ESRS metric	The sum of Gross Scope 1, Gross location-based Scope 2 GHG emissions and Total gross indirect (Scope 3) GHG emissions
Total GHG emissions market-based	ESRS metric	The sum of Gross Scope 1, Gross market-based Scope 2 GHG emissions and Total gross indirect (Scope 3) GHG emissions
Greenhouse gas intensity (location-based)	ESRS metric	Data from total GHG emission (location-based) is divided by net revenue of the reporting year.
Greenhouse gas intensity (market-based)	ESRS metric	Data from total GHG emission (market-based) is divided by net revenue of the reporting year.
Total gross indirect (Scope 3) GHG emissions (tCO_2eq)	ESRS metric	The sum of indirect emission from Scope 3.1-3.15
Scope 3.1 Purchased goods and services	ESRS metric	The raw materials were assigned to mass-based emission factors from Idemat. In accordance with the average-date method weights (metric tons) purchased of those raw materials were collected from each group company and multiplied by the emission factor ("EF") outlined above to derive total CO_2e emissions. For other goods and services purchased, for which no information on weight were available or the average data method was not applicable (e.g. services such as expenses for insurance or IT-support for example), the spend based method was applied.
Scope 3.2 Capital goods	ESRS metric	The spend based method was applied. The spend-based emission factors were taken from the DEFRA 2022 database
Scope 3.3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	ESRS metric	The upstream emissions of fuels like petrol, diesel and ethanol but also district heating and electricity were considered. The upstream electricity emissions were assessed location based. The respective emission factors for the consumption of natural gas, petrol, diesel and district heating were taken from the Ecoinvent database and the respective emission factor for bio ethanol from Ecoinvent. The emission factors for the upstream electricity emissions were calculated based on IEA and Ecoinvent database

Scope 3.4 Upstream transportation and distribution	ESRS metric	Data on emissions could not be directly derived by information received from carriers, therefore the average data method based on tonne-kilometre (tkm), or in other words the distance-based method was applied. The individual type of transport and the relevant EF from the Ecoinvent database per tonne-kilometre was used to derive the CO_2e emissions of this Scope. If distances/mileage was not available directly from shipping documents, online sources such as Google Maps or Searates.com were used to derive mileage from the supplier to the relevant SBO location.
Scope 3.5 Waste generated in operations	ESRS metric	CO_2e emissions were derived by multiplying the weight disposed by emission factors. The emissions caused by the disposal of waste were determined using emission factors from the Ecoinvent database. Liquid waste was also measured in metric tons. One of SBO's major "waste category" is metal scrap in the form of metal chips, stemming from the turning and milling operations. Those metal chips are sold to third parties / scrap dealers and therefore are regarded as secondary products and not as waste. As a result, metal chips sold are excluded from scope 3.5 and considered under scope 3.12 instead.
Scope 3.6 Business travelling	ESRS metric	The spend-based emission factors were taken from the DBEIS database and adjusted for exchange rate and inflation. The air-travel data were taken from DEFRA.
Scope 3.7 Employee commuting	ESRS metric	Average 2024-headcount by group company was used as a basis to determine CO_2e emissions stemming from employee commuting. Depending on the location / region of group company average emissions per employee according to data basis (Jayakrishnan et al 2023) were applied.
Scope 3.8 Upstream leased assets	ESRS metric	Non-significant amounts of leased assets were directly considered in Scope 1 emissions.
Scope 3.9 Downstream transportation	ESRS metric	The location of the customer is defined as the boundary of accounting for Scope 3.9 inventory is set here. The individual type of transport and the relevant EF from the Ecoinvent database (version 3.9.1, 2022) per tonne-kilometre was used to derive CO_2e emissions of this Scope. If distances/mileage were not available directly from shipping documents, online sources such as Google Maps or Searates.com were used to derive mileage from SBO to the relevant customer location.
Scope 3.10 Processing of sold products	ESRS metric	This scope category includes emissions from processing / manufacturing of sold raw materials (non-magnetic steel) by third parties, subsequent to the sale by SBO. Third parties will apply machining services to manufacture finished goods, so the main source of additional energy required is electricity. SBO estimates the required average kWh to manufacture the final product and multiplies this with the related emission factor for electricity. The emission factor was based on location-based emissions for electricity of the SBO company that sells the bar to a third party.
Scope 3.11 Use of sold products	ESRS metric	SBO products sold (metal/steel components and downhole drilling tools) do not directly require energy such as fossil fuels or electricity to be used by SBO's customers

Scope 3.12 End-of-life treatment of sold products	ESRS metric	As part of the calculation model, the emissions from the disposal of the manufactured products were also evaluated using emission factors from the Ecoinvent database
Scope 3.13 Downstream leased assets	ESRS metric	SBO products rented to customers (downhole drilling tools such as drilling-motors, circulation tools or rotary steerable systems) do not directly require energy such as fossil fuels or electricity to perform their services
Scope 3.14 Franchises	ESRS metric	Not applicable
Scope 3.15 Investments	ESRS metric	Not applicable, as all group companies are fully consolidated.
Percentage of GHG Scope 3 calculated using primary data	ESRS metric	Currently SBO does not use primary data, as those are not available from suppliers yet. However SBO is working closely with major suppliers to receive primary data in the future.

E2 Pollution

E2-1 - Policies related to pollution

E2-MDR-P - 62 - REASONS FOR THE LACK OF POLICIES

SBO currently has no specific policies related to pollution. The reason for this is that, while pollution has been identified as a material topic in the course of the double materiality assessment, it requires further evaluation and alignment with the company's strategy before dedicated policies can be established. SBO is currently assessing these areas further to determine the need for specific policies in the future.

E2-2 - Actions and resources related to pollution

E2-MDR-A - 62 - REASONS FOR THE LACK OF ACTION

SBO uses small quantities of certain substances in its manufacturing processes. These include oils and other materials that are commonly used in industrial production. Due to proper handling of the low quantities used, additional detailed reviews were not conducted until now.

E2-3 - Targets related to pollution

E2-MDR-T -72 - TARGETS

SBO currently has no specific targets set under E2 Pollution, as these topics have so far been addressed within a broader framework. Due to new regulatory requirements, SBO is currently in the analysis process to assess the need for specific targets.

E3 Water and marine resources

E3-1 - Policies related to water and marine resources

E3-MDR-P - 62 - REASONS FOR THE LACK OF POLICIES

Water efficiency measures are an integral part of SBO's general sustainability efforts, particularly in subsidiaries facing water shortages. To address water scarcity risks at SBO's own manufacturing sites, a dedicated and cautious approach is in place.

Given that SBO subsidiaries collectively employ approximately 1,600 people across 23 locations on five continents, with each subsidiary averaging fewer than 100 employees, there is currently no need for a specific policy to mitigate water scarcity risks affecting upstream value chain suppliers, such as those in mining and steel manufacturing.

Water shortages and bottlenecks at manufacturing sites: Previous assessments prioritized broader environmental topics such as emissions and energy efficiency over localized water resource challenges.

E3-1 - 13 - WATER STRESS AREAS

SBO operates locations in regions experiencing high water stress, which will be partially addressed by the planned water policy.

E3-2 - Actions and resources related to water and marine resources policies

E3-MDR-A - 62 - REASONS FOR THE LACK OF ACTION

SBO has prioritized addressing immediate and direct environmental impacts within its operations, which is why specific actions for marine resource protection and upstream water scarcity management have not been implemented.

E3-3 - Targets related to water and marine resources

E3-MDR-T - 72 - TARGETS

We have not defined specific targets in the area of water management but will evaluate the necessity of setting such targets.

E3-4 - 29 Water consumption and water intensity ratio

KPI	**Value**	**Unit**
Total water consumption	86,674	m^3
Total water consumption in areas at water risk, including areas of high-water stress	3,819	m^3
Total water recycled and reused	156,953	m^3
Total water stored	875	m^3
Changes in water storage	-	m^3

KPI	**Value**	**Unit**
Water intensity ratio	155	m^3 / million € net revenue

E3-4 - 28 - CONTEXTUAL INFORMATION ON WATER DATA

Methods used include scenario analysis to evaluate water risk impacts, data collection from operational sites. Significant assumptions consider stable supply chain operations and alignment with broader sustainability goals, such as resource efficiency and compliance with ESRS requirements. Local context, including water stress and community needs, is factored into evaluations to ensure relevance and feasibility. SBO assesses water-related metrics primarily through direct measurements and third-party data, including water bills, meter readings, and subsidiary-level data collection, which is aggregated at the group level. The analysis of high-water-stress areas is conducted using the Aqueduct (WRI) tool. In our analysis, we have identified water stress at our locations in Saudi Arabia and Dubai. Data on recycled and reused water is based on third-party records. Water storage data is derived from the capacity of storage units at each location. For changes in water storage, it is estimated that no significant variations have occurred.

E3-MDR-M - Metrics relating to material sustainability aspects

E3-MDR-M -77B

The figures have not been externally verified. To validate the measurements, internal quality controls were carried out, including checks for data completeness, comparisons with prior year values, and plausibility checks between group companies.

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS, SIGNIFICANT ASSUMPTIONS AND LIMITATIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Total water consumption	ESRS metric	Data on total water consumption is based on water bills from third parties as well as meter readings for groundwater consumption. Data is collected on the level of each subsidiary and then aggregated on the group level.
Total water consumption in areas at water risk, including areas of high-water stress	ESRS metric	Data on total water consumption is based on water bills from third parties as well as meter readings for groundwater consumption. Data is collected on the level of each subsidiary and then aggregated on group level. Each location was mapped with Aqueduct (WRI) to assess which location is in an area of high-water stress. The total water consumption of those locations was used to calculate total water consumption in areas with water risk.
Total water recycled and reused	ESRS metric	Data on water recycling is based on bills of a third party measuring the amount of recycled water procured and recycled. Data is collected on the level of each subsidiary and then aggregated on group level.
Total water stored	ESRS metric	Data on water storage is based on the size of water storage units in each location that stores water. Data is collected on the level of each subsidiary and then aggregated on the group level.
Changes in water storage	ESRS metric	Currently it is estimated that there are no changes in water storage.
Water intensity ratio	ESRS metric	Revenue for water intensity was aligned with financial reporting. Data on total water consumption is based on water bills from third parties as well as meter readings for groundwater consumption. Data is collected on the level of each subsidiary and then aggregated on the group level.

E4 Biodiversity and ecosystems

E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model

E4-1 - 13 A - ASSESSING THE RESILIENCE OF THE BUSINESS MODEL AND STRATEGY

SBO has analyzed and assessed physical, transition and systemic risks related to biodiversity and ecosystems as part of our materiality assessment and risk and opportunity analysis. A full resilience analysis has not been carried out.

E4-1 - 13 B - SCOPE OF RESILIENCE ANALYSIS

SBO has considered its operational sites and locations with significant environmental interactions, focusing on areas where our own activities intersect with critical ecosystems, in the risk assessment for biodiversity risks.

Upstream and downstream activities in the value chain have been partially considered, particularly for suppliers and partners operating in areas of ecological sensitivity. For upstream value chain, raw material extraction sites and for downstream value chain, product life cycle impacts were prioritized.

The site analysis of biodiversity risks was conducted only for SBO's own operational sites, not for the value chain. Since the final application of our products is not fully known, we have assumed that the primary biodiversity risk arises from the activities themselves rather than specific end-use locations.

Associated Risks: Key risks include potential habitat degradation, regulatory non-compliance, and reputational impacts due to operations or partnerships in biodiversity-sensitive areas. Future efforts will focus on enhanced data collection and collaboration with stakeholders across the value chain to deepen risk analysis and mitigation.

E4-1 - 13 C - MAIN ASSUMPTIONS

Raw material sourcing and downstream value chain product lifecycle impacts are assumed to have potential biodiversity risks, especially in regions with fragile ecosystems. Climate change effects, such as temperature shifts and habitat loss, are assumed to exacerbate biodiversity risks in certain operational and supply chain regions.

The assumption that biodiversity risks exist in upstream raw material sourcing and downstream product lifecycle impacts is based on widely recognized scientific findings and environmental reports. Studies such as the IPCC AR6 Synthesis Report (2023), European Environment Agency research on raw material sourcing, and UNEP pollution and health assessments highlight the significant ecological impacts of mining activities, land-use changes, and pollution. Additionally, reports from Nature Sustainability, National Geographic, and the Royal Society B emphasize the long-term biodiversity risks associated with industrial activities, including habitat destruction, invasive species spread via global supply chains, and pollution from fossil fuel use. These sources collectively support the conclusion that SBO's upstream and downstream activities have potential biodiversity-related risks.

E4-1 – 13 D – TIME HORIZONS USED

For biodiversity-related impacts, risks, and opportunities, the double materiality analysis considered multiple time horizons: short-term (<1 year), medium-term (2-5 years), and long-term (<10 years).

E4-1 – 13 E – RESULTS OF THE RESILIENCE ANALYSIS

The analysis identified risks related to operations and value chain activities, including habitat disruption and ecosystem degradation. Resilience measures include adherence to environmental standards and engagement with stakeholders to minimize impacts. Certain operations and supply chain activities depend on natural resources sourced from regions at ecological risk. For example, raw material extraction (e.g. steel) and energy-intensive activities are directly linked to ecosystems. Transition risks include potential changes in environmental legislation (e.g., stricter biodiversity regulations), shifts in market demand for sustainable products, and reputational risks from non-compliance or ecosystem harm. These may impact operational costs and stakeholder trust.

E4-1 – 13 F – STAKEHOLDER INVOLVEMENT

Stakeholders were not specifically consulted about biodiversity-related risks. SBO considers to expand stakeholder engagement in this area in the coming years. Stakeholder engagement on biodiversity may be prioritized based on proximity to operations, supply chain relevance, and expertise in biodiversity and ecosystem preservation. Future engagement may focus on directly affected stakeholders, including local communities and environmental groups, to ensure comprehensive risk identification.

E4-1 – 14 – REFERENCE TO INFORMATION ACCORDING TO ESRS 2 SBM-3

The assessment of biodiversity risks and the resilience of our strategy and business model has been partially addressed in our materiality analysis. This assessment forms part of our broader environmental and governance considerations. While biodiversity-specific risks are recognized, there is no need for a formal policy. Further detailed analysis is considered to enhance SBO's understanding and reporting in alignment with ESRS 2 SBM-3 requirements.

E4-2 - Policies related to biodiversity and ecosystems

E4-MDR-P – 62 – REASONS FOR THE LACK OF POLICIES

SBO has not implemented a standalone biodiversity policy, as there are no significant impacts on biodiversity from its own operations. The need for such a policy will be reassessed if future developments require it.

E4-3 - Actions and resources related to biodiversity and ecosystems

E4-MDR-A - 62 - REASONS FOR THE LACK OF ACTION

SBO is committed to broader environmental goals such as emissions reduction, which also contribute to biodiversity protection. Biodiversity has not been addressed as a standalone priority within the ESG framework, resulting in no specific actions currently in place for it. So far, the topic has been integrated into broader environmental initiatives rather than being managed separately.

E4-4 - Targets related to biodiversity and ecosystems

E4-MDR-T - 72 - TARGETS

SBO has not set specific biodiversity targets due to the lack of significant impacts from its own operations. The relevance of biodiversity targets will be reviewed if operational or regulatory conditions change.

E5 Resource use and circular economy

E5-1 - Policies related to resource use and circular economy

E5-MDR-P - 62 - REASONS FOR THE LACK OF POLICIES

SBO is actively advancing recyclable product designs, resource efficiency optimization, and collaboration with suppliers to increase the use of recycled materials. Therefore, there is currently no need for a formal policy specifically addressing ESRS E5 – Resource Use and Circular Economy.

E5-2 - Actions and resources in relation to resource use and circular economy

E5-MDR-A - 62 - REASONS FOR THE LACK OF ACTION

SBO has initiated several measures that address key aspects of resource use and circular economy. These include efforts to optimize resource efficiency and collaborate with suppliers to increase the use of recycled materials. The absence of a fully integrated approach is due to ongoing assessments aimed at deepening the understanding of specific impacts, risks, and opportunities.

E5-3 - Targets related to resource use and circular economy

E5-MDR-T -72 - TARGETS

SBO monitors progress through ongoing assessments of material impacts, risks, and opportunities. This includes evaluating resource efficiency improvements, tracking waste reduction efforts, and assessing collaborations with suppliers on increasing recycled material use. These measures ensure continuous progress and provide a basis for setting future targets. At this stage, no specific targets have been set, as the company is still in the process of analyzing the most effective measures to implement.

E5-4 - Resource inflows

KPI	Value	Unit
Overall total weight of products and technical and biological materials used during the reporting period	14,337	tons
Percentage of biological materials (and biofuels used for non-energy purposes) that are sustainably sourced	0	%
The absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging)	7,303	tons
Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials	51	%

E5-4 - 32 - METHODS FOR CALCULATING THE DATA

SBO uses a combination of direct measurements and estimations to calculate data related to resource use and the circular economy, ensuring compliance with CSRD reporting standards and maintaining transparency in its disclosures.

Direct Measurements: Key resource consumption data, including energy usage and material inputs, are recorded using robust internal monitoring systems. These systems are managed and verified by operational teams to ensure accuracy, reliability, and consistency across all reporting activities.

Estimations: In cases where direct measurements are not feasible—such as supplier-provided data—estimations are applied based on recognized industry standards, historical data, and material specifications.

All reported usage data reflect materials in their original state and are presented without further adjustments.

E5-4 - AR 22 - TRANSPARENCY ON SOURCING FROM BY-PRODUCTS/WASTE STREAM

SBO integrates materials derived from by-products and waste streams into its operations wherever feasible, reinforcing its commitment to resource efficiency and circular economy principles.

Metal Offcuts: Metal offcuts are reused and reintegrated into new production processes, significantly minimizing waste and optimizing material use. Recycled Steel: Recycled steel is incorporated into manufacturing operations, reducing reliance on primary raw materials and supporting sustainable resource management. Waste Heat Recovery: Waste heat recovery systems are utilized within production facilities to improve energy efficiency and reduce overall energy consumption. These efforts form an integral part of SBO's sustainability approach, enabling the reduction of material waste, enhanced resource utilization, and alignment with CSRD requirements for transparency and accountability in resource use and circular economy practices.

E5-4 – AR 25 – AVOIDANCE OF DOUBLE COUNTING IN CASE OF OVERLAPPING OF THE CATEGORIES OF REUSE AND RECYCLING

SBO reports on the recycling category, as reuse is not tracked or reported in our current processes. Recycling Definition: Recycling refers to the recovery and reprocessing of materials to be used in new applications, which alters the material's original properties. For example, scrap steel from our operations is collected and melted to create new steel products.

Avoiding Double Counting: Since reuse is not reported, there is no overlap or risk of double counting between these categories. Recycling activities are recorded independently and consistently, ensuring compliance with CSRD requirements and maintaining transparency in our reporting. Should reuse reporting become relevant in the future, SBO will establish clear definitions and tracking mechanisms to differentiate it from recycling.

CATEGORY OF RESOURCE INFLOW	DESIGNATION OF THE RESOURCE INFLOW	CRITICAL SUBSTANCES/ RARE EARTHS	UTILISATION OF RESOURCE INFLOWS
E5-4-30	E5-4-30	E5-4-30	E5-4-30
Raw materials/materials	steel	No	Upstream value chain and own activity
Raw materials/materials	metal powder	No	Upstream value chain and own activity
Raw materials/materials	aluminium	Yes	Upstream value chain and own activity
Raw materials/materials	resin and hardener	No	Upstream value chain and own activity
Raw materials/materials	fiber glass	No	Upstream value chain and own activity
Raw materials/materials	rubber products	No	Upstream value chain and own activity
Raw materials/materials	polyester products	No	Upstream value chain and own activity
Raw materials/materials	magnesium	Yes	Upstream value chain and own activity
Packaging	plastic	No	Own activity
Packaging	wood	No	Own activity

E5-5 - Resource outflows

MOST IMPORTANT PRODUCT GROUPS	PRODUCT CONCEPTUALISATION ACCORDING TO CIRCULAR PRINCIPLES	CIRCULAR PRINCIPLE USED	FULFILMENT OF THE CIRCULAR-ORIENTED TURNOVER	REPAIRABILITY RATING SYSTEM
E5-5-35	E5-5-35	E5-5-35	E5-5-35	E5-5-36b
Manufactured parts such as MWD/LWD Tools	Yes	Recycling	No circular-oriented turnover	No
NON-MAG MATERIAL (SOLID and DRILLED BARS)	Yes	Recycling	No circular-oriented turnover	No
DRILLING MOTORS & MOTOR SPARE PARTS	Yes	Repairability	No circular-oriented turnover	No
CIRCULATION TOOLS	Yes	Repairability	No circular-oriented turnover	No
ROTARY STEERABLE TOOLS	Yes	Repairability	No circular-oriented turnover	No
OTHER DOWNHOLE TOOLS	Yes	Repairability	No circular-oriented turnover	No
PLUGS	No	Not applicable	No circular-oriented turnover	No
OTHER WELL COMPLETION EQUIPMENT	No	Recycling	No circular-oriented turnover	No

E5-5 - 36C-37 - RATES OF RECYCLABLE CONTENT IN PRODUCTS & TOTAL AMOUNT OF WASTE

Rates of recyclable content in…	**Value**	**Unit**
… products	75	%
… products packaging	-	%

Waste	**Value**	**Unit**
Total waste generated	**13,396**	**metric tons**
Total hazardous waste	1,493	metric tons
Total radioactive waste	-	metric tons
Hazardous waste diverted from disposal	-	metric tons
Hazardous waste diverted from disposal due to preparation for reuse	-	metric tons
Hazardous waste diverted from disposal due to recycling	-	metric tons
Hazardous waste diverted from disposal due to other recovery operations	-	metric tons
Non-hazardous waste diverted from disposal	4,205	metric tons
Non-hazardous waste diverted from disposal due to preparation for reuse	-	metric tons
Non-hazardous waste diverted from disposal due to recycling	4,205	metric tons
Non-hazardous waste diverted from disposal due to other recovery operations	-	metric tons
Hazardous waste directed to disposal	1,493	metric tons
Hazardous waste directed to disposal by incineration	-	metric tons
Hazardous waste directed to disposal by landfilling	1,493	metric tons
Hazardous waste directed to disposal by other disposal operations	-	metric tons
Non-hazardous waste directed to disposal	7,698	metric tons
Non-hazardous waste directed to disposal by incineration	-	metric tons
Non-hazardous waste directed to disposal by landfilling	7,698	metric tons
Non-hazardous waste directed to disposal by other disposal operations	-	metric tons
Non-recycled waste	**9,191**	**metric tons**
Percentage of non-recycled waste	**69**	**%**

2024 waste figures were reported from a gross perspective, while in prior years waste figures were reported from a net perspective meaning that metall scrap sold to external parties/recycled were already deducted from reported waste in 2023.

E5-5 – 38 – RELEVANT WASTE STREAMS & MATERIALS CONTAINED IN WASTE

SBO identifies the following waste streams as relevant to its activities:

Metal Shavings and Offcuts: Generated during the precision machining of high-alloy and stainless-steel components. These are collected for reuse or recycling.
Industrial Scrap Steel: Residual steel material from production processes, reintegrated into recycling streams.
Waste Oils and Lubricants: Resulting from machine operations, treated and disposed of according to environmental regulations.
Packaging Waste: Includes materials such as wooden boxes, plastic wrapping, and cardboard used for transporting components.
Hazardous Waste: Limited quantities from operational processes, such as used solvents and chemicals, are managed responsibly.

Office Waste: Generated from administrative operations, including paper, cardboard, and electronic waste. Office waste is sorted and recycled where possible, following local waste management regulations.

SBO ensures these waste streams are monitored, with an emphasis on recycling and resource recovery, in line with its circular economy commitments.

E5-5 – 40 – METHODS FOR CALCULATING THE DATA

SBO utilizes a combination of direct measurements and estimations to calculate waste quantities and resource outflows, ensuring data accuracy while accommodating operational differences across sites.

Direct Measurements:

Production Waste: Where available, calibrated weighing systems are used at collection points to directly measure waste streams such as metal offcuts, packaging waste, and hazardous materials.
Resource Outflows: Quantities of sold products and related packaging materials are recorded using shipping documentation, including delivery notes and invoices, to ensure precise tracking of materials leaving the organization.

Estimations:

In facilities where weighing systems are not in place, waste quantities are estimated based on production data, material usage rates, and historical records. Industry-specific benchmarks are also applied where relevant to ensure consistency. For irregular or minor waste streams, estimations are used based on operational records and similar past activities.

E5-MDR-M - Metrics relating to material sustainability aspects

E5-MDR-M - 77 D - CURRENCY SPECIFICATION FOR METRICS

SBO uses the presentation currency specified in its financial statements for all monetary measurements. This ensures consistency across sustainability reporting and financial disclosures, providing stakeholders with clear and comparable information.

E5-MDR-M -77B

The figures have not been externally verified. To validate the measurements, internal quality controls were carried out, including checks for data completeness, comparisons with prior year values, and plausibility checks between group companies.

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS, SIGNIFICANT ASSUMPTIONS AND LIMITATIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Total weight of technical and biological materials used during the reporting period	ESRS metric	Data on the total weight of materials used is based on the total weight of materials procured in the reporting period. Data is collected on the level of each subsidiary and then consolidated on the group level.
Percentage of biological materials	ESRS metric	Currently no materials that qualify as certified biological materials are procured.
Absolute weight of secondary reused or recycled materials	ESRS metric	The percentage of reused or recycled steel is calculated for each product category and subsumed to a general number for recycled steel on a group level. This recycling rate is then contrasted with the total weight of steel used to calculate the weight of reused or recycled materials.
Percentage of secondary reused of recycled materials	ESRS metric	The absolute weight of recycled or reused materials (based on recycled steel) is divided by the total weight of materials used on a group level.

S1 Own Workforce

S1-1 - Policies related to own workforce

S1-MDR-P - 62 - REASONS FOR THE LACK OF POLICIES

SBO subsidiaries employ approximately 1,600 people across 23 locations on five continents, with each subsidiary averaging fewer than 100 employees. Accordingly, SBO establishes overarching policies in key areas such as IT, Compliance, HR, and ESG where appropriate, while enabling subsidiaries to implement local procedures tailored to their specific needs for maximum effectiveness.

In addition, SBO has company-wide policies, such as the Code of Conduct, Whistleblowing Guideline and the Ethics Policy, which provide clear guidance for its local subsidiaries. These policies are described in ESRS G1 and cover key topics including the following:

Diversity, Equal Opportunities, and Non-Discrimination: The principles of fairness and equal treatment are reflected in the Code of Conduct and ethics policy.
Training and Skills Development: Training initiatives are implemented locally across subsidiaries. Therefore a formalized policy toes not need to be established.
Workforce Engagement:Structured processes for employee engagement, along with mechanisms to regularly measure satisfaction and incorporate feedback, are managed at the subsidiary level.
Rationale for absence:
As outlined above, SBO has established overarching policies in key areas while empowering subsidiaries to implement local procedures tailored to their specific needs, ensuring maximum effectiveness.
Planned actions:
SBO recognizes the importance of aligning its policies with ESRS S1 requirements to ensure comprehensive reporting and consistent practices across all subsidiaries where relevant and effective. SBO will evaluate the necessity of meaningful measures to further strengthen group-wide practices while considering local requirements and operational needs.

S1-MDR-P - 65 A - KEY CONTENT

Group-wide policies: Code of Conduct, Ethics Policy, Whistleblowing Guideline - These policies are described in ESRS G1.

Addressed IRO´s: Child labor, Diversity, Inclusion of persons with Disability, Forced labor, Gender equality, Health and safety, Measures against violence and harassment, Adequate wages

S1-1 - 19 - GUIDELINES WITH REGARD TO THE OWN WORKFORCE ACCORDING TO ESRS 2-MDR-P

Overall, SBO is committed to fostering a safe, inclusive, and growth-oriented working environment for all employees. Tailored initiatives are designed to support specific workforce groups, such as diversity programs for apprentices aimed at increasing female representation in management, as well as health and safety standards.

S1-1 - 20 - RELEVANT HUMAN RIGHTS OBLIGATIONS FOR ITS OWN WORKFORCE

SBO‘s policies demonstrate a clear commitment to respecting and protecting human rights in accordance with international standards. This includes compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. SBO‘s Code of Conduct outlines specific actions to respect internationally recognized human rights and ensures compliance with legal and regulatory frameworks in areas such as labor, health, and safety.

S1-1 - 20 A - RESPECT FOR HUMAN RIGHTS, INCLUDING WORKERS' RIGHTS, OF THOSE IN SBO'S OWN WORKFORCE

SBO's general approach to protecting human rights and workers' rights within its own workforce is rooted in adherence to international frameworks, including the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. SBO commits to ensuring equal opportunities, fair treatment, and the elimination of discrimination based on factors such as race, gender, age, or union membership. It also upholds fair wages, respects freedom of association, and actively works to prevent child labor and forced labor across all operations.

To implement these commitments, managers and employees are tasked with identifying, preventing, and mitigating potential negative human rights impacts. SBO's Code of Conduct, which applies globally, forms the foundation for these efforts, emphasizing ethical practices, transparency, and accountability. This approach ensures a consistent and comprehensive framework to protect human and workers' rights throughout the organization

S1-1 - 20 B - INCLUSION OF PEOPLE IN SBO'S OWN WORKFORCE

SBO's general approach to involving employees and their representatives in human rights and workers' rights within the organization is based on clear commitments and open dialogue. Operational managers and employees are actively involved in identifying, preventing, and mitigating human rights risks through regular assessments and compliance training. Employee representatives, where present, play a crucial role in addressing workplace concerns and contributing to the development of fair policies. Furthermore, SBO encourages direct communication between employees and the compliance management team to address any grievances or infringements related to human rights. This collaborative approach ensures that employee input is considered and that policies remain aligned with their needs and international human rights standards.

S1-1 - 20 C - MEASURES TO REMEDY HUMAN RIGHTS IMPACTS AND/OR ENABLE THEM

If human rights violations are identified, SBO engages in a dialogue with affected parties to seek remedies. Actions may include corrective measures such as revised policies, employee retraining, or disciplinary actions against individuals responsible for violations. The approach is designed to address and rectify the issue promptly and effectively. This systematic approach ensures that SBO addresses human rights violations effectively and aligns with international standards and its Code of Conduct.

S1-1 - 21 - ALIGNMENT OF POLICIES WITH RELEVANT INTERNATIONALLY RECOGNIZED INSTRUMENTS, INCLUDING THE UNITED NATIONS GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

SBO's policies align with several internationally recognized frameworks, including the OECD Guidelines for Multinational Enterprises, the UN Global Compact Principles, and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. These commitments ensure compliance with global standards on human rights, fair labor practices, and ethical conduct. SBO employs a structured compliance management system derived from ISO 37.301 but not certified Compliance Management Systems, ensuring adherence to these principles. Key processes include regular internal audits, training programs for managers and employees, and a whistleblowing system to report violations. The Group Compliance Department oversees compliance monitoring, supported by Local Compliance Coordinators, and reports directly to the Executive Board.

S1-1 – 22 – CONSIDERATION OF THE TOPICS OF HUMAN TRAFFICKING, FORCED LABOR AND CHILD LABOR IN THE POLICIES

SBO explicitly addresses the topics of human trafficking, forced labor, and child labor within its Code of Conduct. These policies align with international frameworks such as the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the UN Global Compact Principles. SBO maintains a zero-tolerance policy in this area, ensuring strict compliance across its operations.

The majority of SBO's customers and a lot of SBO´s supplier are publicly listed companies, which are also required to comply with relevant legal regulations.

S1-1 – 23 – POLICIES OR MANAGEMENT SYSTEMS RELATED TO THE PREVENTION OF OCCUPATIONAL ACCIDENTS

The topic of occupational accidents is of paramount importance for SBO. Subsidiaries have their own local regulations, and in all manufacturing companies as well as other relevant companies, dedicated HSE managers monitor implementation and compliance to ensure workplace safety.

S1-1 – 24 A – SPECIFIC APPROACHES TO ELIMINATE DISCRIMINATION, PROMOTE EQUAL OPPORTUNITIES, OR OTHER WAYS TO PROMOTE DIVERSITY AND INCLUSION

SBO is committed to principles of equal opportunity and treatment in employment, ensuring no discrimination based on race, color, sex, religion, political opinion, national extraction, social origin, age, disability, pregnancy, marital status, sexual orientation, or trade union activity. Measures are also in place to prevent and address harassment, intimidation, and slander within the workplace. These commitments are detailed in the Code of Conduct and related compliance policies

S1-1 – 24 B – MAPPING THE GROUNDS FOR DISCRIMINATION

Grounds for discrimination are specifically covered in policy:

- Race and ethnic origin, skin color
- Gender
- Sexual orientation, gender identity
- Disability
- Age
- Religion
- Political opinion
- National origin
- Social origin

These commitments are outlined in the Code of Conduct, which promotes equal opportunity and treatment for all employees without discrimination based on these and other factors

S1-1 - 24 C - SPECIFIC POLITICAL COMMITMENTS WITH REGARD TO INCLUSION OR SUPPORT MEASURES

SBO's code of conduct addresses vulnerable groups by emphasizing diversity, equality and inclusion in its workforce. SBO's Code of Conduct explicitly prohibits discrimination based on race, gender, religion, social origin or other statuses. Particular attention is given to creating opportunities for underrepresented groups, such as women in manufacturing or management, and ensuring safe working conditions for all employees.
The policies cover employees across all levels, promoting gender diversity, and supporting vulnerable groups in regions where additional challenges, such as discriminatory practices or insufficient labor protections, may exist.

S1-1 - 24 D - IMPLEMENTATION OF POLICIES WITHIN THE FRAMEWORK OF SPECIFIC PROCEDURES

SBO has implemented comprehensive processes to prevent and address discrimination within its workforce, as outlined in the Code of Conduct and corporate reporting. Discrimination risks are monitored through compliance assessments and reporting mechanisms. Employees can confidentially report incidents via the whistleblowing system, which ensures anonymity and protection from retaliation. All reported cases are thoroughly investigated, and appropriate corrective actions are taken to resolve issues and prevent recurrence.

Diversity and inclusion are actively promoted by fostering equal opportunities regardless of gender, ethnicity, religion, or other characteristics.

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

S1-2 - 27 - INVOLVING THE WORKFORCE AND ITS PERSPECTIVES IN DECISION-MAKING PROCESSES

SBO considers employee feedback into decision-making processes and the development of impactful initiatives. Employees' insights are gathered through various channels, including interviews and discussions with works councils, ensuring their voices contribute to continuous improvement. Employee input is actively considered during regular team meetings and on an ad-hoc basis.

As part of the company's suggestion system, employees' proposals for process improvements are incentivized. These include not only quality and rationalization initiatives but also areas such as environmental protection, occupational safety, and workplace improvements.

For example, following employee initiatives to improve working conditions during the hot season in affected regions, SBO implemented additional air conditioning units and optimized overtime regulations. Furthermore, in coordination with employees, SBO has intensified training and development programs, which have strengthened employees in their professional growth and fostered their long-term commitment to the company.

These proactive measures underscore SBO's commitment to fostering an engaging, supportive, and inclusive work environment that aligns with its strategic objectives and addresses sustainability impacts.

The resources allocated to this topic primarily involve personnel, as the subsidiaries have dedicated HR representatives and, in some cases, works councils responsible for employee engagement.

S1-2 - 27 A - INVOLVEMENT OF SBO'S OWN WORKFORCE OR EMPLOYEE REPRESENTATIVES

Regular dialogue between employees, employee representatives and management provides a platform to discuss relevant topics

S1-2 – 27 B – PHASES, TYPE AND FREQUENCY OF INVOLVEMENT

Involvement mechanisms include informing employees about actions and decisions, consulting representatives on concerns, and enabling co-determination in relevant matters. Involvement primarily happens at the site level, but inputs are also integrated into group-wide policies. Employee involvement happens on an ongoing basis.

S1-2 – 27 C – FUNCTION AND HIGHEST-RANKING POSITION WITH OPERATIONAL RESPONSIBILITY FOR THE INCLUSION OF OWN WORKFORCE

SBO's Group Compliance Department, under the direct supervision of the Executive Board, holds operational responsibility for implementing and overseeing compliance-related processes, which include diversity and inclusion. This Group Compliance role is embedded as part of the broader compliance management system, which includes functions such as Regional Compliance Managers and Local Compliance Coordinators. These roles ensure that local managers and employees are informed, trained, and supported on relevant compliance topics. Furthermore, SBO's commitment to non-discrimination and equal opportunity aligns with international frameworks such as the OECD Guidelines and the UN Global Compact.

S1-2 – 27 D – AGREEMENTS WITH EMPLOYEE REPRESENTATIVES

Where SBOs subsidiaries have a Works Council, agreements are established to regulate relevant workplace matters.

S1-2 – 27 E – ASSESSMENT OF THE EFFECTIVENESS OF THE INCLUSION

SBO evaluates employee involvement on local subsidiary level through surveys, feedback systems, and performance reviews. Metrics like staff turnover and retention are analyzed, and over 51,022 training hours were recorded in 2024 to support employee growth. Feedback helps address concerns and guide improvements, ensuring alignment with workforce needs.

S1-2 – 28 – STEPS TAKEN TO GAIN INSIGHTS INTO THE PERSPECTIVES OF THE MOST VULNERABLE/DISADVANTAGED PEOPLE IN THEIR OWN WORKFORCE

SBO recognizes the importance of protecting vulnerable groups and is committed to addressing their needs within its workforce. Diversity and inclusion are integral to SBO's organizational approach. To date, there have been no reported cases related to this issue within SBO.

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

S1-3 – 32 A – GENERAL APPROACH AND PROCEDURE FOR IMPLEMENTING OR PARTICIPATING IN REMEDIES

SBO is committed to responsible workforce management and continuously works to identify and address potential risks. Risks are considered as part of ongoing discussions and operational reviews. Measures to improve working conditions or update policies are taken as needed. Employees can raise concerns through established channels, and SBO aims to foster open communication to ensure transparency and accountability. Potential impacts and corresponding mitigation measures, as well as their effectiveness, are regularly discussed during quarterly compliance calls. Awareness of S1 risks, impacts, and opportunities is continuously strengthened in this context. In case of acute risks, these topics are specifically addressed, appropriate measures are derived and learnings are shared to ensure continuous improvements.

S1-3 - 32 B - SPECIFIC CHANNELS THROUGH WHICH YOUR OWN WORK-FORCE CAN EXPRESS THEIR CONCERNS OR NEEDS AND HAVE THEM EXAMINED

SBO ensures open communication channels for employees to raise concerns or provide feedback. These channels include internal platforms, a dedicated whistleblowing system with an option for anonymity or direct communication with Line Manager or HR. These initiatives are aimed at fostering a transparent and supportive working environment.

The whistleblowing system, accessible via SBO‘s website, allows employees to report concerns confidentially, maintaining the privacy of the reporter unless disclosure is required by law or internal investigation procedures.

S1-3 - 32 C - PROCEDURE FOR HANDLING COMPLAINTS RELATING TO EMPLOYEE MATTERS

SBO has a defined procedure for handling employee complaints, which is outlined in its compliance framework. Complaints are monitored by the Compliance team, which ensures proper documentation and resolution

S1-3 - 32 D - PROCEDURES BY WHICH THE COMPANY SUPPORTS THE AVAILABILITY OF SUCH CHANNELS IN THE WORKPLACE OF ITS OWN WORKFORCE

SBO ensures the accessibility of grievance channels for all employees, including those without regular access to online platforms. The whistleblowing system is designed to be available both online and through alternative channels, such as local compliance coordinators, to guarantee accessibility across all workforce segments.

S1-3 - 32 E - TRACKING AND MONITORING OF THE ISSUES ADDRESSED AND CHANNEL EFFECTIVENESS

SBO monitors issues raised by employees through formal processes established in its Whistleblowing Guideline. These processes ensure that complaints can be submitted anonymously and that handling aligns with compliance standards. To track progress, complaints are documented, and outcomes are reported internally.

S1-3 - 33 - KNOWLEDGE AND TRUST OF YOUR OWN WORKFORCE IN THE STRUCTURES OR PROCESSES

SBO ensures that employees are aware of the available structures and processes for raising concerns. Information is communicated through established internal channels, and employees are encouraged to provide feedback. Efforts are made to foster trust in these mechanisms by maintaining open dialogue, ensuring transparent communication about available reporting channels, providing anonymous reporting options and offering continuous feedback on raised concerns.

SBO takes steps to protect individuals in the value chain who raise concerns by ensuring confidentiality and safeguarding against retaliation. These protections extend to all stakeholders, including employee representatives in the value chain, to encourage the safe and open reporting of grievances.

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

S1-MDR-A - 62 - REASONS FOR THE LACK OF ACTIONS

Diversity, Equal Opportunities, and Non-Discrimination: SBO's Code of Conduct outlines principles for equal treatment and non-discrimination.

Fair Wages and Employment Conditions: Fair wages are a key priority for SBO, as reflected in their inclusion in the Code of Conduct. There are currently no structured initiatives in place for systematic implementation and monitoring.

Freedom of Association and Collective Bargaining: SBO respects the right to freedom and global association and, where established, maintain good relations with works councils and unions. SBO will evaluate whether additional actions should be taken.
Reasons for the Absence of Actions: SBO maintains a good dialogue with works councils and unions where they are established. As a result, SBO has not identified a need for additional actions up to this point.
Planned Actions and Timeline: SBO will evaluate whether additional actions are necessary and reasonable.

S1 - HEALTH AND SAFETY

S1-MDR-A - 68 A - KEY ACTIONS AND EXPECTED RESULTS

SBO adheres to international health and safety standards across the group to ensure occupational health and safety. Measures aim to prevent workplace injuries, mitigate risks related to non-compliance with safety regulations and enhance employee well-being. This action directly supports SBO's Code of Conduct by embedding high safety standards into daily operations and ensuring sustained improvements in workplace conditions. It contributes to achieving policy targets such as maintaining zero workplace fatalities and fostering a safe and healthy working environment for all employees.

MDR-A - 68 B - SCOPE

SBO's health and safety measures, covering all operational locations across the group's global footprint. This includes all subsidiaries. These measures ensure that workplace safety standards are consistently implemented and monitored across all facilities.

The stakeholders affected by these actions include employees, who benefit directly from improved workplace safety and training programs. Additionally, suppliers, customers, and local communities benefit indirectly through improved operational standards, risk management practices, and strengthened relationships with SBO as a responsible partner. These measures contribute to SBO's broader commitment to fostering a safe and sustainable working environment.

S1-MDR-A - 68 C - TIME HORIZONS

SBO's health and safety actions are part of an ongoing commitment, with no fixed end date, as they are continuously monitored, evaluated, and adapted to evolving standards and requirements. Annual audits, training, and updates are carried out.

S1-MDR-A - 68 D - MAIN MEASURES TO REMEDY THE SITUATION

For SBO, satisfied and motivated employees are its greatest asset. Therefore, SBO is naturally committed to mitigating any potential impacts which must be reported under ESRS S1.

Health and Safety: Ensuring safe working conditions through compliance with international safety standards (e.g., OHSAS), regular safety training, and risk assessments to minimize workplace accidents and health hazards.

S1-MDR-A - 68 E - PROGRESS

Health and Safety:

SBO expanded its health and safety programs by conducting regular risk assessments, providing safety trainings across all locations, and aligning workplace practices with international safety standards such as OHSAS. In 2025, HSE will be a key focus area within the „Compliance Future Fit“ program, where the entire group will collaboratively address essential group-wide compliance priorities, including health, safety, and environmental (HSE) topics.

S1-MDR-A - 69 A - TYPE OF CURRENT AND FUTURE FINANCIAL AND OTHER RESOURCES ALLOCATED TO THE ACTION PLAN

SBO invests directly in areas such as health, safety, training, and human rights, covering training, equipment, audits or compliance.

S1-MDR-A - 69 B - AMOUNT OF OPEX AND CAPEX ALLOCATED

SBO is evaluating the need for specific allocation of capital expenditures (CAPEX) and operating expenses (OPEX) to the action plans under ESRS S1.

S1-MDR-A - 69 C - AMOUNT OF FUTURE FINANCIAL RESOURCES

SBO is evaluating the need for the exact allocation of future funds, including capital expenditures (CAPEX) and operating expenses (OPEX), for the action plan under ESRS S1.

S1-4 - 38 A - MEASURES TO PREVENT, MITIGATE OR REMEDY MATERIAL ADVERSE IMPACTS ON THE COMPANY'S OWN WORKFORCE

SBO's actions under ESRS S1 explicitly target the prevention and mitigation of negative impacts on its own workforce. Key measures include ensuring workplace safety through adherence to OHSAS standards, conducting regular risk assessments, and providing health and safety trainings. Additionally, actions addressing human rights, such as the whistleblowing mechanisms, aim to mitigate risks like discrimination, harassment, and other violations within the workforce. These efforts are designed to proactively address potential negative impacts while fostering a safe work environment.

S1-4 - 38 B - MEASURES TAKEN TO REMEDY THE SITUATION

SBO is taking several actions to remedy situations for those affected by its material impacts:

Workplace Health and Safety: SBO ensures adherence to international safety standards, conducts regular risk assessments, and provides targeted safety trainings to employees. These measures directly address workplace risks and prevent accidents or injuries.

Human Rights Protections: SBO implements anti-discrimination and harassment policies, establishes grievance mechanisms (such as a whistleblowing system), and conducts awareness training for employees. These actions ensure employees' rights are protected and concerns are addressed promptly.

These actions are integrated into SBO's broader company strategy to address and mitigate material impacts while fostering a safe, inclusive, and supportive environment for all stakeholders.

S1-4 – 38 C – ADDITIONAL MEASURES OR INITIATIVES TO ACHIEVE A POSITIVE IMPACT ON THE OWN WORKFORCE

SBO's actions under ESRS S1 also target positive impacts. These include promoting employee development via training and upskilling opportunities, and strengthening employee engagement through inclusive practices and grievance mechanisms.

SBO places great importance on providing its workforce with diverse career opportunities. Training and education efforts are appropriately rewarded. Apprentices regularly demonstrate outstanding performance in competitions, reflecting the high quality of training provided.

Furthermore, employee concerns and grievances are handled with the utmost care, diligence, and confidentiality, ensuring appropriate actions are taken when necessary.

S1-4 – 38 D – ASSESSMENT OF THE EFFECTIVENESS OF THESE MEASURES

The effectiveness of SBO's actions and initiatives is tracked and evaluated through structured monitoring and reporting processes:

Key Performance Indicators (KPIs): Metrics such as Lost-Time Injury Rates (LTIR), training participation rates, and employee satisfaction scores are regularly monitored to evaluate the impact of health and safety programs, training initiatives, and workforce engagement. In some subsidiaries, employee satisfaction scores are also tracked separately.

Feedback Mechanisms: Employee surveys, grievance systems, and consultation with employee representatives provide qualitative insights into the effectiveness of actions. This feedback is integrated into decision-making and future planning.

Sustainability Reporting: Progress is reported annually as part of SBO's sustainability report, aligned with ESRS standards. This includes updates on key actions, outcomes, and any identified gaps.

These measures ensure that actions and initiatives are continuously refined to achieve meaningful results for SBO's workforce.

S1-4 – 39 – PROCEDURE FOR IDENTIFYING THE MEASURES TO BE TAKEN FOR CERTAIN ACTUAL OR POTENTIAL ADVERSE EFFECTS ON ITS OWN WORKFORCE

SBO uses a structured set of procedures to determine necessary and appropriate actions to address specific actual or potential negative impacts on its workforce.
Risk Assessments: Regular assessments are conducted to identify potential risks, such as workplace safety hazards or labor rights violations. These assessments focus on both operational practices and workforce conditions.
Grievance Mechanisms: Employees have access to whistleblowing systems and other reporting channels to raise concerns about negative impacts, such as discrimination, harassment, or unsafe conditions. These inputs are systematically reviewed by the compliance team.
Stakeholder Consultations: SBO engages with employees, their representatives, and other relevant stakeholders to gather insights into workforce-related issues. This collaboration helps prioritize and define appropriate responses.

Compliance Monitoring: Internal audits and reviews ensure adherence to policies like the Code of Conduct, Ethics Policy and the Compliance Management Policy. Non-compliance triggers corrective actions to address identified gaps.
These procedures enable SBO to proactively address negative impacts while ensuring alignment with its broader policies and values.

S1-4 - 40 A - MEASURES TO MITIGATE THE MATERIAL RISKS ARISING FROM THE EFFECTS AND DEPENDENCIES RELATED TO ITS OWN WORKFORCE

SBO's approach to mitigating material workforce-related risks is fully integrated into its overall Risk Management System (RMS). Identified risks are systematically assessed, documented within the standardized risk management process, and continuously monitored as part of the company's annual risk evaluation and reporting to the Executive and Supervisory Boards.

S1-4 - 40 B - MEASURES TO TAKE ADVANTAGE OF SIGNIFICANT OPPORTUNITIES RELATED TO THE COMPANY'S OWN WORKFORCE

SBO's actions target the promotion of opportunities for its workforce. Key initiatives include:

Employee Training and Development: SBO offers training programs to enhance skills, foster career advancement, and prepare employees for future industry challenges. This supports both individual development and organizational resilience.

Diversity and Inclusion: SBO is committed to fair treatment and equal opportunities, creating a strong foundation for greater workforce inclusivity and addressing underrepresentation in certain roles.

Safe and Supportive Work Environment: By ensuring compliance with health and safety standards and maintaining grievance mechanisms, SBO promotes an environment where employees can thrive and contribute effectively.

These actions align with SBO's long-term strategic goals, fostering a motivated and empowered workforce while supporting sustainable growth.

S1-4 - 41 - MEASURES TO AVOID MATERIAL NEGATIVE IMPACTS ON THE WORKFORCE

SBO's commitment to ensuring no negative impacts on its workforce includes a comprehensive range of actions aimed at fostering a safe, inclusive, and supportive work environment. Key initiatives include:

Compliance with Labor Rights and Standards: SBO adheres to international labor guidelines to uphold fair and equitable treatment of employees.
Compliance Training: Regular training is conducted for operating and HR personnel to ensure adherence to company policies and legal standards.
Enhanced Health and Safety Measures: SBO implements safety policies, including regular risk assessments, safety trainings, and health promotion resources such as fitness programs.
Employee Engagement and Feedback: Establishing feedback channels and conducting employee surveys to measure satisfaction and address areas for improvement.
Professional Development Opportunities: Offering training, mentoring, and coaching programs to support career growth and skill development.

S1-4 – 42 - EFFECTIVENESS OF ACTIONS

SBO assesses the effectiveness of actions by setting specific targets aligned with its policies and strategic objectives.

Health and Safety: Reduction in Lost-Time Injury Rates (LTIR) and achieving zero workplace fatalities.

S1-4 - 43 - ALLOCATION OF FUNDS AND TRANSPARENT PRESENTATION OF HANDLING

SBO allocates a variety of measures to manage material impacts effectively, ensuring alignment with its sustainability goals and workforce well-being. Key resources include:

Safety Training and Equipment: Training sessions are conducted to educate employees on workplace safety, complemented by investments in safety equipment and systems to mitigate risks.

Health and Wellness Programs: Initiatives such as health checks and fitness programs are offered to promote employee health and address physical and mental well-being.
Professional Development: SBO invests in training and development programs, providing employees with opportunities for upskilling and career growth.

Engagement and Recognition: Feedback mechanisms and communication channels are in place to ensure employee voices are heard. Recognition programs reward outstanding contributions and foster a positive work culture.

S1-4 - AR 43 - MEASURES TO MITIGATE NEGATIVE IMPACTS ON WORKERS RESULTING FROM THE TRANSITION TO A GREENER, CLIMATE-NEUTRAL ECONOMY

The transition to a greener, net-zero emission economy presents both opportunities and challenges for SBO. On the one hand, emerging industries may drive the adoption of new technologies and processes, requiring role adjustments. On the other hand, they may create new job opportunities and necessitate the development of new skills to meet evolving operational demands. SBO is committed to supporting its employees throughout this transition, ensuring that SBO remains a leading provider of precision components and equipment.

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

S1-5 - 44 - REDUCING THE NEGATIVE IMPACT ON WORKERS

Health and Safety: Achieving a reduction in Lost-Time Injury Rates (LTIR) and maintaining zero workplace fatalities.
Diversity and Inclusion: Setting goals to enhance the representation of underrepresented groups.

S1-MDR-T - 81 B - TRACKING THE EFFECTIVENESS OF POLICIES AND MEASURES RELATED TO MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

SBO tracks the effectiveness of its concepts and measures concerning material impacts, risks, and opportunities. This is achieved through:

Quantitative Monitoring: Metrics such as participation in training programs, Lost-Time Injury Rates (LTIR), and diversity ratios are regularly assessed to understand progress in key areas.

Audits and Assessments: Periodic internal audits evaluate compliance with policies like the Code of Conduct ensuring alignment with broader ESG objectives.

This approach allows SBO to maintain accountability and improve outcomes while working towards formalizing measurable targets in the future.

Established Methods for Tracking Effectiveness: SBO focuses on continuous monitoring through compliance audits, employee feedback, and alignment with existing policies like the Code of Conduct.

Qualitative and Quantitative Indicators include:

Qualitative: consultation with employee representatives, and feedback collected through structured channels.
Quantitative: Metrics such as participation in training programs, diversity ratios, Lost-Time Injury Rates (LTIR), and compliance with established safety and human rights guidelines.
Reference Period: Progress is typically measured over an annual reporting cycle, aligned with SBO's sustainability and operational reviews. This ensures consistent tracking and comparability across reporting periods.

S1-5 – 47 A – SETTING THE TARGETS

SBO continuously engages with its workforce to set proper targets: Consultation and Feedback: Structured discussions with employees and their representatives to gather insights on priority areas and ensure that these are considered.
Workshops and Surveys: SBO conducts workshops and surveys to identify key focus areas and define achievable, relevant, and measurable targets.
Transparency and Collaboration: Maintaining open communication throughout the process to ensure that targets reflect both corporate objectives and employee input.

This planned approach aims to foster greater alignment between SBO's strategic goals and workforce priorities, ensuring that targets are meaningful and effectively implemented.

S1-5 – 47 B – TRACKING TARGET PERFORMANCE

SBO is in the process of evaluating whether and which targets to set.

S1-5 – 47 C – IDENTIFY INSIGHTS OR OPPORTUNITIES FOR IMPROVEMENT

Consultations with Employee Representatives: Structured discussions with employee representatives ensure that workforce perspectives are incorporated into decision-making and performance evaluations.

Feedback Mechanisms: Channels such as suggestion boxes, QR-code reporting systems, and feedback sessions enable employees to propose improvements and share ideas.

S1-6 - Characteristics of the undertaking's employees

S1-6 - 50-51 - CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

Gender	**Number of employees 31.12.2024**
Male	1,370
Female	226
Diverse	0
Total employees	1,596

Country	**Number of employees (head count)**
Austria	387
USA	706

	Reporting period				
	FEMALE	**MALE**	**OTHER (*)**	**NOT DISCLOSED**	**TOTAL**
Number of employees (head count / FTE)	226	1,370	0	0	1,596
Number of permanent employees (head count / FTE)	225	1,365	0	0	1,590
Number of temporary employees (head count / FTE)	1	5	0	0	6
Number of non-guaranteed hours employees (head count / FTE)	0	0	0	0	0

* Gender as specified by the employees themselves.

KPI	**Value**	**Unit**
Total number of employees who have left the undertaking (reporting period)	450	Head Count
employee turnover rate (reporting period)	22	%

S1-6 - 50 D - METHODS AND ASSUMPTIONS

SBO generates data on the number of employees through HR management systems and payroll records that track permanent and temporary employment contracts across all subsidiaries. This data collection is decentralized and regularly updated to ensure accuracy and consistency. Those collected data is then sent to the headquarters, where it is consolidated.

The employee figures at the end of the reporting period are reported as actual headcount as of the reporting date, rather than as an average. This method ensures that the figures reflect the most accurate and up-to-date representation of SBO's workforce at the end of the reporting period. Temporary or project-based employees are included based on their employment status on the reporting date, ensuring consistency across all reporting categories.

S1-6 – 50 E – BACKGROUND INFORMATION

Specific background information is necessary to provide context for the workforce data:

Employee Turnover: SBO operates in a highly cyclical industry, where employee fluctuation is not uncommon. Additionally, variations in turnover rates may result from regional labor market conditions or project-based employment in certain locations. Employment Types: The composition of the workforce includes permanent, temporary, and subcontracted employees. Understanding the proportion of each category is essential to interpret overall headcount and workforce dynamics accurately.

Geographical Distribution: Workforce data is influenced by the global presence of SBO, with differences in employment conditions, regulations, and cultural practices impacting the numbers across regions.

Sector-Specific Factors: As SBO predominantly operates in the oil and gas industry, workforce dynamics may also be impacted by industry-specific trends, such as cyclical demand or shifts towards sustainability-related initiatives.

S1-6 – 50 F – CROSS-REFERENCE OF THE INFORMATION PROVIDED PURSUANT TO POINT (A) TO THE MOST REPRESENTATIVE FIGURE IN THE FINANCIAL STATEMENTS

A cross-reference is made between the total number of employees reported and the most representative figures in the financial statements. The workforce data aligns with disclosures in the financial reports, particularly those related to personnel expenses and headcount trends. This ensures consistency between sustainability reporting and financial reporting, providing a clear and accurate overview of SBO's workforce as it relates to operational and financial performance.

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

S1-7 - 55 A – CHARACTERISTICS OF NON-EMPLOYEES IN THE UNDERTAKING'S WORKFORCE

KPI	**Value**	**Unit**
Contract workers* within own workforce	91	Head Count

* i.e. self employed, people provided by undertakings primarily engaged in employment activities

S1-7 - 55 B - METHODS AND ASSUMPTIONS

SBO generates data on non-employees, such as subcontractors, freelancers, or agency workers, contractor records, and site-level operational reports. These systems track the number of non-employees engaged at various locations and for specific projects.

Non-employees at SBO are typically reported as headcount rather than full-time equivalents (FTEs). This approach reflects the total number of individuals engaged with the organization, regardless of the number of hours worked. The numbers of non-employees at the end of the reporting period are typically reported as averages.

S1-7 - 55 C - BACKGROUND INFORMATION

There is no specific background information necessary.

S1-7 - 57 - BASIS FOR ESTIMATING THE NUMBER OF NON-EMPLOYEES

SBO has data on non-employees. This information is collected through vendor management systems, site-level operational reports, and contractor agreements. The data is tracked to ensure accurate reporting and alignment with project requirements. Estimates are generally not used, as the data is based on actual records maintained by project managers and HR systems.

S1-8 - Collective bargaining coverage and social dialogue

S1-8 - 60 A - EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

KPI	**Value**	**Unit**
Total employees covered by collective bargaining agreements	85	%

S1-8 - 60 B -C, 63 A & B- SHARE AND SCOPE OF COLLECTIVE BARGAINING AGREEMENTS WITHIN AND OUTSIDE THE EUROPEAN ECONOMIC AREA AND WORKPLACE REP-RESENTATION WITHIN THE EUROPEAN ECONOMIC AREA

	Collective bargaining coverage	**Collective bargaining coverage**	**Social dialogue**
Coverage rate	**Employees – EEA (for countries with >50 empl. representing >10% total empl.)**	**Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl)**	**Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl)**
0 – 19%			
20 – 39%			
40 – 59%			
60 – 79%			
80 – 100%	Austria	USA	Austria

S1-9 - Diversity metrics

S1-9 - 66 A - GENDER DISTRIBUTION IN TOP MANAGEMENT

KPI	Value	Unit	Value	Unit
Top management gender distribution	#			Percent
Male	14	Head Count	87	%
Female	2	Head Count	13	%
Diverse	0	Head Count	0	%

KPI	Value	Unit*
Employees <30 years old	239	Head Count
Employees 30 – 50 years old	959	Head Count
Employees >50 years old	398	Head Count
TOTAL	1,596	Head Count

* not specified

S1-9 - AR 71 - DEFINITION OF TOP MANAGEMENT

SBO defines top management as the Executive Board members, division heads, and managing directors who report directly to the Executive Board.

S1 - 10 - Adequate remuneration of employees in line with applicable benchmarks

SBO ensures that all employees receive adequate remuneration in accordance with applicable wage regulations and benchmarks. The lowest wages within the company are aligned with the minimum or adequate wage requirements set forth by national legislation, collective agreements, or internationally recognized standards.

S1-12 - Persons with disabilities

S1-12 - 79 – PERCENTAGE OF PERSONS WITH DISABILITIES AMONGST THE EMPLOYEES

KPI	Value	Unit
Persons with disabilities amongst employees total	1	%

S1-12 - AR 76 - CONTEXTUAL INFORMATION

SBO collects data about people with disabilities using its HR management systems and employee self-reporting mechanisms, ensuring compliance with local data protection regulations. Employees can voluntarily disclose disabilities through confidential reporting channels, which are used for compliance and inclusion initiatives.

Definition of Disabilities: SBO adopts definitions provided by local legislation in the countries where it operates. These definitions align with international frameworks, such as the UN Convention on the Rights of Persons with Disabilities, but variations may exist due to local legal interpretations.

S1-14 - Health and safety metrics

S1-14 - 88 - HEALTH AND SAFETY METRICS

SBO discloses the percentage of its workforce covered by a certified health and safety management system on a headcount (HC) basis,

KPI	Unit	Value
People in own workforce* who are covered by SBOs health and safety management system**	%	19
Fatalities as a result of work-related injuries and work-related ill health for own workforce	Count	0
Fatalities as a result of work-related injuries and work-related ill health for other workers working on undertaking's sites	Count	0
number of work-related accidents for own workforce	Count	46
number of work-related accidents with lost time	Count	21
LTIR	Ratio	6.3
Days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health for own workforce	Count	340
Days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health for other workers working on undertaking's sites	Count	0

* based on HC
** based on legal requirements and/or recognised standards or guidelines

S1-16 - Compensation metrics (pay gap and total compensation)

S1-16 – 97 C – BACKGROUND INFORMATION NEEDED TO UNDERSTAND THE DATA

The applied methods include analyses of pay structures and the integration of financial data. Objective factors influencing the data collection include the type of work and the country of employment. Regional differences in pay scales and labor law frameworks are reflected accordingly.

The reported gender pay gap considers key influencing factors such as the type of employment (e.g., full-time or part-time roles) and the strategic use of external labor. Currency fluctuations and revenue variations across geographic locations also impact on the comparability of remuneration data.

During the reporting period, there were no significant changes to the underlying datasets or methodologies. All collected data were processed consistently based on established approaches. Some data points were reported for the first time due to new regulatory requirements. These additions were made to align the report with the applicable regulations without requiring substantial adjustments to the existing processes.

S1-16 – 97 A & 98 – GENDER PAY GAP

KPI	**Unit**	**Value**
Gap in pay between SBO's female and male employees	%	8
Management	%	-4
No management function	%	10
Annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees	Rate	8

S1 - 17 - Incidents, complaints and severe human rights impacts

S1 - 17 - 102 INFORMATION ON WORK-RELATED INCIDENTS, COMPLAINTS AND HUMAN RIGHTS VIOLATIONS, AS WELL AS RELATED FINES AND SANCTIONS

During the reporting period, SBO recorded no verified incidents of discrimination, including harassment, within its operations. SBO has implemented robust systems to identify, address, and prevent discrimination, ensuring compliance with its Code of Conduct and relevant policies. Stakeholders Affected: SBO‘s internal stakeholders, such as employees, are the primary focus of its anti-discrimination measures. External stakeholders, such as contractors, are also covered under broader policy commitments. Actions and Prevention: SBO enforces a zero-tolerance policy for discrimination and harassment. Clear procedures are in place for reporting, investigating, and resolving incidents, including anonymous reporting channels. The effectiveness of these actions is evaluated through: Monitoring the utilization and outcomes of grievance mechanisms.

S1 - 17 - 103 NUMBER OF INCIDENTS OF DISCRIMINATION, INCLUDING HARASSMENT

No incidents of discrimination or harassment were recorded during the reporting period, no complaints were submitted and no significant fines, sanctions, or compensation payments were recorded.

S1-MDR-M - Metrics in relation to material sustainability aspects

S1-MDR-M – 77B

The figures have not been externally verified. To validate the measurements, internal quality controls were carried out, including checks for data completeness, comparisons with prior year values, and plausibility checks between group companies.

S1-6

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS, SIGNIFICANT ASSUMPTIONS, AND LIMITATIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Total number of employees (head count) and breakdown by gender	ESRS metric	Data on employees were collected from each subsidiary and then aggregated on group level, including a breakdown by gender. Gender is based on the information provided by employees.
Total number of employees (head count) and by country for countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees	ESRS metric	Data on employees were collected from each subsidiary and then aggregated on group level. Each country, in which there are more than 50 employees that represent at least 10% of the total number of employees, is displayed in the table.
Total number of employees by contract type and by gender	ESRS metric	Data on contract types of employees were collected from each subsidiary and aggregated on group level. The data was further broken down by gender.
The total number of employees who have left the undertaking during the reporting period	ESRS metric	The number of people leaving the company includes terminations, dismissals, retirements and other forms of employees leaving the company voluntarily or involuntarily. Data on employees leaving the company during the reporting year was collected from each subsidiary and aggregated on group level.
The rate of employee turnover in the reporting period	ESRS metric	Terminations in the reporting period divided by Total headcount (31.12.2023) plus recruitments in the reporting period

S1-7

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS, SIGNIFICANT ASSUMPTIONS AND LIMITATIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Total number of non-employees in the undertaking's own workforce	ESRS metric	Data on head count of non-employees was collected from each subsidiary and then consolidated on group level.

S1-8

LIST OF METRICS USED	ESRS OR SBO-SPECIFIC METRICS	METHODS, SIGNIFICANT ASSUMPTIONS AND LIMITATIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Percentage of employees covered by collective bargaining agreements	ESRS metric	Data on the percentage of employees covered by collective bargaining agreements is collected from each subsidiary and then aggregated on group level.
Percentage of employees in the European Economic Area (“EEA”), covered by collective bargaining agreements for each country with significant employment	ESRS metric	Data on the percentage of employees in the EEA covered by collective bargaining agreements is collected from each subsidiary and then aggregated on group level.
Percentage of employees outside the EEA, covered by collective bargaining agreements by region	ESRS metric	Data on the percentage of employees covered by collective bargaining agreements outside the EEA is collected from each subsidiary and then consolidated on group level.
Global percentage of employees covered by workers’ representatives, reported at the country level for each EEA country where the undertaking has more than 10% of its employees	ESRS metric	Data on the percentage of employees covered by workers’ representatives by specific EEA country is collected from each subsidiary and then aggregated on group level.

S1-9

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS, SIGNIFICANT ASSUMPTIONS AND LIMITATIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Gender distribution in management positions	ESRS metric	Data on gender distribution in management positions was collected from each subsidiary and then aggregated on group level, including a breakdown by gender. Gender is based on the information provided by employees.
Percentage of gender distribution in management positions	ESRS metric	Number of men, women, and diverse individuals divided by the total number of management positions.
Distribution of employees by age group	ESRS metric	Data on age distribution of all employees was collected from each subsidiary and aggregated on group level.

S1-10

LIST OF METRICS USED	ESRS OR UNDERTAK-ING-SPECIFIC METRICS	METHODS AND SIGNIFICANT ASSUMPTIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Countries where employees earn less than the applicable minimum wages.	ESRS-Metrik	All SBO subsidiaries pay above the national benchmarks for fair wages. Data on the lowest income category has been collected for each subsidiary. The wage level of the lowest income category was compared to the national benchmarks for fair wages.
Percentage of employees paid below the applicable wage benchmark.	ESRS-Metrik	Not applicable, as all employees are paid above the national benchmarks.

S1-12

LIST OF METRICS USED	ESRS OR UNDERTAK-ING-SPECIFIC METRICS	METHODS AND SIGNIFICANT ASSUMPTIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Percentage of employees with disabilities	ESRS metric	Data was collected for each subsidiary on the number of employees with disabilities. Different definitions of “disability” were applied based on location of business operation.

S1-14

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS AND SIGNIFICANT ASSUMPTIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Percentage of employees in the company's own workforce covered by a certified health and safety management system based on legal requirements and/or recognized standards or guidelines.	ESRS metric	Data on the number of employees covered by a health and safety management system was collected for each subsidiary and then consolidated at the group level. It was verified whether the existing management system is based on legal requirements or recognized standards or guidelines..
Number of fatalities due to work-related injuries and occupational diseases.	ESRS metric	Data on the number of fatalities resulting from workplace accidents and occupational diseases was collected for each subsidiary and then aggregated at the group level.
Number and rate of recorded workplace accidents.	ESRS metric	The data on the number and rate of workplace accidents was collected for each subsidiary and then aggregated at the group level.
Number of recorded cases of work-related illnesses.	ESRS metric	Data on work-related illnesses was collected for each subsidiary and then aggregated at the group level..
Number of lost days due to work-related injuries and fatalities resulting from workplace accidents and occupational diseases (own employees).	ESRS metric	The data on the number of lost days was collected for each subsidiary and then aggregated at the group level.
LTIR	ESRS metric	The LTIR was calculated based on the number of work-related accidents with lost time, relative to total hours worked, and aggregated at the group level.
Number of work-related accidents with lost time	ESRS metric	Data on work-related accidents resulting in lost time was collected for each subsidiary and then aggregated at the group level.

S1-16

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS AND SIGNIFICANT ASSUMPTIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Gender pay gap – total and by employee category	ESRS metric	Data on gender pay gap is collected from each subsidiary and then aggregated and weighted on group level based on the number of employees per category in each subsidiary.
Ratio of the total annual remuneration of the highest-paid individual to the median of the total annual remuneration of all employees (excluding the highest-paid individual)	ESRS metric	Data on the remuneration ratio is collected from each subsidiary and then extrapolated to the group level based on the share of employees in each subsidiary.

S1-17

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS AND SIGNIFICANT ASSUMPTIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Total number of incidents of discrimination, including harassment, reported during the reporting period	ESRS metric	Data on number of incidents of discrimination including harassment was collected from each subsidiary and then aggregated on group level. Data was not available for 1 subsidiary, which was excluded from calculations.
Total amount of fines, penalties, and compensation for damages as a result of the incidents	ESRS metric	Data on the total amount of fines as a result of incidents was collected from each subsidiary and then consolidated on group level.
Number of severe human rights incidents connected to the own workforce in the reporting period	ESRS metric	Data on severe human rights incidents was collected from each subsidiary and then aggregated on group level.
Total amount of fines, penalties and compensation for damages connected to severe human rights incidents in SBOs' workforce	ESRS metric	Data on the total amount of fines because of human rights incidents was collected from each subsidiary and then consolidated on group level.
Number of severe human rights incidents where SBO played a role securing remedy for those affected during the reporting period	ESRS metric	Data on severe human rights incidents where the company played a role securing remedy for those affected was collected from each subsidiary and then consolidated on group level.

S2 Workers in the Value Chain

S2-1 - Policies related to value chain workers

S2-MDR-P - 62 - REASON FOR LACK OF POLICIES

SBO has established policies and measures addressing key aspects of ESRS S2 – Workers in the Value Chain, including health and safety, non-discrimination, and fair working conditions. These are embedded in the Code of Conduct, which ensure safe working environments, equal treatment, and respect for workers' rights. While there is no specific standalone policy explicitly titled for ESRS S2, the existing framework covers the core requirements. SBO is committed to continuously reviewing and enhancing its policies to align with the evolving CSRD/ESRS standards. Policies are described in ESRS G1 and cover key topics including:

Adequate working conditions

Equality

Measures against violence and harassment.

S2-1 – 17 – HUMAN RIGHTS INCLUDING WORKERS' RIGHTS, INCLUSION AND MEASURES TO REMEDY HUMAN RIGHTS IMPACTS AND/OR ENABLE THEM

SBO has implemented comprehensive policies addressing human rights, which are embedded in the SBO Group's Code of Conduct. These policies align with internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. To ensure compliance with these standards, SBO has established processes to prevent, detect, and mitigate risks related to human rights violations across its global operations. These processes include regular assessments, internal controls, and mechanisms to address identified risks. SBO remains committed to upholding and continuously improving its adherence to these principles as part of its corporate responsibility and sustainability efforts.

SBO's strategy to protect human rights in relation to workers in the value chain is guided by internationally recognized human rights frameworks. SBO prioritizes fair labor practices, the prevention of forced labor, child labor, and discrimination, as well as ensuring safe and healthy working conditions. These principles are reflected in SBO's policies and are extended throughout its value chain by engaging with suppliers and partners to ensure alignment with human rights standards.

In line with this commitment, the vast majority of SBO's customers are publicly listed companies, which are also required to comply with relevant legal regulations.

SBO's Code of Conduct emphasizes alignment with internationally recognized standards, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. These policies commit SBO to preventing, mitigating, and addressing human rights violations. Future efforts will focus on integrating targeted remedial measures to strengthen SBO's human rights strategy.

S2-1 - 18 - CONSIDERATION OF THE TOPICS OF HUMAN TRAFFICKING, FORCED LABOUR AND CHILD LABOUR IN THE POLICIES

SBO maintains a Code of Conduct, which outlines general expectations for ethical behaviour and compliance with legal standards. This forms the foundation of SBO's commitment to human rights across the value chain. As part of SBO's continuous improvement efforts, it is reviewing and refining its policies to explicitly integrate these critical topics, ensuring alignment with international standards and best practices. This process reflects SBO's dedication to enhancing the integrity and sustainability of its supply chain.

S2-1 - 19 - ALIGNMENT WITH INTERNATIONALLY RECOGNIZED STANDARDS

SBO's policies are aligned with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and reflect adherence to internationally recognized standards, including the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. These frameworks guide SBO's commitment to human rights, fair working conditions, and non-discrimination across its value chain.

SBO has implemented a reporting system for human rights violations in the supply chain, accessible via its whistleblowing and compliance platforms. Based on the review, no violations were found to contradict the UNGPs, ILO Declaration, or OECD Guidelines.

S2-2 - Processes for engaging with own workers and workers' representatives about impacts

S2-2 – 22 - INTEGRATION OF THE VIEWS OF WORKERS IN THE VALUE CHAIN INCLUDING GLOBAL FRAMEWORK AGREEMENTS OR OTHER AGREEMENTS THAT SBO HAS CONCLUDED AND EFFECTIVENESS

SBO has established mechanisms, such as the whistleblowing platform and compliance reporting systems, to enable workers in the value chain to share their views on material topics, including labor conditions and human rights. Until today no cases or feedback from workers in the value chain were reported. As a result, there were no instances where such views directly influenced decisions or actions. SBO remains committed to monitoring and incorporating feedback from workers in the value chain as part of its ongoing efforts to ensure compliance and uphold labor standards.

SBO recognizes the importance of collaboration with workers across the value chain and has therefore implemented a whistleblowing platform.

At SBO, responsibility for topics related to workers in the value chain is integrated into broader leadership roles rather than being assigned to a single dedicated position. This ensures a comprehensive and cross-functional approach to these important areas.

SBO ensures high standards for human rights in the value chain through its existing policies and practices. While no formal agreements with international trade union federations are in place, SBO continuously evaluates whether initiatives such as the Bangladesh Accord, the ACT Initiative, or partnerships with organizations like the Fair Labour Association make sense.

Existing grievance mechanisms, such as the whistleblowing platform, provide a clear channel for stakeholders to raise concerns.

During the reporting period, no findings were made, as there were no reported cases or formal agreements addressing workers' topics in the value chain. SBO is committed to evaluating mechanisms to systematically track, assess, and improve the involvement of workers in the value chain in future reporting periods.

S2-2-22 A ENGAGEMENT WITH WORKERS IN THE VALUE CHAIN

Given SBO's position within the value chain, its influence in this area is limited. Instead, SBO considers its whistleblowing platform a key mechanism for addressing significant concerns, particularly those related to labor rights violations.

At this stage, SBO does not see an immediate need to implement additional engagement mechanisms beyond existing policies and practices. However, the company continuously evaluates its approach and remains open to further developments if deemed necessary.

S2-2 - 23 - STEPS TO GAIN INSIGHTS INTO THE PERSPECTIVES OF WORKERS IN THE VALUE CHAIN, WHO MAY BE PARTICULARLY VULNERABLE TO IMPACT AND/OR MARGINALIZED

SBO has not identified specific vulnerable groups of workers within the value chain who may be particularly affected by impacts. As a result, no specific steps have been taken in the reporting year to gain insights into their perspectives or address their needs.

S2-2 - 24 - NO GENERAL PROCEDURE FOR COOPERATION WITH THE WORKFORCE

SBO provides a whistleblowing platform accessible to all workers within the value chain, serving as a key mechanism for addressing significant concerns, particularly those related to labor rights violations.

At this stage, SBO does not see an immediate need to establish additional formal engagement procedures within the value chain. However, the company continuously evaluates its approach and remains open to further developments if required.

S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns

S2-3 - 27 A - GENERAL APPROACH AND PROCEDURE FOR IMPLEMENTING OR PARTICIPATING IN REMEDIES

SBO's compliance and whistleblowing systems provide avenues for identifying and reporting issues. SBO does not have a formalized corporate due diligence mechanism specifically tailored to addressing material negative impacts on workers in the value chain.

S2-3 - 27 B - SPECIFIC CHANNELS THROUGH WHICH WORKERS IN THE VALUE CHAIN CAN EXPRESS THEIR CONCERNS OR NEEDS AND HAVE THEM ASSESSED

SBO provides a whistleblowing platform as the primary communication channel for workers in the value chain to raise concerns or communicate their needs. This platform is managed directly by SBO and ensures confidentiality and anonymity for users. Workers can access the platform online to report issues related to labor conditions, human rights, or other concerns relevant to the value chain.

No additional mechanisms, such as trade union representation or dialogue processes, are in place. SBO plans to evaluate the adequacy of existing channels and explore opportunities for additional mechanisms, including third-party-managed systems, to enhance accessibility and effectiveness.

S2-3 - 27 C - PROCEDURES BY WHICH IT SUPPORTS OR REQUIRES THE AVAILABILITY OF SUCH CHANNELS IN THE WORKPLACE OF WORKERS IN THE VALUE CHAIN

SBO ensures that the whistleblowing platform, as the primary communication channel for workers in the value chain, is accessible by providing online availability and confidentiality to encourage its use. The usage of specific marketing materials and direct communication with Compliance Managers shall increase the awareness of how to deal with compliance incidents.

S2-3 - 27 D - TRACKING AND MONITORING OF THE ISSUES ADDRESSED AND CHANNEL EFFECTIVENESS

SBO‘s whistleblowing platform is monitored and managed by the Head of Compliance, who oversees the tracking and progress of individual complaints and concerns. The Head of Compliance ensures that each case is processed confidentially and tracks its status until resolution. Reports on the number of complaints processed, substantiated, and resolved are maintained internally and provided to relevant committees as required.

To ensure the effectiveness of this channel, SBO relies on the Head of Compliance oversight and periodic reviews of the process. SBO is continuously improving the system.

S2-3 - 28 - KNOWLEDGE AND TRUST OF THE VALUE CHAIN WORKFORCE IN THE STRUCTURES OR PROCESSES

SBO´s policies are in place to protect whistleblowers from retaliation, as outlined in SBO’s Whistleblowing Guideline. These protections ensure confidentiality and safeguard individuals reporting grievances. While employee representatives are not explicitly included in the protection measures, SBO adheres to its commitment to non-retaliation and plans to strengthen these mechanisms to align with best practices under ESRS standards.

Therefore, SBO does not conduct regular checks on value chain workers’ awareness of grievance mechanisms, such as the whistleblowing platform.

S2-4 - Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

S2-MDR-A - 62 - REASONS FOR THE LACK OF ACTION

SBO adheres to all applicable legal regulations and has established internal policies and processes to ensure compliance with human rights and labor standards. While these measures are in place, SBO continuously assesses whether further actions are necessary to address specific material topics in its value chain.

Consequently, SBO evaluates potential risks on an ongoing basis and will take action if any material issues are identified.

Adequate Housing: Against the background of the previous statements, no actions have been implemented, as there has not been a single case to date of inadequate housing. Should SBO become aware of cases of inadequate housing, it will of course investigate them thoroughly.

Non-Living Wages: Against the background of the previous statements, no targeted actions exist to address living wage disparities. Should SBO become aware of cases where non-living wages are an issue, it will of course investigate them thoroughly.

Child Labor and Forced Labor: These practices are strictly prohibited under SBO‘s Code of Conduct. Given this, there has been no single case of child labor and forced labor. Should SBO become aware of cases with regards to Child Labor and Forced Labor, it will of course investigate them thoroughly.

Gender Equality: Diversity and inclusion are part of SBO’s principles. Therefore, no targeted actions to address pay or representation disparities have been established.

Health and Safety: As health and safety standards exist, no additional actions have been implemented for industry-specific risks (e.g., mining pollutants). SBO may consider to review this area for future enhancements.

Violence and Harassment: The whistleblowing allows reporting of violence and harassment. Therefore no additional dedicated measures have been implemented.

Water and Sanitation: This topic has not been prioritized due to its limited relevance to SBO‘s operations. It will be monitored to determine if future action is necessary.

S2-4 – 32 & 37 - MEASURES TO PREVENT, MITIGATE OR REMEDY MATERIAL NEGATIVE IMPACTS ON WORKERS IN THE VALUE CHAIN

General policies and mechanisms such as the Code of Conduct and Whistleblowing Platform indirectly contribute to mitigating risks like discrimination, forced labor, or unsafe working conditions. On top of that, there are no targeted actions in place to address specific negative impacts in the value chain.

Future plans may include evaluating material impacts and developing dedicated measures to systematically prevent and mitigate these issues as part of SBO’s broader sustainability strategy.

S2-4 - 33 A - PROCEDURES FOR IDENTIFYING THE MEASURES FOR SPECIFIC ACTUAL OR POTENTIAL ADVERSE IMPACTS ON WORKERS IN THE VALUE CHAIN

Current mechanisms, such as the Whistleblowing Platform, allow for the reporting of concerns, which may prompt case-by-case responses. However, no structured risk assessment or due diligence process is in place to proactively identify and address these impacts.

S2-4 - 33 B - APPROACH TO TAKE ACTION IN RELATION TO CERTAIN MATERIAL ADVERSE IMPACTS ON WORKERS IN THE VALUE CHAIN

Existing mechanisms, such as the Code of Conduct and Whistleblowing Platform, provide a foundational framework for ethical practices. While these mechanisms exist, there is currently no formal approach or procedure specifically designed to address material impacts on workers in the value chain.

SBO is in the process of developing a Supplier Code of Conduct, which will be integrated into general purchasing practices to help mitigate risks such as non-living wages, forced labor, and inadequate working conditions.

S2-4 - 33 C - ENSURING THE EFFECTIVENESS OF REMEDIAL MEASURES

In practice, issues of workers in the value chain reported through the Whistleblowing Platform are reviewed by the Head of Compliance, who oversees the process and ensures necessary corrective actions are implemented on a case-by-case basis.

S2-4 - 34 A - MEASURES TO MITIGATE MATERIAL RISKS AND TRACK EFFECTIVENESS IN THE VALUE CHAIN

SBO's current actions do not specifically target risk mitigation related to workers in the value chain. For SBO's own workforce, material risks are integrated into SBO's broader risk management process, which includes compliance monitoring and internal audits. These processes address areas such as health and safety, non-discrimination, and ethical practices.

S2-4 - 34 B - MEASURES TO SEIZE KEY OPPORTUNITIES IN THE VALUE CHAIN

SBO currently does not have specific actions in place that target the promotion of opportunities, or the exploitation of material opportunities related to labor in the value chain.

S2-4 - 35 - ENSURING THAT PRACTICES DO NOT CAUSE SIGNIFICANT NEGATIVE IMPACTS ON WORKERS IN THE VALUE CHAIN

SBO ensures that its own practices aim to avoid contributing to material negative impacts on employees in the value chain through adherence to its Code of Conduct and responsible business practices. There are no formalized processes in place.

S2-4 - 36 - SERIOUS PROBLEMS AND INCIDENTS RELATED TO HUMAN RIGHTS

During the reporting period, no issues or incidents of serious human rights violations were reported to SBO. The Whistleblowing Platform remains the primary mechanism for reporting such concerns, and all submissions are reviewed by the Head of Compliance. SBO remains committed to addressing any reported incidents promptly and ensuring alignment with international human rights standards.

S2-4 - 38 - ALLOCATED FUNDS FOR MATERIAL IMPACT MANAGEMENT

SBO has allocated dedicated resources to manage material impacts in the value chain, including Supply Chain Managers and Compliance Officers at both the central level and within its subsidiary companies. These roles are responsible for monitoring compliance with ethical and legal standards, addressing risks, and ensuring alignment with SBO's sustainability commitments.

The Supply Chain Managers oversee purchasing practices, conducts supplier evaluations and risk assessments, while the Head of Compliance manage grievance mechanisms and ensure adherence to policies, including the Code of Conduct. Together, these roles provide a structured approach to addressing material impacts across the value chain.

Future efforts will focus on further integrating these roles into a comprehensive framework for proactively managing material impacts and ensuring alignment with CSRD requirements.

Progress within the reporting period: As the IROs were identified for the first time in the reporting year, no progress on prior efforts can be reported.

S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S2-MDR-T - 72 - TARGETS

SBO has not established targets under ESRS S2 but monitors the effectiveness of its concepts and measures through qualitative assessments of material impacts, risks, and opportunities. This approach includes stakeholder engagement and outcome reviews, ensuring alignment with strategic goals while identifying areas for future development, including setting measurable targets.

S3 Affected Communities

S3-1 - Policies related to affected communities

S3-MDR-P - 62 - REASONS FOR THE LACK OF POLICIES

SBO employs approximately 1,600 people worldwide across 23 locations on five continents, with the average number of employees per legal entity globally being fewer than 100. Against this background, the company currently has no specific policies or strategies for managing material impacts, risks, and opportunities related to affected communities. While future strategies may address different community types, there are currently gaps in identifying and managing relevant social and economic impacts. In particular, clear frameworks for considering community aspects such as social equity, regional development, or indirect socio-economic effects are lacking. Due to the company's structure, with relatively small entities, no targeted measures or strategies have been implemented to address these challenges to date.

S3-2 - Processes for engaging with affected communities about impacts

S3-2 - 24 - APPROACH TO THE INVOLVEMENT OF AFFECTED COMMUNITIES

SBO has not implemented a formal process for engaging with affected communities but recognizes the importance of fostering transparent and constructive dialogue. The company is committed to continuously evaluating its approach to stakeholder engagement and will provide updates on future developments.

S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns

S3-3 - 27 A - GENERAL APPROACH AND PROCEDURE FOR IMPLEMENTING OR PARTICIPATING IN REMEDIES

Due to the above-explained nature of SBO's company size and business, the company has no general approach or procedure for implementing or participating in remedies. Potential material negative impacts could theoretically arise in areas such as adequate food and housing, freedom of assembly and expression, impacts on human rights defenders, land-related impacts, security-related impacts, and access to water and sanitation. In practice, no cases of such impacts have been identified within SBO's operations to date.

S3-3 - 27 B - SPECIFIC CHANNELS THROUGH WHICH AFFECTED COMMUNITIES CAN EXPRESS THEIR CONCERNS OR NEEDS AND HAVE THEM ASSESSED

SBO has a whistleblower mechanism in place, which can be used to report concerns, complaints, or issues. This mechanism is accessible to internal and external stakeholders and could potentially be utilized by affected communities. The whistleblower mechanism is primarily designed for compliance and ethical issues. It could be adapted or promoted as a channel for addressing specific concerns of affected communities. SBO could enhance the whistleblower mechanism by incorporating specific options for community-related issues, such as categorizing environmental or social topics, and ensuring user-friendly access for external stakeholders.

S3-3 - 27 C - PROCEDURES BY WHICH IT SUPPORTS OR REQUIRES THE AVAILABILITY OF SUCH CHANNELS IN THE WORKPLACE OF WORKERS IN THE VALUE CHAIN

The Whistleblowing Platform is currently available via the company's website. SBO plans to assess and enhance the accessibility of its communication channels by 2025. This will include: Providing multiple access options (e.g., phone, online, in-person).

S3-3 - 27 D - TRACKING AND MONITORING OF THE ISSUES ADDRESSED AND CHANNEL EFFECTIVENESS

Currently the Whistleblowing platform is used to track and monitor complaints. SBO has a responsible person that checks the Whistleblowing platform and makes sure that the complaints are forwarded to the party responsible.

S3-3 - 28 - KNOWLEDGE AND TRUST OF AFFECTED COMMUNITIES IN THE STRUCTURES OR PROCESSES

Affected communities can get access to SBO's whistleblowing platform. The trust of affected communities in these processes has not been systematically evaluated. There is no existing mechanism to collect or analyze feedback regarding their trust or satisfaction with the grievance procedures. For further details on the overall governance and structure of the whistleblowing mechanism, please refer to G1-1.

S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

S3-MDR-A - 62 - REASONS FOR THE LACK OF ACTION

No specific actions have been implemented to address the needs or concerns of affected communities systematically because there was no incident.

SBO is confident that the whistleblowing platform provides a foundation for affected communities to report incidents effectively.

S3-4 - 36 - SEVERE HUMAN RIGHTS ISSUES AND INCIDENTS CONNECTED TO AFFECTED COMMUNITIES

No incidents of human rights abuse have been reported to SBO by affected communities as of the latest reporting period.

S3-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S3-MDR-T - 81 - No measurable results-oriented targets available

SBO does not formulate measurable, results-oriented targets due to the ongoing development of a comprehensive framework for addressing material impacts on affected communities. The absence of robust data and structured stakeholder engagement processes has delayed target setting.

S3-MDR-T - 81 B - TRACKING THE EFFECTIVENESS OF POLICIES AND MEASURES RELATED TO MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Due to the above explained nature of SBOs company size and business SBO has no formal system in place to track the effectiveness of its concepts and measures regarding material impacts, risks, and opportunities. Potential actions may be defined in the future.

S3-MDR-T - 81 B I - PROCEDURE FOR THIS PURPOSE

SBO relies on qualitative approaches, such as internal reviews, stakeholder feedback, and ESG reporting, to track the general effectiveness of its concepts and actions.

S3-MDR-T - 81 B II - DEFINED LEVEL OF AMBITION AND ASSESSMENT OF PROGRESS

Progress is generally measured on an annual basis, aligned with SBO's ESG reporting cycle.

S4 Consumers and End-users

S4-1 - Policies related to consumers and end-users

S4-MDR-P - 62 - REASONS FOR THE LACK OF POLICIES

SBO builds strong customer relationships by following its Code of Conduct and Fair Trade Policy, ensuring trust and ethical practices. Policies are detailed in G1.

The IRO „Reduced demand due to new trends in the energy sector“ is specifically addressed in SBO´s recalibrated strategy, focusing on Energy Transition such as Geothermal and Carbon Capture and Storage.

S4-1 - 16 B - APPROACH TO THE INVOLVEMENT OF CONSUMERS AND/OR END-USERS

SBO informs consumers and end-users about its actions to prevent and minimize risks through its website and other online platforms. Sustainability-related content is regularly updated to keep all stakeholders informed.

S4-2 - 22 Statement in case the undertaking has not adopted a general process to engage with consumers and/or end-users

Structured interaction with these stakeholders has not yet been implemented through standardized procedures or defined mechanisms.

S4-3 - 25 b-c-d & 26 Channels for Consumers and End-Users to Raise Concerns or Needs

SBO provides a whistleblowing platform as a key channel for consumers and end-users to raise concerns or report grievances confidentially. The whistleblowing system allows individuals to report issues related to business conduct, compliance violations, or ethical concerns without fear of retaliation.

To maintain accessibility, the whistleblowing platform is available online and can be accessed through SBO’s official website. All submissions are reviewed systematically, and reported concerns are investigated following a structured process. SBO ensures that all cases are handled with due diligence and transparency, with appropriate corrective actions taken where necessary.

SBO periodically assesses the effectiveness of the whistleblowing platform by monitoring its usage and evaluating the resolution of reported cases. The company remains committed to strengthening this mechanism to enhance trust and encourage responsible reporting.

S4-4 - Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

S4-MDR-A - 62 - REASONS FOR THE LACK OF ACTION

SBO is currently screening the potential for organic and acquisitive growth opportunities in growing non-O&G markets.

S4-5 - Targets Related to Addressing Material Negative Impacts, Promoting Positive Impacts, and Managing Material Risks and Opportunities

S4-MDR-T -72 - TARGET

No specific targets have been defined in this area. SBO is in the process of analyzing whether and to what extent target setting is necessary. Once this assessment is complete, SBO will derive appropriate measures and, if necessary, define relevant targets.

G1 Business conduct

11.1 G1-1 - Business conduct policies and corporate culture

G1-MDR-P - 65 - KEY ELEMENTS OF POLICIES

Addressed material (sub-) topic	MDR-P-65a	Corruption and bribery
Addressed material IROs	MDR-P-65a	Incidents of corruption and bribery Lack of anti-corruption standards
Title of the policy	MDR-P-65a	Code of Conduct
Objectives of the policy	MDR-P-65a	The objective of the Code of Conduct is to establish clear principles and guidelines for ethical behaviour, ensuring that all employees act with integrity, fairness, and in compliance with laws and regulations. It serves to promote a culture of transparency, accountability, and respect across all business operations and interactions.
Monitoring of the policy	MDR-P-65a	Regular audits, Parameters used for performance measurement, Feedback mechanisms
Scope of application in terms of business activities	MDR-P-65b	This policy is applicable to SBO's own business activities and cover the upstream and downstream value chain.
Excluded business activities	MDR-P-65b	None
Scope of application in terms of geographical areas	MDR-P-65b	Global
Scope of application in terms of affected stakeholders	MDR-P-65b	Own labor force; Contractor; Customer; Suppliers
Accountability for the policy	MDR-P-65 c	Executive Board
External standards or initiatives	MDR-P-65 d	US Foreign Corrupt Practices Act (FCPA); The UK Bribery Act; The Austrian Criminal Code; OECD Guidelines for Multinational Enterprises (2011 Edition); UN Global Compact
Involvement of stakeholders in defining the policy	MDR-P-65 e	None
Availability of the policy	MDR-P-65 f	Website, intranet, compliance platform

Addressed material (sub-) topic	MDR-P-65a	Corruption and bribery
Addressed material IROs	MDR-P-65a	Incidents of corruption and bribery Lack of anti-corruption standards
Title of the policy	MDR-P-65a	Fair Trade Policy and Ethics Policy
Objectives of the policy	MDR-P-65a	The objective of the Fair-Trade Policy is to ensure ethical business practices by promoting fairness, honesty, and transparency in all operations. It emphasizes zero tolerance for bribery, corruption, and other forms of corporate misconduct, safeguarding compliance with laws and fostering trust with stakeholders.
Monitoring of the policy	MDR-P-65a	Regular audits, Parameters used for performance measurement, Feedback mechanisms
Scope of application in terms of business activities	MDR-P-65b	This policies are applicable to SBO's own business activities and cover the upstream and downstream value chain.
Excluded business activities	MDR-P-65b	None
Scope of application in terms of geographical areas	MDR-P-65b	Global
Scope of application in terms of affected stakeholders	MDR-P-65b	Own labor force; Contractor; Customer; Suppliers
Accountability for the policy	MDR-P-65 c	Executive Board
External standards or initiatives	MDR-P-65 d	US Foreign Corrupt Practices Act (FCPA); The UK Bribery Act; The Austrian Criminal Code
Involvement of stakeholders in defining the policy	MDR-P-65 e	None
Availability of the policy	MDR-P-65 f	intranet, compliance platform

Addressed material (sub-) topic	MDR-P-65a	Protection of whistle-blowers
Addressed material IROs	MDR-P-65a	Improper protection of whistle-blowers
Title of the policy	MDR-P-65a	Whistleblowing Guideline
Objectives of the policy	MDR-P-65a	To provide a secure and confidential platform for employees, contractors, customers, and suppliers to report incidents, concerns, or violations related to corruption, bribery, or unethical conduct. The policy emphasizes the protection of whistleblowers and ensures transparency and accountability.
Monitoring of the policy	MDR-P-65a	Managed by the Group Compliance Management, which handles notifications, preserves confidentiality, and conducts thorough investigations. Audits and secured record-keeping are used to monitor effectiveness, with data stored securely and deleted post-investigation unless further legal action is needed
Scope of application in terms of business activities	MDR-P-65b	This guideline is applicable to SBO's own business activities and cover the upstream and downstream value chain.
Excluded business activities	MDR-P-65b	None
Scope of application in terms of geographical areas	MDR-P-65b	Global
Scope of application in terms of affected stakeholders	MDR-P-65b	Own labor force; Contractor; Customer; Suppliers
Accountability for the policy	MDR-P-65 c	Executive Board
External standards or initiatives	MDR-P-65 d	European Market Abuse Regulation (MAR); National laws related to whistle-blowing protections
Involvement of stakeholders in defining the policy	MDR-P-65 e	None
Availability of the policy	MDR-P-65 f	Website, intranet, compliance platform ,

G1-1 - 9 - WAY IN WHICH THE CORPORATE CULTURE IS FOUNDED, DEVELOPED, PROMOTED AND EVALUATED

SBO establish its corporate culture through a clear Code of Conduct, which define its values, ethical principles, and expectations for employees and stakeholders. SBO develops this culture by embedding these principles in its daily operations, leadership training and employee engagement programs.

To promote its culture, SBO communicates its values and commitments via internal platforms and meetings. SBO evaluates its corporate culture through employee feedback, surveys and performance reviews, ensuring alignment with its strategic goals and stakeholder expectations.

G1-1 - 10 A - IDENTIFY, REPORT AND INVESTIGATE CONCERNS ABOUT UNLAWFUL CONDUCT OR CONDUCT THAT IS CONTRARY TO THE CODE OF CONDUCT OR SIMILAR INTERNAL RULES

SBO has established a formal mechanism for reporting misconduct, as described in the Whistleblowing Guideline. This system enables employees and other stakeholders to anonymously report concerns regarding misconduct, non-compliance, or unethical behaviour. The grievance mechanism encompasses both external regulations and internal rules, including the Code of Conduct, compliance guidelines, and other company policies that govern ethical and proper behaviour as well as any other form of misconduct.

Reports can be submitted through confidential channels. The Compliance Officer or the designated compliance team are responsible for handling and addressing these matters. A formal investigation process is in place to evaluate concerns, implement remedial actions, and ensure de-escalation where necessary. This process prioritizes confidentiality and the protection of whistleblowers.

External stakeholders, including suppliers, customers, and business partners, can also use the established communication channels to report concerns or incidents. The grievance mechanism is directed at both internal stakeholders (e.g., employees) and external stakeholders (e.g., customers, suppliers, investors, banks, and the community). It ensures that anyone connected to the organization can raise concerns about misconduct or non-compliance.

G1-1 – 10 B – EXISTENCE OF ANTI-CORRUPTION OR ANTI-BRIBERY POLICIES IN LINE WITH THE UNITED NATIONS CONVENTION AGAINST CORRUPTION

SBO has implemented a corporate governance framework, including a Code of Conduct that explicitly addresses anti-bribery and anti-corruption as part of its ethical standards.

G1-1 – 10 C – INTERNAL REPORTING CHANNELS FOR WHISTLEBLOWERS AND MEASURES TO PROTECT AGAINST RETALIATION OF OWN WORKERS WHO ARE WHISTLEBLOWERS

SBO has a formal whistleblowing system managed by the compliance officer or designated compliance team members, ensuring reports are handled confidentially and fairly. Employees are informed about reporting channels through onboarding materials, compliance training, and regular communications. Training is provided to all employees on the process flow, with specialized training for those handling reports to ensure whistleblowers are valued and protected from retaliation

SBO ensures protection for whistleblowers through a dedicated whistleblowing mechanism that guarantees confidentiality and safeguards against retaliation. Employees can report anonymously, and the company ensures anonymity by using secure reporting channels and limited access to reported information. The organization is aligned with EU Directive 2019/1937 and regularly reviews its policies to maintain compliance with legal and regulatory requirements.

G1-1 – 10 E – PROCEDURES FOR FOLLOWING UP ON WHISTLEBLOWER REPORTS AND INVESTIGATING CORPORATE GOVERNANCE INCIDENTS

SBO is in the process of reviewing its policies to determine whether further alignment with the Directive is necessary. Any updates or adjustments to its approach will be communicated accordingly.

SBO´s whistleblowing framework already facilitates secure and confidential reporting in line with the best practices. While SBO does not implement processes exceeding the requirements of EU Directive 2019/1937, SBO continuously evaluate and enhance its procedures to meet stakeholder expectations.

G1-1 – 10 G – POLICIES FOR INTERNAL ORGANIZATIONAL TRAINING ON CORPORATE MANAGEMENT

SBO conducts internal corporate governance training as part of its compliance program. These trainings are directed at all employees, focusing on leadership roles and high-risk areas such as finance, procurement, sales, and compliance. Training sessions are held during onboarding and after significant updates to policies. Key topics include anti-corruption, bribery, whistleblowing, business rules, sanction management and embezzlement prevention. This ensures that employees understand their responsibilities and act in line with SBO´s ethical standards.

G1-1 - 10 H - MOST VULNERABLE FUNCTIONS RELATED TO CORRUPTION AND BRIBERY

SBO´s functions most exposed to corruption and bribery include finance, compliance, purchasing and sales, particularly in regions with a high Corruption Perception Index.

G1-3 - Prevention and detection of corruption and bribery

G1-3 - 18 A - PREVENTING, DETECTING AND COMBATING ALLEGATIONS OR INCIDENTS RELATING TO CORRUPTION OR BRIBERY

SBO has a systematic procedure in place to address incidents related to the prevention of corruption and bribery. To prevent such incidents, SBO have established policies, regular employee training, and risk assessments. Cases of corruption and bribery can be reported anonymous through secure and confidential channels, such as a dedicated whistleblowing hotline and email system.

Once reported, incidents are managed through a formal process overseen by the compliance officer or a designated compliance team. This process includes thorough investigations, documentation and corrective actions to address and mitigate risks. These measures ensure both prevention and effective resolution of corruption and bribery-related issues.

G1-3 - 18 B - INVESTIGATOR OR COMMITTEE OF INQUIRY

The Compliance Management Department is responsible for investigating suspected cases of corruption or bribery and reports directly to the CEO. If a suspected case concerns the CEO, independence in the investigation is ensured by involving external auditors, independent legal counsel or an independentindependent internal committee.

To avoid conflicts of interest, the individuals or functions conducting the investigation are fully separated from those responsible for the operational management of corruption or bribery issues, ensuring an unbiased and transparent process.

G1-3 - 18 C - PROCEDURE FOR COMMUNICATING THE RESULTS TO THE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES & G1-3 - 19 - DISCLOSURE OF MISSING PROCEDURES AND FUTURE PLANS

SBO has an internal procedure in place for communicating the results of investigations into suspected cases of corruption or bribery. Once an incident has been reported, processed, and closed, the findings are formally shared with the Local Manager, Executive Board and where applicable, the Supervisory Board. This ensures transparency, accountability, and alignment with governance requirements.

G1-3 - 20 - ACCESSIBILITY OF POLICIES

SBO´s policies on the prevention of corruption and bribery are relevant to employees, suppliers, customers and other key stakeholders. These policies are made accessible for employees already during onboarding via the company intranet and through public channels, such as the corporate website, for external stakeholders. Stakeholders are informed about the policies through regular internal meetings and direct communications tailored to external parties like suppliers or customers.

G1-3-21 A&B - ANTI-CORRUPTION OR ANTI-BRIBERY TRAINING

KPI	Value	Unit
Functions-at-risk covered by training programmes	64	%

	At-risk functions	Managers	Other own workers
Training coverage			
Total	164	182	1,250
Total receiving training	105	93	957
Delivery method and duration			
Classroom training (average hours)	2.9	1.3	0.3
Computer-based training (average hours)	2.9	1.0	1.0
Voluntary computer-based training (average hours)	0.1	0.0	0.0
Frequency			
How often training is required	quarterly / bi-annually / annually	bi-annually / annually	bi-annually / annually

Employees in at-risk functions: 64 % of the employees in this group have completed training on corruption prevention, company policies, and procedures for suspicion detection.

Management: 51 % of the executives have undergone training on corruption prevention, company policies, and procedures for suspicion detection. Additionally, topics such as ethics, due diligence, safety, and contracts were covered.

All other employees: 77 % of the employees outside the at-risk functions and management have received training on corruption prevention, company policies, and procedures for suspicion detection. Furthermore, topics such as ethics, the code of conduct, due diligence, safety, and whistleblowing systems were addressed.

G1-3-21 C - INFORMATION ABOUT MEMBERS OF SUPERVISORY AND EXECUTIVE BOARD RELATING TO ANTI-CORRUPTION OR ANTI-BRIBERY TRAINING

The SBO Executive and Supervisory Board actively participates in compliance training sessions that cover anti-corruption and anti-bribery topics or reviews the regular summaries on compliance-related matters, which include anti-bribery and anti-corruption updates.

G1-4 - Incidents of corruption or bribery

Code of Conduct

MDR-A 68A – KEY ACTIONS AND EXPECTED RESULTS

The Code of Conduct serves as a fundamental governance tool for SBO, setting clear guidelines on ethical business conduct, anti-corruption, and bribery prevention. It mitigates risks related to unethical behaviour, legal non-compliance, and reputational damage. SBO ensures compliance through regular updates, employee training, and enforcement measures. Expected results include increased awareness, improved compliance, and strengthened stakeholder trust.

MDR-A 68B – EXTENT

The Code of Conduct applies across all SBO entities. The document defines ethical expectations for suppliers and customers and ensures alignment with governance policies.

MDR-A 68C – TIME HORIZONS

The Code of Conduct is continuously implemented and reviewed.

MDR-A 68D – MAIN MEASURES TO REMEDY THE SITUATION

SBO ensures adherence by integrating the Code of Conduct conducting periodic compliance reviews.

MDR-A 68E – PROGRESS

Code of Conduct enforcement across all business units.

Regular policy updates to reflect new regulatory requirements.

Compliance assessments conducted to monitor adherence.

MDR-A 69A – CURRENT AND FUTURE FINANCIAL RESOURCES

An exact financial allocation per measure has not yet been conducted.

MDR-A 69B-C – TYPE OF CURRENT AND FUTURE FINANCIAL RESOURCES

A specific breakdown by individual measure has not yet been established.

COMPLIANCE TRAINING

MDR-A 68A – KEY ACTIONS AND EXPECTED RESULTS

Compliance training ensures all employees and key stakeholders understand ethical business practices, anti-corruption policies, and regulatory compliance. It reduces governance risks and fosters a corporate culture of integrity.

MDR-A 68B – EXTENT

Compliance training is decentralized and conducted for employees

MDR-A 68C – TIME HORIZONS

Recurring compliance training is conducted at regular intervals, with updates provided in response to regulatory changes or emerging risks.

MDR-A 68D – MAIN MEASURES TO REMEDY THE SITUATION

Training sessions on anti-corruption and ethical conduct.

MDR-A 68E – PROGRESS

Anti-corruption training for all leadership personnel.

Regular assessments of training effectiveness

MDR-A 69A – CURRENT AND FUTURE FINANCIAL RESOURCES

An exact financial allocation per measure has not yet been conducted.

MDR-A 69B-C – TYPE OF CURRENT AND FUTURE FINANCIAL RESOURCES

A detailed breakdown per measure has not yet been finalized.

WHISTLEBLOWING SYSTEM

MDR-A 68A – KEY ACTIONS AND EXPECTED RESULTS

SBO's whistleblowing system provides a secure and confidential platform for employees and stakeholders to report governance concerns, ensuring transparency and ethical accountability.

MDR-A 68B – EXTENT

The system applies to all employees, suppliers, and business partners across SBO's operations.

MDR-A 68C – TIME HORIZONS

The system is continuously maintained and improved.

MDR-A 68D – MAIN MEASURES TO REMEDY THE SITUATION

Confidential reporting channels established for all stakeholders.

Clear investigation procedures to address reports effectively.

MDR-A 68E – PROGRESS

Regular governance audits to ensure compliance.

MDR-A 69A – CURRENT AND FUTURE FINANCIAL RESOURCES

A precise financial allocation to the whistleblowing system has not yet been determined.

MDR-A 69B-C – TYPE OF CURRENT AND FUTURE FINANCIAL RESOURCES

A specific allocation per measure has not yet been conducted.

G1-4 - 25 - 24A & 26 NUMBER OF CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY & NUMBER OF CONVICTIONS AND AMOUNT OF FINES FOR VIOLATIONS OF ANTI-CORRUPTION AND ANTI-BRIBERY LAWS

KPI	**Value**	**Unit**
Convictions for violation of anti-corruption and anti- bribery laws	0	Count
Fines for violation of anti-corruption and anti- bribery laws	0	€

G1-MDR-M - Key performance indicators relating to material sustainability aspects

G1-MDR-M - 77B

The figures have not been externally verified. To validate the measurements, internal quality controls were carried out, including checks for data completeness, comparisons with prior year values, and plausibility checks between group companies.

LIST OF METRICS USED	ESRS OR UNDERTAKING-SPECIFIC METRICS	METHODS, SIGNIFICANT ASSUMPTIONS, AND LIMITATIONS
MDR-M-76	MDR-M-77	MDR-M-77a
Percentage of functions-at-risk covered by training programmes	ESRS metric	Functions-at-risk are considered to be management, procurement, finance & controlling and legal. Data was compiled from each subsidiary. Scope and content of trainings depends on location and was summarised accordingly. No data was available for one subsidiary, which was excluded from the calculations.
Training Coverage	ESRS metric	The coverage percentage is determined by the number of employees in these functions who completed the training in a given reporting period.
Delivery Method and Duration	ESRS metric	Training is delivered through a mix of in-person sessions, e-learning modules, and interactive workshops. Duration varies by subsidiary.
Frequency and topics covered	ESRS metric	The frequency of training varies by subsidiary and employee role. Topics covered include anti-corruption policies, bribery risk mitigation, ethical decision-making, and regulatory compliance.
Number of convictions for violation of anti-corruption and anti- bribery laws	ESRS metric	The legal departments of all subsidiaries are counting all convictions for violations of anti-corruption and anti-bribery laws, if there are any. Data is consolidated on group level.
Amount of fines for violation of anti-corruption and anti- bribery laws	ESRS metric	The legal departments of all subsidiaries are summing all fins for violations of anti-corruption and anti-bribery laws, if there are any. Data is consolidated on group level.

Consolidated Financial Statements

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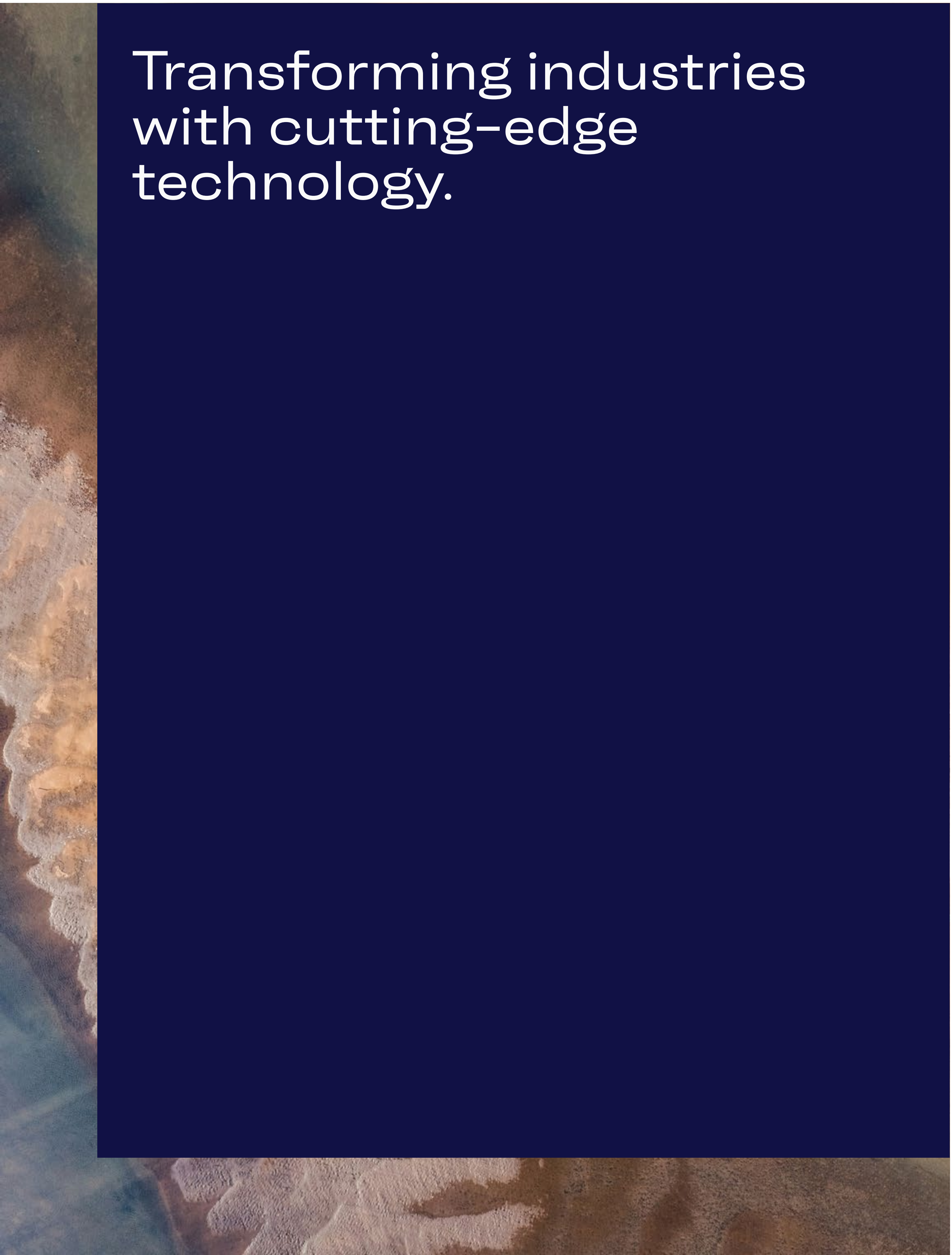

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Consolidated profit and loss statement

in TEUR	Note	2024	2023
Sales	21	**560,446**	**585,871**
Cost of goods sold	22	-390,145	-383,272
Gross profit		**170,301**	**202,599**
Selling expenses	22	-39,226	-36,357
General and administrative expenses	22	-49,059	-49,646
Other operating expenses	23	-25,470	-22,395
Other operating income	23	13,540	8,077
Profit from operations		**70,086**	**102,278**
Interest income	24	5,705	9,038
Interest expenses	24	-12,204	-8,544
Other financial income		21	0
Expenses from the acquisition of non-controlling interest	25	0	-8,563
Financial result		**-6,478**	**-8,069**
Profit before tax		**63,608**	**94,209**
Income taxes	26	-18,292	-22,635
Profit after tax		**45,316**	**71,574**
Average number of shares outstanding	19	15,759,465	15,732,013
Earnings per share in EUR (basic = diluted)		**2.88**	**4.55**

Consolidated statement of comprehensive income

in TEUR	Note	2024	2023
Profit after tax		**45,316**	**71,574**
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Currency translation adjustment - subsidiaries	20	26,544	-14,668
Currency translation adjustment - other items[1]	20	5,430	-2,330
Income tax effect	**26**	**-1,249**	536
Total Other comprehensive income to be reclassified to profit or loss in subsequent periods		**30,725**	**-16,462**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Remeasurement gains on defined benefit plans	16	205	-463
Income tax effect	**26**	**-47**	111
Total Other comprehensive income not to be reclassified to profit or lossin subsequent periods		**158**	**-352**
Other comprehensive income, net of tax		**30,883**	**-16,814**
TOTAL COMPREHENSIVE INCOME, NET OF TAX		**76,199**	**54,760**

[1] Mainly from net investments in foreign entities such as long-term receivables.

Consolidated balance sheet

ASSETS

in TEUR	Note	31.12.2024	31.12.2023
Current assets			
Cash and cash equivalents		314,686	162,351
Trade receivables	5	131,444	132,519
Income tax receivables		1,546	3,178
Other receivables and other assets	6	12,590	11,518
Inventories	7	188,668	205,811
Total current assets		**648,934**	**515,377**
Non-current assets			
Property, plant and equipment	8	145,061	130,436
Goodwill	9	146,809	138,407
Other intangible assets	9	14,496	19,012
Long-term receivables and assets	10	2,737	3,551
Deferred tax assets	11	28,072	29,638
Total non-current assets		**337,175**	**321,044**
TOTAL ASSETS		**986,109**	**836,421**

Consolidated balance sheet

LIABILITIES AND EQUITY

in TEUR	Note	31.12.2024	31.12.2023
Current liabilities			
Liabilities to banks	12	42,787	38,144
Current portion of long-term loans	15	29,786	41,638
Lease liabilities	18	2,776	2,378
Trade payables		32,131	39,624
Income tax payable		9,867	18,932
Other liabilities	13	53,662	46,127
Other provisions	14	4,237	3,654
Total current liabilities		**175,246**	**190,497**
Non-current liabilities			
Long-term loans	15	298,071	174,839
Lease liabilities	18	8,273	6,589
Provisions for employee benefits	16	6,174	5,988
Other liabilities	17	4,975	10,231
Deferred tax liabilities	11	672	260
Total non-current liabilities		**318,165**	**197,907**
Equity			
Share capital	19	15,759	15,759
Capital reserve		59,526	59,526
Legal reserve	20	785	785
Other reserves		19	19
Currency translation reserve	20	63,464	32,739
Retained earnings	20	353,145	339,189
Total equity		**492,698**	**448,017**
TOTAL LIABILITIES AND EQUITY		**986,109**	**836,421**

Consolidated statement of changes in equity

2024

in TEUR	Share capital	Capital reserve	Legal reserve	Other reserves	Currency translation reserve	Retained earnings	Total
Note	19		20		20	20	
1 January 2024	**15,759**	**59,526**	**785**	**19**	**32,739**	**339,189**	**448,017**
Profit after tax						45,316	45,316
Other comprehensive income, net of tax					30,725	158	30,883
Total comprehensive income, net of tax	**0**	**0**	**0**	**0**	**30,725**	**45,474**	**76,199**
Dividend payment[1]						-31,518	-31,518
31 December 2024	**15,759**	**59,526**	**785**	**19**	**63,464**	**353,145**	**492,698**

[1] The dividend per share amounted to EUR 2.00.

2023

in TEUR	Share capital	Capital reserve	Legal reserve	Other reserves	Currency translation reserve	Retained earnings	Total
Note	19		20		20	20	
1 January 2023	**15,729**	**61,956**	**785**	**19**	**49,201**	**297,326**	**425,016**
Profit after tax						71,574	71,574
Other comprehensive income, net of tax					-16,462	-352	-16,814
Total comprehensive income, net of tax	**0**	**0**	**0**	**0**	**-16,462**	**71,222**	**54,760**
Dividend payment[1]						-31,459	-31,459
Share-based payment	30	-2,430				2,100	-300
31 December 2023	**15,759**	**59,526**	**785**	**19**	**32,739**	**339,189**	**448,017**

[1] The dividend per share amounted to EUR 2.00.

Consolidated cash flow statement

in TEUR	Note	2024	2023
Profit before tax		63,608	94,209
Depreciation, amortization and impairments	8, 9	31,847	29,002
Interest result	24	6,499	-494
Expenses from the acquisition of non-controlling interest	25	0	8,563
Change in provisions for employee benefits	16	186	-628
Gain / loss from sale of property, plant and equipment		-511	507
Other non-cash expenses and revenues		1,732	2,564
Interest paid		-9,427	-7,310
Interest received		5,275	9,285
Income taxes paid		-23,860	-18,934
Income taxes received		736	1,328
Cash flow from profit		**76,085**	**118,092**
Change in trade receivables		6,322	-3,955
Change in other receivables and other assets		-314	-1,661
Change in inventories		25,269	-32,393
Change in trade payables		-8,637	2,527
Change in other liabilities and provisions		-292	3,915
Cash flow from operating activities	**35**	**98,433**	**86,525**
Expenditures for property, plant and equipment	8	-33,969	-35,486
Expenditures for intangible assets	9	-587	-1,992
Change in payables for capital expenditure		-587	598
Expenditures for the acquisition of subsidiaries less cash acquired	36	0	-18,594
Proceeds from sale of property, plant and equipment		3,555	2,081
Cash flow from investing activities	**35**	**-31,588**	**-53,393**
Free cash flow	**35**	**66,845**	**33,132**
Dividend payment		-31,518	-31,459
Repayment of lease liabilities		-2,889	-2,859
Expenditures for the acquisition of non-controlling interest	25	0	-118,990
Change in liabilities to banks	12	3,696	7,397
Proceeds from long-term loans	15	181,500	52,500
Repayments of long-term loans	15	-70,120	-58,552
Repayments of other long-term liabilities		-1,459	-942
Cash flow from financing activities	**35**	**79,210**	**-152,905**
Change in cash and cash equivalents		**146,055**	**-119,773**
Cash and cash equivalents at the beginning of the year		162,351	287,764
Effects of exchange rate changes on cash and cash equivalents		6,280	-5,640
Cash and cash equivalents at the end of the year	**35**	**314,686**	**162,351**

Notes to the Consolidated Financial Statements

Note 1 – General information about the company

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft (the Company, SBO), with its registered office in 2630 Ternitz, Hauptstraße 2, was founded on 26 May 1994 in Ternitz, Austria, and is registered in the commercial register at the commercial court in Wiener Neustadt, Austria, under FN 102999w.

The object of the Company comprises in particular the manufacture and sale of high-alloy non-magnetic steels, as well as products made of metals, composites or other materials for the drilling, completion and production technology, in particular for the oil, gas and geothermal industry, as well as for applications in other industries, including in the fields of environmental technology and renewable energies, as well as the provision of services in these areas.

The Company's shares have been listed on the Vienna Stock Exchange since 27 March 2003.

Note 2 – Accounting principles

The consolidated financial statements as of 31 December 2024 were prepared in accordance with the principles of the International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. The additional requirements of Section 245a (1) of the Austrian Commercial Code (Unternehmensgesetzbuch, 'UGB') were also adhered to.

These consolidated financial statements of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft and its subsidiaries for the 2024 financial year (reporting date: 31 December 2024) were approved for publication by the Executive Board on 12 March 2025.

The consolidated financial statements are prepared in euros. Unless otherwise stated, all values are rounded to the nearest thousand euros (TEUR). The totals of the rounded amounts and percentages may show rounding differences due to the use of automated calculation aids.

Note 3 – Scope of consolidation

In addition to SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft as the ultimate parent company, 34 (previous year: 34) subsidiaries were included in the consolidated financial statements as of 31 December 2024.

COMPANY		**Interest held directly or indirectly in %**	**Interest held directly or indirectly in %**
	Location	**31.12.2024**	**31.12.2023**
SCHOELLER-BLECKMANN Oilfield Technology GmbH	Ternitz, AT	100.0	100.0
SBO GmbH (formerly: Schoeller-Bleckmann Beteiligungs GmbH)	Ternitz, AT	100.0	100.0
Schoeller Bleckmann America, Inc.	Wilmington, US	100.0	100.0
Bafco Investment Co.	Houston, US	100.0	100.0
Knust-Godwin LLC	Houston, US	100.0	100.0
Schoeller-Bleckmann Energy Services L.L.C. (*)	Lafayette, US	99.0	98.0
Schoeller-Bleckmann Sales Co. L.L.C.	Houston, US	100.0	100.0
The WellBoss Company, LLC	Houston, US	100.0	100.0
The WellBoss Company, Inc.	Calgary, CA	100.0	100.0
The Wellboss Company FZE	Dubai, UAE	100.0	100.0
The WellBoss Company for Maintenance	Dammam, KSA	100.0	100.0
BICO Drilling Tools Inc.	Houston, US	100.0	100.0
BICO DRILLING TOOLS FZE	Dubai, UAE	100.0	100.0
BICO Faster Drilling Tools Inc.	Nisku, CA	100.0	100.0
Foxano AG	Luzern, CHE	100.0	100.0
D-TECH (UK) Limited	Bristol, UK	100.0	100.0
D-TECH Drilling Tools Inc.	Houston, US	100.0	100.0
Schoeller-Bleckmann Oilfield Equipment (UK) Limited	Chesterfield, UK	100.0	100.0
Darron Tool and Engineering Limited	Chesterfield, UK	100.0	100.0
Darron Oil Tools Limited	Chesterfield, UK	100.0	100.0
Schoeller-Bleckmann Darron Limited	Aberdeen, UK	100.0	100.0
Schoeller-Bleckmann Darron (Aberdeen) Limited (*)	Aberdeen, UK	94.0	94.0
Techman Engineering Limited	Chesterfield, UK	100.0	100.0
Schoeller-Bleckmann (UK) Limited	Chesterfield, UK	100.0	100.0
Nomatek LLC	Noyabrsk, RU	100.0	100.0
DSI FZE	Dubai, UAE	100.0	100.0
DSI FZE Services Private Limited	Mumbai, IND	100.0	100.0
Schoeller Bleckmann Saudi LLC	Dammam, KSA	100.0	100.0
DSI PBL de Mexico S. A. de C. V.	Villahermosa, MX	100.0	100.0
ADRIANA HOLDING COMPANY LIMITED	Dubai, UAE	100.0	100.0
Schoeller Bleckmann do Brasil, Ltda.	Macaé, BR	100.0	100.0
Knust-SBD Pte. Ltd.	Singapur, SG	100.0	100.0
Schoeller-Bleckmann Oilfield Equipment Middle East FZE	Dubai, UAE	100.0	100.0
Schoeller-Bleckmann Oilfield Equipment Vietnam Co., Ltd.	Binh Duong, VN	100.0	100.0

* Refer to Note 17 for details on shares held by the management of these companies

For all companies, the shares correspond to the voting rights, which means that control of the subsidiaries can be derived directly from the shares held.

There were no changes to the scope of consolidation in 2024.

Note 4 – Significant accounting principles

The accounting principles applied in the previous year generally remain unchanged, with the exception of the following:

1. Changes in accounting principles

The Group applied the following new or amended standards and interpretations for the first time in the 2024 financial year. These do not have a material impact on the consolidated financial statements as of 31 December 2024.

STANDARDS/ INTERPRETATIONS		**Effective Date[1]**
IAS 1 Amendments	Classification of Liabilities as current or non-current and Non-current liabilities with Covenants	1.1.2024[1]
IAS 7 und IFRS 7 Amendments	Supplier Finance Arrangements	1.1.2024[1]
IAS 16 Amendments	Lease Liability in a Sale and Leaseback	1.1.2024[1]

[1] To be applied in the EU in reporting periods starting on or after the indicated date.

The following new or revised standards and interpretations which have been published but not yet adopted by the EU, or which are not yet mandatory, were not applied early in the 2024 financial year. They will be applied in the future reporting period for which application is mandatory. The effects of these new regulations on current or future reporting periods and foreseeable future transactions are not considered to be material in the Group, with the exception of the changes resulting from the new IFRS 18 standard.

STANDARDS/IN-TERPRETATIONS		Effective Date[1,2]	Material impact on SBO Group's financial statements
IFRS 9 und IFRS 7 Amendments	Changes in the classification and measurement of financial instruments	1.1.2026[2]	no
IFRS 9 und IFRS 7 Amendments	Contracts for power from renewable energies	1.1.2026[2]	no
IAS 21 Amendments	Effects of exchange rate changes: Lack of exchangeability	1.1.2025[1]	no
IFRS 18	Presentation and disclosure in financial statements	1.1.2027[2]	see below
IFRS 19	Subsidiaries without public accountability	1.1.2027[2]	nein
Annual improvements	Annual IFRS improvements	1.1.2026[2]	no

1 To be applied in the EU in reporting periods starting on or after the indicated date.
2 This standard is not yet mandatory in the EU and was not applied early. The date indicated is the effective date as determined by the IASB

IFRS 18, which is to be applied from the 2027 financial year, regulates the restructuring of the income statement, specifies the requirements for presentation using the cost of sales or nature of expense method and contains extensive guidelines on appropriate classification. IFRS 18 requires transactions affecting profit or loss to be classified and allocated to the following categories: Operating, investing, financing, income taxes, discontinued operations. IFRS 18 also introduces two new mandatory subtotals, operating profit and profit before financing and income tax. In addition, the new standard regulates extended disclosure requirements, in particular for management-defined performance measures, as well as changes to the cash flow statement. SBO is currently evaluating the possible effects of the changed structuring requirements for the income statement.

2. Reporting date

The reporting date of all companies included in the consolidated financial statements is 31 December.

3. Accounting of non-controlling interests in the consolidated financial statements

Non-controlling interests in the Group are recognized at the proportionate share of the remeasured identifiable net assets at the acquisition date. Subsequently, an appropriate share of net profit/loss after tax and other comprehensive income is allocated to non-controlling interests. Thus, a loss at the respective subsidiary could lead to a negative balance (for further accounting policies, see disclosures on financial liabilities in note 4.6). Changes in the equity interest in a subsidiary without loss of control are recognized as equity transactions.

4. Foreign currency translation

The consolidated financial statements are prepared in euros, the functional and reporting currency of the parent company. Each company within the Group sets its own functional currency. The items included in the financial statements of each company are measured using this functional currency.

Foreign currency transactions are translated at the exchange rate in effect at the transaction date. Monetary items denominated in foreign currencies are translated at the exchange rate as of the reporting date. Currency differences are recognized in profit or loss in the period in which they occur.

When preparing the consolidated financial statements, the financial statements of foreign subsidiaries which are prepared using their functional currency are translated into euros using the modified closing rate method:

- Assets and liabilities, both monetary and non-monetary, are translated at the closing rate.
- All income and expense items of foreign subsidiaries are translated using an average annual rate.

Currencies developed as follows:

	Rate on Reporting date		Average Annual Rate	
1 EUR =	**31.12.2024**	**31.12.2023**	**2024**	**2023**
USD	1.0389	1.1050	1.0821	1.0816
GBP	0.8292	0.8691	0.8466	0.8699
CAD	1.4948	1.4642	1.4819	1.4596
BRL	6.4253	5.3618	5.8268	5.4016
CHF	0.9412	0.9260	0.9526	0.9717
RUB	117.5123	99.1919	101.5188	92.6821
VND	26,661.0	26,955.1	27,219.0	26,033.0

Currency translation differences from the inclusion of financial statements of subsidiaries in the consolidated financial statements, as well as from long-term foreign currency intragroup receivables that qualify as part of a net investment in a foreign entity, as their settlement is neither planned nor expected in the foreseeable future, are recorded in the consolidated financial statements within equity under the item CURRENCY TRANSLATION RESERVE; the change in the current year is presented under OTHER COMPREHENSIVE INCOME in the consolidated statement of comprehensive income. When the net investment is sold, these currency differences are reclassified to profit or loss.

5. Classification of current and non-current assets and liabilities

Assets and liabilities with a residual term of up to one year are classified as current, those with a residual term of more than one year as non-current. Residual terms are determined as of the reporting date.

Operating assets and liabilities, such as trade receivables and trade payables, are always classified as current even if their maturity is more than 12 months after the reporting date as this corresponds to the usual business cycle.

6. Financial instruments

6.1 RECOGNITION AND INITIAL MEASUREMENT

Trade receivables and debt instruments issued are recognized from the date on which they arise. All other financial assets and liabilities are initially recognized on the trade date when the entity becomes a party to the contractual terms of the instrument.

Trade receivables without a significant financing component are initially recognized at the transaction price. All other financial assets or financial liabilities are measured at fair value on initial recognition.

6.2 CLASSIFICATION AND SUBSEQUENT MEASUREMENT

A financial asset is classified as follows upon initial recognition and subsequently measured

- at amortized cost
- Debt instruments measured at fair value with changes in other comprehensive income (FVOCI debt instruments)
- Equity instruments measured at fair value with changes in other comprehensive income (FVOCI equity instruments)
- at fair value through profit or loss (FVTPL).

Financial assets are not reclassified after initial recognition unless the company changes its business model for managing financial assets. In this case, all affected financial assets are reclassified on the last day of the reporting period in which the change in the business model takes place.

A financial asset is measured at amortized cost if both of the following conditions are met and it has not been designated as FVTPL: it is held within a business model whose objective is to hold financial assets to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI criterion) on the principal amount outstanding.

A debt instrument is designated at FVOCI if both of the following conditions are met and it has not been designated as FVTPL: it is held within a business model whose objective is both to hold financial assets to collect contractual cash flows and to sell financial assets, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI criterion) on the principal amount outstanding.

All financial assets that are not measured at amortized cost or at FVOCI (for example, financial assets held for trading and those that are managed and their performance is evaluated on the basis of fair value) are measured at FVTPL. This includes all derivative financial assets (see Note 31).

When assessing the SPPI criterion, SBO considers the contractual arrangements of the instrument. This includes an assessment of whether the financial asset contains a contractual agreement that could change the timing or amount of the contractual cash flows so that they no longer meet these conditions. In making the assessment, the Company considers certain events that would change the amount or timing of the cash flows, conditions that would adjust the interest rate, prepayment and extension options and conditions that restrict the Company's right to receive cash flows from a particular asset.

An early repayment option is in line with the SPPI criterion if the amount of the early repayment essentially comprises unpaid interest and principal payments on the outstanding principal amount, whereby appropriate compensation for the early termination of the contract may be included. SBO does not currently hold any financial assets, other than those held for trading, that do not meet the SPPI criterion.

Financial liabilities are classified and measured at amortized cost or at fair value through profit or loss (FVTPL). A financial liability is classified at FVTPL if it is classified as held for trading, is a derivative or is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains or losses, including interest expenses, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses and foreign currency translation differences are recognized in profit or loss. Gains or losses from derecognition are also recognized in profit or loss.

Derivatives are initially recognized at fair value and subsequently measured at fair value. Any resulting changes are recognized in profit or loss.

6.3 FINANCIAL INSTRUMENTS IN DETAIL

The consolidated balance sheet includes the following financial instruments in accordance with IFRS 9:

AT AMORTIZED COST

Financial assets

All cash balances, demand deposits, and short-term highly-liquid financial investments that can be converted to known amounts of cash and cash equivalents on demand, and which are subject to only insignificant fluctuations in value included under the item CASH AND CASH EQUIVALENTS, are classified as cash funds. Current investments are non-derivative financial assets not held for trading that are available-for-sale assets with a term of less than three months or a longer terms with short-term termination options without significant termination penalties.

Non-derivative financial assets with fixed or determinable payments that are not listed on an active market mainly comprise of TRADE RECEIVABLES as well as other loans issued and receivables (these loans were granted to the managers of subsidiaries for shares or participation rights), and are reported within LONG-TERM RECEIVABLES AND ASSETS.

Receivables are recognized at cost at the settlement date and are subsequently measured at amortized cost using the effective interest method, less any allowance for impairment. Gains and losses are recognized in consolidated profit or loss due to amortization under the effective interest method, upon impairment or when a loan or receivable is derecognized.

The Company grants payment terms to its customers at customary business terms, but generally does not require any additional collateral or payment guarantees to secure the amounts due. Occasional customers and customers located in high risk countries from whom the Company obtains confirmed letters of credit are excluded from this policy. Trade receivables that are granted beyond the normal payment terms bear interest at arm's length rates.

The Group uses a simplified method to calculate the expected credit loss for trade accounts receivable. Receivables are regularly evaluated and, if necessary, allowances for doubtful accounts are considered. These allowances are sufficient to cover the expected default risk, actual defaults result in derecognition of the respective receivable. The decision of whether to account for the default risk by means of allowances or to derecognize the receivable depends on the reliability of the assessment of the risk situation.

Management evaluates the adequacy of the allowances for doubtful accounts based on experienced credit defaults. An impairment matrix is used that considers the maturity structure of receivables and experiences with regard to defaults during the past 5 years, whereby unsuccessful legal measures after 3 years were also considered as default, and customer creditworthiness as well as changes in payment behaviour. Due to the cyclicality in the oilfield service industry and recurring economic downturns and upswings in the industry, future expectations regarding potential bad debt patterns can also be derived from historical developments. Stringent receivables management, which includes close coordination with sales from the acceptance of the order to the receipt of payment, ongoing credit checks to reduce credit risk, as well as close monitoring of payment behaviour also provide a solid basis for assessing expected payment defaults.

Financial Liabilities

Financial liabilities comprise in particular TRADE PAYABLES, liabilities to banks and other lenders as well as lease liabilities.

Liabilities are initially recognized at fair value less transaction costs associated with the borrowing and are subsequently measured at amortized cost using the effective interest method. Gains and losses resulting from the use of the effective interest method are recognized in consolidated profit or loss.

In addition, financial liabilities include purchase prices for shares in subsidiaries held by their management. The managers are contractually obligated to sell these shares back to the Company when specified events occur and the Company is obligated to repurchase the shares. The repurchase price is based on the amount of the pro-rata equity on the sale date. Pursuant to IAS 32.23, such contracts give rise to a financial liability for the present value of the redemption amount. As the value cannot be determined exactly in advance, the liability is measured using the pro-rata equity at the reporting date, which includes the portion of the income from the current financial year that in turn is recognized in the consolidated profit and loss statement within INTEREST INCOME OR EXPENSE. This current income portion is considered representative of the effective interest result.

Additional financial liabilities result from participation rights in subsidiaries granted to management. These participation rights may only be transferred to third parties with the Company's approval, and the Company has a call option upon the occurrence of specified events, in which event the redemption amount is based on the subsidiary's net assets as of the exercise date. The current share of income is considered to be representative of the effective interest result which changes the liability accordingly.

AT FAIR VALUE THROUGH PROFIT OR LOSS

Derivative financial instruments and hedging relationships

The Group uses forward exchange contracts to hedge currency risks. These derivative financial instruments are recognized at fair value at the contract date and are subsequently measured at fair value. Derivative financial instruments are recognized as assets if their fair values are positive and as liabilities if their fair values are negative.

The Company uses hedging measures to hedge foreign currency risks from recognized monetary assets and liabilities. While these measures do not satisfy the requirements for hedge accounting, they effectively contribute to the hedging of financial risk in accordance with risk management principles.

Gains and losses from hedges which serve to hedge the exchange risks from intragroup sales transactions in foreign currencies and which do not satisfy the criteria for hedge accounting are not presented separately in profit or loss but rather together with foreign exchange gains and losses from trade receivables under other operating expenses and other operating income. The Company reserves the right to opt also in future to apply the criteria of IAS 39 for hedge accounting.

For the financial instruments as of 31 December 2024 and 31 December 2023, see Note 31.

7. Inventories

Inventories consist of materials and purchased parts in various stages of completion and are recognized at cost or the lower net realizable value at the reporting date. Inventory usage is determined using the first-in, first-out, weighted average price or specific price method. Costs of finished goods include the costs for raw materials, other directly allocable expenses as well as pro-rata overheads. Borrowing costs are not capitalized unless they relate to qualifying assets. Inventory risks arising from slow moving goods or reduced marketability are accounted for through appropriate valuation allowances.

8. Property, plant and equipment and Other intangible assets

Property, plant and equipment and Other intangible assets are measured at cost less depreciation and amortization. Depreciation/ amortization is generally recognized using the straight-line method over the expected useful life of the asset. The estimated useful lives are as follows:

	Useful life in years
Other intangible assets:	
Software	3 – 4
Technology	5 – 10
Customer base	5 – 10
Non-compete agreements	5 – 10
Trademarks	10
Property, plant and equipment:	
Buildings and improvements	5 – 50
Technical plant and machinery	3 – 17
Other equipment, operating and office equipment	2 – 10
Right-of-use assets	3 – 10*

* in exceptional cases longer according to the underlying contract

On each reporting date the Company assesses whether there are indications that property, plant and equipment or other intangible assets may be impaired. If such indications exist, the Company estimates the asset's recoverable amount. Depending on their materiality impairment losses on continuing operations are recognized in profit or loss either under COST OF SALES or within the separate line items IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT and IMPAIRMENT OF GOODWILL AND OTHER INTANGIBLE ASSETS, respectively.

An assessment is made at each reporting date whether there are indications that previously recognized impairment losses no longer exist or may have decreased. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the extent that the asset's carrying amount may not exceed either its recoverable amount or the carrying amount that would have resulted, net of depreciation, had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized in profit or loss.

Borrowing costs are also expensed as incurred unless they are related to a qualifying asset.

Leased assets capitalized according to IFRS 16 are recorded within property, plant and equipment as right-of-use assets. The lease liabilities resulting from the future lease payments are presented in the balance sheet as lease liabilities. Interest rates for capitalized leased assets are based on the minimum interest rate for new loans at the inception of each lease or in correspondence with the lessor's implicit rate of return. SBO applies the practical expedient for lease agreements with a lease term equal or less than 12 months as well as for low value lease agreements (see Note 18).

9. Goodwill

Goodwill is recognized at cost and subsequently tested for impairment annually as of 31 December or additionally during the year if there is a triggering event. For this purpose, goodwill is assigned to cash generating units and compared to the business units' value in use based on the expected cash flows.

Once recognized, an impairment of goodwill is not reversed in subsequent periods.

10. Current and deferred income taxes

Current tax refund claims and tax liabilities for current and previous periods are measured in the amount to be recovered from or paid to the tax authorities. The amount is calculated based on the tax rates and tax laws applicable at the reporting date.

The Company uses the balance sheet liability method prescribed by IAS 12 to recognize deferred taxes. Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply to the period in which the asset will be realized or the liability settled. If there are losses in the current or previous periods, deferred tax assets are recognized for unused tax losses only to the extent that there are substantial indications based on existing mid-term plans that sufficient taxable profits will be available against which the unused tax losses can be utilized. For unused tax losses which do not expire, the basis is the ability to utilize them within the next three to five years.

Current and deferred taxes which relate to items recognized within OTHER COMPREHENSIVE INCOME or directly within equity are not recognized in profit or loss, but in OTHER COMPREHENSIVE INCOME or directly in equity.

The Minimum Taxation Act ("MinBestG") applicable in Austria since 2024 to ensure a global minimum taxation for groups of companies ("Pillar Two") is currently not applicable to SBO due to the fact that the anchored sales limits were not exceeded in 2024. As the ultimate parent company within the meaning of the MinBestG, SBO continues to evaluate the possible effects of global minimum taxation on the Group. As the revenue thresholds are not expected to be exceeded in the short term, no application or effects on SBO are currently expected.

11. Provisions

In accordance with IAS 37, provisions are recognized when the Company has current legal or constructive obligations as a result of past events and for which payment is probable. Provisions are recognized at the amount determined based on management's best estimate at the reporting date. Provisions are not recorded if they cannot be reasonably estimated.

12. Provisions for employee benefits

DEFINED BENEFIT PLANS

Defined benefit plans concern solely obligations for severance benefits of Austrian companies. Upon termination of employment or normal retirement, employers must make a lump sum payment to the employee if employment commenced before 1 January 2003. Severance payments range from nine to twelve months of salary at the time of separation depending on the length of service. Payments must be made upon normal retirement or termination by the employer, but not upon voluntary departure by the employee. The amount of the provision is calculated on each reporting date using actuarial measurements based on the projected unit credit method with a creditable service period from the beginning of the employment to the time of planned retirement for each employee, and corresponds to the present value of the employee's vested benefit claims at the end of the reporting period. The retirement age used refers to current legal provisions. Expected future salary increases and employee turnover discounts are considered based on medium-term historical experience.

All remeasurements relating to defined benefit plans (actuarial gains and losses) are recognized under OTHER COMPREHENSIVE INCOME, in accordance with IAS 19. Refer to Note 16 for further details on provisions for severance payments.

DEFINED CONTRIBUTION PLANS

Defined contribution pension schemes exist at several Group companies based either on specific legal obligations under national law or based on shop agreements or individual contractual pension agreements. The Group's obligation is limited at paying the contributions to each pension fund when due. There is no legal or constructive obligation to make future payments.

All contributions to defined contribution plans are recognized as an expense at the time when employees have provided the services that obligate the Company to make the contribution.

OTHER LONG-TERM EMPLOYEE BENEFITS

In accordance with Austrian collective work agreements, employees are entitled to jubilee payments depending on their length of service (defined benefit plan). The amounts to be accrued for these provisions are also calculated using the projected unit credit method. The parameters used for the provision for severance pay are also applied when calculating the provision for jubilee payments. Remeasurements (actuarial gains or losses) are recognized in profit or loss.

13. Revenue recognition

Performance obligations arising from the sale of manufactured products and goods are recognized as control is transferred, generally upon delivery to the customer, and are consequently recognized at a point of time. Performance obligations from service and repair work are recognized when the service has been rendered, which is the delivery of the goods to the customer. Performance obligations resulting from providing on site customer support for the usage of SBO tools are satisfied during the time of staff being on site. Consequently, revenue is recognized over time.

Individual entities within the SBO Group operate as lessors. Rental revenues are recognized based on actual usage by the customer (performance obligations which are satisfied over time). In general, SBO does not hold finance lease agreements.

For contracts with payment terms of a maximum of one year, the company waives to adjust the amount of the promised consideration by any financing component for practical reasons and considerations of materiality.

Interest income is recognized on a pro-rata basis, using the effective interest method.

14. Research and development

Pursuant to IAS 38, research costs are recognized in profit or loss when incurred. Development costs are expensed when incurred, if the requirements for capitalization of development costs in accordance with IAS 38 are not fully met. Development costs are recognized in profit or loss in SBO's consolidated financial statements in the period in which they are incurred, because the corresponding recognition criteria were not satisfied.

15. Share-based payment

The agreements concluded with the CEO in 2014 on a share-based remuneration in the form of the issuance of SBO shares were fulfilled in full when the CEO retired on 31 December 2023. As the compensation was paid in treasury shares, the expense from these agreements was recognized in previous years on an ongoing basis within personnel expenses and within equity. The termination of the program in previous years no longer had any impact on the consolidated financial statements for 2024 (see Note 29).

16. Estimates, judgments, and assumptions

When preparing the consolidated annual financial statements under International Financial Reporting Standards, estimates, assumptions, and judgments must be made to a certain extent which impact the amounts presented in the balance sheet, the Notes to the financial statements and the profit and loss statement. The amounts actually arising in the future may deviate from the estimates; however, from its current perspective management believes that there will not be any material negative impacts on the consolidated financial statements in the near future. The significant estimates and judgments underlying the consolidated annual financial statements are explained below.

Assumptions and discretionary decisions must be made when recognizing and measuring INTANGIBLE ASSETS recognized in the course of business combinations (see Note 9).

Estimates are necessary about the period over which PROPERTY, PLANT AND EQUIPMENT and INTANGIBLE ASSETS can be expected to be used (see Notes 8 and 9). In addition, if indications of impairment of PROPERTY, PLANT AND EQUIPMENT or INTANGIBLE ASSETS are identified, estimates are required when determining the recoverable amount. When evaluating right-of-use assets and lease liabilities estimates are required for determining the term of a lease, and extension options, respectively (see Note 18).

An estimate of the value in use is made for the annual impairment test of GOODWILL in which management must estimate the expected future cash flows of the cash generating units and choose an appropriate discount rate (see Note 9).

Deferred tax assets are recognized for unused tax losses to the extent it is probable that taxable income will be available, so that the loss can actually be utilized. When accounting for DEFERRED TAX ASSETS, a significant exercise of judgment by management is required regarding the timing and extent to which future taxable income will be available in order to actually use the temporary differences or losses (see Note 11).

Management estimates of pricing and market development are necessary in order to determine carrying amounts when measuring INVENTORIES (see Note 7). As based on the underlying customer contracts no revenue recognition over time according to the percentage-of-completion method is applied, estimates regarding services already rendered as well as future costs to be expected for short-term orders are only required to determine potential provisions for onerous contracts.

In addition to evaluations based on historic cash receipts RECEIVABLES require assumptions regarding the probability of default (see Note 5). Besides overdue balances and market risks, also past customer experiences are taken into account. Regarding SALES REVENUES estimations are required for expected returns relating to sales with a right of return (see Note 13) as well as for volume discounts to be granted.

For the recognition of PROVISIONS, management must evaluate the probability of occurrence at the reporting date. Provisions are recognized at the value that corresponds to management's best estimate at the reporting date (see Note 14).

Expenses for defined benefit plans are determined based on actuarial calculations. The actuarial measurement is based on assumptions regarding the discount rates, future wage and salary increases, mortality rates, and employee turnover rates (see Note 16).

Liabilities for management's interest in subsidiaries and participation rights are measured using estimates of the service period of the respective individuals in the company and future profitability of the subsidiaries. The Company assumes that the respective share of the subsidiary's annual income essentially corresponds to the effective interest expense (see Note 17).

17. Climate related risks - Estimates, judgments, and assumptions

SBO Group has been monitoring climate change and its consequences for years with regard to the potential impact on the Group's business activities. A distinction must be made between the consequences of climate change itself and the resulting necessary adjustments as well as the framework conditions for avoiding and reducing climate-damaging greenhouse gases. The risks relating to the avoidance and reduction of greenhouse gases must be assessed in the context of the European Green Deal and the associated regulations of the European Union, such as the Corporate Sustainability Reporting Directive (CSRD) or as the EU Taxonomy Regulation. Climate change as such and physical consequences such as extreme weather events were examined as part of the double materiality analysis. SBO sites are only to a limited extent exposed to possible extreme weather events or are well prepared for them. Locations in the US in particular have been familiar with preventive measures for years, for example to avoid damage caused by flooding or to prevent the negative effects of heat waves. The risk of physical consequences of climate change for the company is classified as significant in terms of preventive measures, but not as financially material.

Among other things, the European Green Deal requires companies to have a plan to ensure that their business model and strategy are compatible with the transition to a sustainable economy and with limiting global warming to 1.5 °C in line with the Paris Agreement. At the same time, investments are to be shifted primarily to sustainable economic activities. In the long term, the energy sector is also to be restructured with the aim of gradually replacing fossil fuels with renewable energies or neutralizing their emissions.

SBO's business model can be divided into the following areas: Manufacturing and distribution of non-magnetic steels, high-precision manufacturing of components according to customer order as well as development, rental and sale of downhole drilling tools and completion equipment. The main energy source for the provision of these services is electricity, over 40 % of which already comes from renewable energy sources within SBO Group. At present, the aforementioned products and solutions are mainly used in the energy industry, traditionally for the production of oil and gas, but increasingly also in energy transition applications such as geothermal energy or carbon capture and storage. However, SBO's business model is not based on the production, refining or distribution of fossil fuels.

A more stringent climate policy could lead to a further decline in demand for oil in the European Union and - due to the reduced need for tools for drilling for crude oil - affect SBO Group's current core business due to the lower demand for tools for drilling for oil. According to long-term market expectations, however, global demand for this resource is expected to increase for a long time to come. In addition, the European Union has recognized natural gas as an essential transition resource for achieving climate targets and has classified electricity generation from fossil gaseous fuels as a taxonomy-compliant economic activity. Products and solutions from SBO are used equally in drilling for oil and natural gas but also for geothermal drilling.

Manufactured goods and services of SBO Group are primarily in demand outside the European Union, meaning that the European climate policy framework only has a partial impact on the economic activities and (manufacturing) sites of SBO Group. Nevertheless, assumptions regarding individual non-current assets recognized in the consolidated financial statements (mainly goodwill) require estimates and judgments regarding future developments with regard to climate change and the related climate policy framework.

(Manufacturing) sites of SBO Group have a relatively low energy consumption, which will be reduced even further through appropriate measures in the coming years. The main source of energy for the manufacture of SBO products is electricity, with the share of electricity from renewable energy sources amounting to around 40 %. The share from renewable energy sources is supported by the operation of photovoltaic systems at SBO locations to cover the company's own consumption at the respective location. For those plants that are not owned by SBO and not subject to a lease, respectively, the own-use exemption according to IFRS 9.2.4 is applied.

The economic activities as well as the sites of the SBO Group are subject to physical climate risks only to a minor extent in terms of temperature changes, wind, precipitation or erosion. Overall, climate-related physical risks were therefore classified as low from a financial perspective in terms of the expenses required to avoid them therefore classifying overall climate-related risks currently as low. Climate scenario analyses and vulnerability analyses were prepared for major (production) sites in Austria, the US and the Middle East, which also confirm this expectation with regard to future risks.

Further assumptions on climate-related risks, estimates and judgments are presented in Note 9 Intangible assets and Note 32 Risk report.

Note 5 –Trade receivables

Trade receivables usually have payment terms of up to 90 days. There were no trade receivables with a term of more than 12 months as of 31 December 2024 or 31 December 2023. No collateral was received for the receivables existing as of 31 December 2024 and 2023.

An analysis of trade receivables is presented below:

31.12.2024

in TEUR

Maturity	Gross value	Lumpsum allowance (ECL)	Individual allowance	Net value
Not or < 30 days past due	114,704	-402	-338	113,964
30 – 90 days past due	9,073	-110	-31	8,932
90 – 180 days past due	7,320	-251	-187	6,882
> 180 days past due	6,624	-395	-4,563	1,666
Total	**137,721**	**-1,158**	**-5,119**	**131,444**

31.12.2023

in TEUR

Maturity	Gross value	Lumpsum allowance (ECL)	Individual allowance	Net value
Not or < 30 days past due	118,357	-318	-648	117,391
30 – 90 days past due	10,812	-203	-14	10,595
90 – 180 days past due	3,850	-153	-238	3,459
> 180 days past due	5,897	-170	-4,653	1,074
Total	**138,916**	**-844**	**-5,553**	**132,519**

Allowances for doubtful accounts are recognized in line with IFRS 9 based on historical experience, the current market situation including expectations regarding future incoming payments and in consideration of days sales outstanding (see Note 4). As of 31 December 2024, allowances measured for lifetime expected credit losses according to the simplified approach amounted to TEUR 1,158 (previous year: TEUR 844).

Allowances for trade receivables break down as follows:

31.12.2024

in TEUR	Not credit-impaired	Credit-impaired	Total
Gross book value	130,108	7,613	137,721
Allowance	-1,158	-5,119	-6,277
Total	**128,950**	**2,494**	**131,444**

31.12.2023

in TEUR	Not credit-impaired	Credit-impaired	Total
Gross book value	133,086	5,830	138,916
Allowance	-844	-5,553	-6,397
Total	**132,242**	**277**	**132,519**

Allowances developed as follows:

in TEUR	2024	2023
As of 1 January	6,397	6,666
Currency translation adjustments	256	-304
Utilization	-2,339	-1,439
Reversal	-280	-480
Additions	2,243	1,954
As of 31 December	**6,277**	**6,397**

Note 6 – Other receivables and other assets

This line item mainly consists of receivables from tax authorities and prepaid expenses. In addition, this line item includes positive market values of forward exchange contracts of TEUR 6 (previous year: TEUR 810) as well as assets from sales with a right of return according to IFRS 15 amounting to TEUR 566 (previous year: TEUR 425).

No collateral was received for the receivables and no valuation allowances have been recognized.

Note 7 – Inventories

The classification of inventories is shown in detail below:

in TEUR	31.12.2024	31.12.2023
Raw materials and supplies	23,567	29,026
Work in progress	83,501	88,899
Finished goods	81,600	87,886
Total	**188,668**	**205,811**

The processing of the high bookings of previous years led to a planned decrease in inventories in 2024.

Valuation allowances expensed in 2024 were TEUR 3,157 and are included within COST OF GOODS SOLD (previous year: TEUR 4,436).

Note 8 – Property, Plant and Equipment

A summary of the gross carrying amounts and the accumulated depreciation and impairments of property, plant and equipment is presented below:

2024

in TEUR	Land and buildings	Technical plant and machinery	Other equipment, operating and office equipment	Advance payments	Assets under construction	Right of use assets	Total
Cost							
1 January 2024	104,691	354,145	15,859	3,696	2,320	19,350	**500,061**
Currency translation adjustments	2,991	11,278	461	22	76	878	**15,706**
Additions	3,888	21,002	1,731	4,535	2,813	4,942	**38,911**
Transfers	236	2,722	31	-2,557	-432	0	**0**
Disposals	-1,853	-22,017	-878	-143	-216	-3,755	**-28,862**
31 December 2024	109,953	367,130	17,204	5,553	4,561	21,415	**525,816**
Accumulated depreciation and impairment							
1 January 2024	45,594	301,513	12,713	0	0	9,805	**369,625**
Currency translation adjustments	906	9,171	343	0	0	346	**10,766**
Additions from depreciation	3,110	18,257	1,548	0	0	3,041	**25,956**
Transfers	-36	29	7	0	0	0	**0**
Disposals	-1,584	-19,717	-911	0	0	-3,380	**-25,592**
31 December 2024	47,990	309,253	13,700	0	0	9,812	**380,755**
Carrying amount							
31 December 2024	**61,963**	**57,877**	**3,504**	**5,553**	**4,561**	**11,603**	**145,061**
31 December 2023	**59,097**	**52,632**	**3,146**	**3,696**	**2,320**	**9,545**	**130,436**

2023

in TEUR	Land and buildings	Technical plant and machinery	Other equipment, operating and office equipment	Advance payments	Assets under construction	Right of use assets	Total
Cost							
1 January 2023	105,139	361,007	14,617	1,350	2,163	17,663	**501,939**
Currency translation adjustments	-2,345	-8,700	-276	-89	-45	-396	**-11,851**
Business combinations	0	146	22	0	0	0	**168**
Additions	2,432	24,697	1,803	4,667	1,887	2,719	**38,205**
Reclassifications to assets held for sale	-134	3,075	557	-2,232	-1,685	0	**-419**
Transfers	-401	-26,080	-864	0	0	-636	**-27,981**
31 December 2023	104,691	354,145	15,859	3,696	2,320	19,350	**500,061**
Accumulated depreciation and impairment							
1 January 2023	43,865	314,322	12,217	0	0	7,734	**378,138**
Currency translation adjustments	-864	-7,154	-218	0	0	-228	**-8,464**
Additions from depreciation	3,027	17,909	1,473	0	0	2,894	**25,303**
Reclassifications to assets held for sale	-33	-37	70	0	0	0	**0**
Disposals	-401	-23,527	-829	0	0	-595	**-25,352**
31 December 2023	45,594	301,513	12,713	0	0	9,805	**369,625**
Carrying amount							
31 December 2023	**59,097**	**52,632**	**3,146**	**3,696**	**2,320**	**9,545**	**130,436**
31 December 2022	**61,274**	**46,685**	**2,400**	**1,350**	**2,163**	**9,929**	**123,801**

The Company has production facilities in the following countries: Austria, the US, Vietnam, and Singapore. Service and maintenance support sites as well as sales outlets are maintained in the US, Canada, the UK, Singapore, the United Arab Emirates, Saudi Arabia, Russia, Mexico, and Brazil.

As of 31 December 2024, purchase commitments for investments in property, plant and equipment amounted to TEUR 9,081 (previous year: TEUR 9,698).

For details on capitalized right-of-use assets see Note 18.

Note 9 – Intangible assets

The gross carrying amounts and the accumulated amortization of intangible assets are summarized below:

2024

in TEUR	Goodwill	Technology	Customer base	Other intangible assets	Total
Cost					
1 January 2024	245,241	68,693	33,620	17,906	**365,460**
Currency translation adjustments	9,471	2,031	1,575	763	**13,840**
Additions	0	0	0	587	**587**
Transfers	0	0	0	0	**0**
Disposals	0	0	0	-1,523	**-1,523**
31 December 2024	254,712	70,724	35,195	17,733	**378,364**
Accumulated amortization and impairments					
1 January 2024	106,834	60,561	29,279	11,366	**208,040**
Currency translation adjustments	1,069	1,631	1,338	464	**4,502**
Additions from amortization	0	2,812	933	2,146	**5,891**
Disposals	0	0	0	-1,374	**-1,374**
31 December 2024	107,903	65,004	31,550	12,602	**217,059**
Carrying amount					
31 December 2024	**146,809**	**5,720**	**3,645**	**5,131**	**161,305**
31 December 2023	**138,407**	**8,132**	**4,341**	**6,540**	**157,420**

2023

in TEUR	Goodwill	Technology	Non-compete agreements	Customer base	Other intangible assets	Total
Cost						
1 January 2023	243,574	70,064	9,648	37,200	15,715	**376,201**
Currency translation adjustments	-7,053	-2,089	-122	-953	-463	**-10,680**
Business combinations	8,720	2,991	0	4,766	1,302	**17,779**
Additions	0	0	0	0	1,992	**1,992**
Transfers	0	0	0	0	419	**419**
Disposals	0	-2,273	-9,526	-7,393	-1,059	**-20,251**
31 December 2023	245,241	68,693	0	33,620	17,906	**365,460**
Accumulated amortization and impairments						
1 January 2023	109,065	62,076	9,648	37,200	11,713	**229,702**
Currency translation adjustments	-2,231	-1,741	-122	-761	-255	**-5,110**
Additions from amortization	0	2,499	0	233	967	**3,699**
Disposals	0	-2,273	-9,526	-7,393	-1,059	**-20,251**
31 December 2023	106,834	60,561	0	29,279	11,366	**208,040**
Carrying amount						
31 December 2023	**138,407**	**8,132**	**0**	**4,341**	**6,540**	**157,420**
31 December 2022	**134,509**	**7,988**	**0**	**0**	**4,002**	**146,499**

As of 31 December 2024, purchase commitments for acquisitions of intangible assets amounted to TEUR 651 (previous year: TEUR 766).

1. Goodwill

Goodwill is attributable to the following cash generating units and segments:

in TEUR	31.12.2024	31.12.2023
Segment "Advanced Manufacturing & Services" (AMS)		
Knust-Godwin LLC	12,945	12,171
SCHOELLER-BLECKMANN Oilfield Technology GmbH	4,655	4,655
Schoeller-Bleckmann Darron (Aberdeen) Limited	798	798
Segment "Oilfield Equipment" (OE)		
The WellBoss Company, LLC	104,395	98,176
DSI FZE	24,016	22,607
Total	**146,809**	**138,407**

In 2024, the global economy recorded GDP growth of around 3.2 %, in line with the previous year (2023: 3.3 %). Advanced economies recorded growth of 1.7 % in 2024, while emerging and developing economies grew by 4.2 %. In 2024, the global oil and gas markets navigated a complex landscape shaped by a slowdown of oil demand growth in China, OPEC+ production cuts and geopolitical tensions. The oilfield service industry in the US has seen a slower than anticipated activity level in 2024, impacted by a consolidation of market players as well as ongoing spending discipline. Internationally, the industry has seen broad-based growth, with global exploration and production spending (E&P spending) increasing by 2.6 % compared to the previous year. The current high level of E&P spending is expected to level off in 2025, with a decline in the US being offset by growth in the international markets. Global demand for energy, and oil and gas in particular, are the main drivers of SBO's business development. According to the International Energy Agency (IEA), global energy demand has grown by an average of 2 % annually over the last two decades. The consequences of the "energy crisis", which was triggered by the Russian war of aggression on Ukraine, have clearly demonstrated the dependence on current energy sources such as oil and gas and their consequences for the economy and society. The products and services of the oilfield service industry are essential in order to be able to meet the increasing global demand for energy. The general conditions described above represent the starting point for the valuation of the cash-generating units as of 31 December 2024.

All cash generating units are measured based on the value in use by discounting expected future cash flows using an after-tax cost of capital rate (WACC = weighted average cost of capital). The WACC was determined based on the current market data for comparable companies in the same industry segment, taking into account country-specific inflation expectations. The detailed planning period covers 5 years (previous year: 5 years), and the cash flows are based on budget plans prepared by management.

For deriving cash flows in the terminal value, a constant growth rate of 1 % (previous year: 1 %) was assumed for all cash generating units. The long-term growth expectations were derived on the basis of studies relating to global energy demand and the underlying energy mix. Long-term studies on global energy demand, such as the World Energy Outlook 2024 of the International Energy Agency (IEA), anticipate a worldwide increase in demand for oil and gas well beyond the detailed planning period of the impairment tests, which is currently served by SBO's largest customers. As SBO's business model is not the production, refining or sale of these fossil fuels, but rather the high-precision manufacturing and development of products for the energy industry, even a significant reduction in the production of oil and gas would not immediately end SBO's business model. The energy sector is undergoing a transition, with the aim of gradually replacing fossil fuels with renewable energies in order to reduce greenhouse gas emissions. The share of renewable energies in the overall global energy mix is therefore set to increase in future. However, due to the constantly growing absolute demand for energy, the expansion of renewable energies cannot replace fossil fuels or reduce them to an extent that would no longer allow the oilfield service industry to grow.

Furthermore, the demand for SBO products is not directly linked to the expected output of oil and gas, but to the framework conditions for the development of these resources. Increasingly complex drilling and completion projects require high-end equipment, which requires the manufacturing know-how, high precision and product innovation of companies like SBO. In summary, the growth assumptions from SBO's point of view can be regarded as appropriate, also taking into account the energy transition.

The following discount rates were applied as of 31 December 2024 and 31 December 2023:

WACC (BEFORE TAX)

in %	31.12.2024	31.12.2023
Segment "Advanced Manufacturing & Services" (AMS)		
Knust-Godwin LLC	11.7 %	11.9 %
SCHOELLER-BLECKMANN Oilfield Technology GmbH	12.7 %	12.6 %
Schoeller-Bleckmann Darron (Aberdeen) Limited	12.3 %	12.9 %
Segment "Oilfield Equipment" (OE)		
The WellBoss Company, LLC	12.4 %	12.4 %
DSI FZE	13.0 %	12.9 %

The change of discount rates compared to the previous year largely results from lower beta factors (derived from an unchanged peer group) and an update of the composition of the weighted country risk premiums.

Cash flows were determined based on revenue forecasts and planned capital expenditures. The value in use of a cash generating unit is impacted the most by sales revenues. Forecasts of sales and cash flows take into account the cyclicality of the industry derived from historical experience on the one hand, and long-term developments of the sales market on the other hand. Medium-term sales forecasts are based on the expected business development in the energy sector and the oilfield service industry in particular. This is derived from expected drilling activities, the geographic sales markets, and company-specific developments. In addition, margin forecasts are derived from the expected product mix and cost developments based on expected developments of material prices and planned capital expenditures. The estimated personnel development (based on planned headcount, required qualifications of employees needed and expected personnel cost based on the current economic situation) are also taken into account.

These annual impairment tests are based on the medium-term plans updated as part of the annual budgeting process, which take into account the general conditions described above. The updated medium-term plans assume continued growth in the energy industry and a sustained high level of activity in the oilfield service industry. Risks related to climate change and their possible consequences on the economic activities of SBO Group and consequently the values in use determined as of 31 December 2024 are considered to be low as stated in Note 4.17. Physical climate risks such as heat, wind, precipitation, flood, sea level rise, or erosion are considered low for significant SBO (production-) sites, important customers and major suppliers of SBO group. Adaptation of the (production) sites to changed conditions caused by climate change beyond the usual extent to maintain business operations is therefore not expected to an extent that would require a material adjustment to the cash flow forecasts. The main energy source required in the manufacturing process is electricity, which is already largely generated from renewable energy sources. Energy costs account for a low share of production costs in a low single-digit percentage range. In summary, the planning assumptions of the cash-generating units carrying goodwill do not contain any material assumptions in connection with climate change in the form of increased investments or expenses.

Similarly, risks in connection with climate change do not require any significant adjustments to the valuation of property, plant and equipment (e.g. shortening the useful life of property, plant and equipment). This was confirmed by climate scenario analyses for key production sites in Austria, the US and the Middle East. SBO therefore considers the assumed medium and long-term growth expectations to be appropriate, even taking climate change into account.

The impairment tests carried out did not result in any impairment needs. Changes in the carrying amounts of goodwill of all other cash generating units in 2024 resulted from foreign currency translation.

As of 31 December 2024 a sensitivity analysis was performed for all cash generating units carrying goodwill. As the value in use reacts to changes in the assumptions regarding cash flows and the discount factors in particular, the analysis on key assumptions took into account an isolated increase in the discount factor by 2 percentage points (31 December 2023: 2 percentage points) as well as a reduction of cash flows by 10 % (31 December 2023: 10 %), as deemed possible by management. Although risks related to climate change are considered to be low, the sensitivity analyses were performed considerig a negative growth rate of minus 1 percentage point in the terminal value (31 December 2023: minus 1 percentage point) to account for any climate policy risks that could have adverse consequences for SBO’s economic activities. This analysis resulted in no impairment loss on any of the listed cash generating unit.

2. Other intangible assets

The carrying amounts of OTHER INTANGIBLE ASSETS as of 31 December 2024 include intangibles acquired in the course of the business combination Praxis Completion Technology FZCO (now: The Wellboss Company FZE) in 2023. These refer to technology with a useful life of 7 years (carrying amount of 31 December 2024: TEUR 2,505) and customer relationships (carrying amount as of 31 December 2024: TEUR 3,645) with a useful life of 5 years. For further details regarding the business combination Praxis see Note 36.

Furthermore, technology as well as trademarks with a useful life of ten years, acquired as part of the initial recognition of Downhole Technology, LLC (now The WellBoss Company, LLC) in 2016 are included.

In addition, other intangible assets include technologies, customer base and trademarks from business combinations in previous years, which were already fully amortized in previous years.

OTHER INTANGIBLE ASSETS also include rights of use for IT software.

Note 10 – Long-term receivables and assets

This item mainly consists of interest-bearing loans granted to the management of companies included in the scope of consolidation for the acquisition of shares or profit participation rights in these companies (see also Note 17). The Company has only a limited credit risk as the shares must be returned to the Company if the loan conditions are not satisfied. The loans must be repaid pro rata on an ongoing basis; full repayment must be made at the latest when the shares or profit participation rights are transferred back and therefore at the latest when the employment relationship ends.

in TEUR	**31.12.2024**	**31.12.2023**
Loans	1,412	2,012
Other receivables and assets	1,325	1,539
Total	**2,737**	**3,551**

As of 31 December 2024 and 31 December 2023 no impairments were required. There were no overdue receivables.

No collateral was received for the other receivables and assets listed.

Note 11 – Deferred taxes

The deferred tax assets and liabilities result from the following items:

in TEUR	31.12.2024		31.12.2023	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment	1,317	-3,989	1,545	-4,972
Other intangible assets (differences in useful lives)	2,028	-588	4,432	-435
Goodwill and other intangible assets (measurement differences)	25,003	-11,320	23,301	-9,984
Inventories (measurement differences)	7,816	-36	6,407	-79
Other items (measurement differences)	2,796	-1,582	1,471	-225
Provisions	2,366	0	2,270	-61
Foreign currency effects from elimination of intercompany balances	117	0	-40	0
Unused tax losses	3,472	0	5,748	0
Subtotal	**44,915**	**-17,515**	**45,134**	**-15,756**
Offset within legal tax units and jurisdictions	-16,843	16,843	-15,496	15,496
Total	**28,072**	**-672**	**29,638**	**-260**

Deferred taxes amounting to TEUR 8,819 (previous year: TEUR 3,567) relating to unused tax losses of TEUR 40,869 (previous year: TEUR 15,920) for which their future use does not meet the level of certainty required by IAS 12 based on the current medium-term plan were not recognized or adjusted. Thereof, TEUR 2,646 will expire after 2029 (previous year: TEUR 5,827 will expire after 2028) while TEUR 38,223 (previous year: TEUR 10,093) can be carried forward indefinitely.

The gross deferred tax assets include tax claims of a company in North America and a company in the UK, that generated losses in the financial year and whose deferred tax assets exceeded the deferred tax liabilities by TEUR 800 (previous year: TEUR 2,815) and TEUR 1,016 respectively. The recognition of these deferred tax assets as of 31 December 2024 is based on the implementation of organizational measures that have already taken place and thus the expected elimination of the loss-generating expenses as well as customer orders already received.

There are outside basis differences (i.e. between the tax base of equity interests and the pro-rata equity) at subsidiaries included in the consolidated financial statements, in particular from retained earnings and losses not covered by equity. As of 31 December 2024, timing differences amounted to TEUR 159,559 (previous year: TEUR 136,137), because distributions or disposals of equity investments of individual companies would generally be taxable. However, as the Group is not planning any distributions or disposals for these companies in the foreseeable future, no deferred taxes were recognized in accordance with IAS 12.39. In the absence of planned distributions, no withholding taxes were recognized as of 31 December 2024 (previous year: TEUR 0).

Note 12 – Liabilities to banks

As of 31 December 2024, the current liabilities to banks were as follows:

2024		
Currency	**Amount in TEUR**	**Interest rate in %**
GBP loans	7,236	6.10 % variable
USD loans	11,551	5.98 % - 6.17 % variable
Export promotion loans in EUR	24,000	2.93 % – 3,20 % variable
Total	**42,787**	

As of 31 December 2023, the current liabilities to banks were as follows:

2023		
Currency	**Amount in TEUR**	**Interest rate in %**
GBP loans	6,904	6.31 % variable
USD loans	7,240	5.39 % variable
Export promotion loans in EUR	24,000	4.43 % – 4.70 % variable
Total	**38,144**	

The export promotion loans represent revolving credit facilities that can be utilized by the Company on a permanent basis subject to compliance with certain credit agreements. In accordance with the export promotion guidelines, receivables in the amount of TEUR 28,800 (previous year: TEUR 28,800) were agreed as collateral for these loans.

Note 13 – Other liabilities (current)

Other current liabilities break down as follows:

in TEUR	31.12.2024	31.12.2023
Other non-financial liabilities		
Unused vacation	2,248	2,649
Other personnel expenses	20,117	19,589
Tax liabilities (without corporate income taxes)	6,335	7,066
Social security and other employee benefits	2,590	2,794
Refund liabilities according to IFRS 15	1,072	834
Contract liabilities according to IFRS 15	609	860
Subtotal other non-financial liabilities	**32,971**	**33,792**
Other financial liabilities		
Deferred compensation for business combination Praxis	4,081	0
Accrued interest	4,413	2,355
Derivatives	1,122	15
Miscellaneous other liabilities	11,075	9,965
Subtotal other financial liabilities	**20,691**	**12,335**
Total other liabilities	**53,662**	**46,127**

Miscellaneous other financial liabilities include various accruals for customer credits, commissions and other outstanding invoices for services received.

For the deferred compensation in connection with the acquisition of Praxis, which was reported under non-current liabilities in 2023, see Note 36.

Changes in contract liabilities (advance payments received and accrued revenue) for the years 2024 and 2023 are as follows:

in TEUR	2024	2023
Contract liabilities as of 1 January	860	6,612
Prepayments received	1,257	618
Recognized as revenues	-1,523	-6,282
Currency translation adjustments	15	-88
Contract liabilities as of 31 December	**609**	**860**

Note 14 – Other provisions

The other provisions developed as follows:

in TEUR	01.01.2024	Utilization	Reversal	Additions	Currency translation adjustments	31.12.2024
Warranties and guarantees	3,571	-71	0	621	14	4,135
Other	83	0	0	19	0	102
Total	**3,654**	**-71**	**0**	**640**	**14**	**4,237**

Note 15 – Long-term loans including current portion (amortization for the following year)

As of 31 December 2024, long-term loans amount to TEUR 327,857. Thereof, an amount of TEUR 29,786 is to be repaid as scheduled during the next year. In total, long-term loans were comprised of the following:

2024				
Currency	**Amount in TEUR**	**Interest rate in %**	**Term**	**Repayment**
EUR	15,000	3.880 % fixed	2024 – 2031	annually from 2026
EUR	15,500	3.785 % fixed	2024 – 2031	annually from 2028
EUR	30,000	4.317 % fixed	2024 – 2029	bullet loan
EUR	15,000	3.860 % fixed	2024 – 2029	bullet loan
EUR	68,000	3.785 % fixed	2024 – 2029	bullet loan
EUR	20,000	3.538 % fixed	2024 – 2029	bullet loan
EUR	18,000	4.726 % variable	2024 – 2029	bullet loan
EUR	6,250	4.910 % fixed	2023 – 2029	annually from 2024
EUR	20,000	4.533 % variable	2023 – 2028	bullet loan
EUR	10,000	4.405 % variable	2023 – 2028	bullet loan
EUR	10,000	4.125 % variable	2023 – 2028	bullet loan
EUR	3,000	2.445 % fixed	2018 – 2028	bullet loan
EUR	3,750	4.222 % variable	2023 – 2027	semi-annually from 2024
EUR	20,500	2.352 % fixed	2018 – 2027	bullet loan
EUR	4,286	1.832 % fixed	2018 – 2027	annually from 2021
EUR	8,357	1.732 % fixed	2018 – 2027	annually from 2021
EUR	1,714	4.045 % variable	2018 – 2027	annually from 2021
EUR	26,000	2.100 % fixed	2020 – 2026	bullet loan
EUR	10,000	5.497 % variable	2020 – 2026	bullet loan
EUR	17,000	1.900 % fixed	2020 – 2025	bullet loan
EUR	3,000	5.298 % variable	2020 – 2025	bullet loan
EUR	2,500	1.707 % fixed	2018 – 2025	anually from 2022
	327,857			

As of 31 December 2024, no loans were backed by collateral. Furthermore, the contractual terms do not contain any covenants according to which loans can be called due if individual financial covenants are breached.

See Note 31 for fair values; see Note 32 for interest rate risks.

The total amount of long-term loans as of 31 December 2023 of TEUR 216,477 were comprised of the following:

2023

Currency	Amount in TEUR	Interest rate in %	Term	Repayment
EUR	7,500	4.910 % fixed	2023 – 2029	annually from 2024
EUR	10,000	5.022 % variable	2023 – 2028	bullet loan
EUR	10,000	5.479 % variable	2023 – 2028	bullet loan
EUR	20,000	5.380 % variable	2023 – 2028	bullet loan
EUR	3,000	2.445 % fixed	2018 – 2028	bullet loan
EUR	5,000	5.466 % variable	2023 – 2027	semi-annually from 2024
EUR	5,714	1.832 % fixed	2018 – 2027	annually from 2021
EUR	11,143	1.732 % fixed	2018 – 2027	annually from 2021
EUR	3,429	5.400 % variable	2018 – 2027	annually from 2021
EUR	20,500	2.352 % fixed	2018 – 2027	bullet loan
EUR	10,000	6.049 % variable	2020 – 2026	bullet loan
EUR	27,500	2.100 % fixed	2020 – 2026	bullet loan
EUR	2,625	1.900 % fixed	2020 – 2025	quarterly from 2023
EUR	5,000	1.707 % fixed	2018 – 2025	annually from 2022
EUR	4,500	1.961 % fixed	2018 – 2025	bullet loan
EUR	3,000	5.841 % variable	2020 – 2025	bullet loan
EUR	37,500	1.900 % fixed	2020 – 2025	bullet loan
EUR	66	0.000 % fixed	2008 – 2024	quarterly from 2011
EUR	30,000	1.782 % fixed	2018 – 2024	bullet loan
	216,477			

In total, loans in the amount of TEUR 66 were backed by collateral as of 31 December 2023. They relate to lien on machinery with a carrying amount of TEUR 0.

Note 16 – Provisions for employee benefits

As of the reporting date, the provisions for employee benefits consisted of the following:

in TEUR	31.12.2024	31.12.2023
Severance payments	3,514	3,470
Jubilee payments	2,660	2,518
Total	**6,174**	**5,988**

The actuarial assumptions used for calculating the provisions of severance and jubilee payments were as follows:

	2024	2023
Discount rate	3.40%	3.50%
Salary increases	4.00%	4.50%
Employee turnover rate (for jubilee payments)	0.0% - 15.0%	0.0 – 15.0%

Provisions were calculated using the Pagler & Pagler's AVÖ 2018-P mortality tables (previous year: AVÖ 2018-P). Remeasurements of provisions for severance payments (actuarial gains or losses) are recognized in OTHER COMPREHENSIVE INCOME, in accordance with IAS 19.

No contributions were made to separately managed funds for the obligations presented.

Provisions for severance payments

The provision for severance payments developed as follows:

in TEUR	2024	2023
Present value of severance benefit obligation as of 1 January	3,470	4,517
Current service cost	128	714
Interest cost	121	172
Total expenses for severance payments	**249**	**886**
Remeasurements	-205	463
Current severance payments	0	-2,396
Present value of severance benefit obligation as of 31 December	**3,514**	**3,470**

The expenses shown in the table are included in the consolidated profit and loss statement within personnel expenses of each functional area (see Note 22).

Remeasurements of provisions for severance payments recognized in OTHER COMPREHENSIVE INCOME in accordance with IAS 19 are comprised of the following:

in TEUR	2024	2023
Remeasurement of obligations		
from changes to financial assumptions	-135	118
from historical experience	-70	345
Total	**-205**	**463**

The average term of the severance obligations as of 31 December 2024 was 10.3 years (previous year: 12.0 years).

Sensitivity analysis

The following sensitivity analysis shows the effects on the obligation resulting from changes in key actuarial assumptions. One significant influencing factor was changed in each case, while the other influencing factors were kept constant. In reality, however, it is rather unlikely that these factors will not correlate. The changed obligation was determined in line with the actual obligation, using the projected unit credit method (PUC-method) in accordance with IAS 19.

2024

in TEUR		Present value of obligation (DBO) 31.12.2024	
	Change in assumption	Change in provision given an increase in assumption	Change in provision given a decrease in assumption
Discount rate	+/- 0.5 percentage point	-170	184
Increase in salaries	+/- 0.5 percentage point	173	-162

2023

in TEUR		Present value of obligation (DBO) 31.12.2023	
	Change in assumption	Change in provision given an increase in assumption	Change in provision given a decrease in assumption
Discount rate	+/- 1.0 percentage point	-373	442
Increase in salaries	+/- 1.0 percentage point	413	-357

Provision for jubilee payments

The provision for jubilee payments developed as follows:

in TEUR	2024	2023
Present value of jubilee payment obligation as of 1 January	2,518	2,099
Current service cost	192	163
Interest cost	88	79
Total expenses for jubilee payments	**280**	**242**
Remeasurements	-103	193
Current jubilee payments	-35	-16
Present value of jubilee payment obligation as of 31 December	**2,660**	**2,518**

Defined contribution pension plans

Payments made in connection with defined contribution pension and employee benefit plans were expensed and amounted to TEUR 1,360 in the 2024 financial year (previous year: TEUR 1,435). Contributions of approximately TEUR 1,200 are expected for the following year.

Note 17 – Other liabilities (non-current)

Other non-current liabilities break down as follows:

in TEUR	31.12.2024	31.12.2023
Management interests	928	1,162
Participation rights	3,918	4,186
Deferred compensation for business combination Praxis	0	3,587
Other liabilities	129	1,296
Total	**4,975**	**10,231**

For the deferred compensation relating to the business combination Praxis, which was reclassified to current liabilities in 2024, see Note 36.

The management of the following companies included in the scope of consolidation held shares in their respective companies:

Company	31.12.2024	31.12.2024
Schoeller-Bleckmann Energy Services L.L.C.	1.00 %	2.00 %
Schoeller-Bleckmann Darron (Aberdeen) Limited	6.00 %	6.00 %

Management therefore holds a proportionate interest in these companies.

The management of the following companies included in the scope of consolidation held participation rights in their respective companies:

Company	31.12.2024	31.12.2023
DSI FZE	0.40 %	0.40 %
SCHOELLER-BLECKMANN Oilfield Technology GmbH	0.85 %	0.85 %
The WellBoss Company, LLC	1.00 %	1.30 %
D-TECH Drilling Tools, Inc	1.00 %	1.00 %

The interest expense and interest income recognized for management interests and participation rights is reported under INTEREST EXPENSES and INTEREST INCOME (see Note 4.6).

Note 18 – Leasing

The capitalized right-of-use assets are allocated to following asset categories:

in TEUR	31.12.2024	31.12.2023
Land and buildings	9,460	7,531
Other equipment, operating and office equipment	2,143	2,014
Total	**11,603**	**9,545**

Right-of-use assets are amortized on a straight-line basis according to the lease term and considering extension options. Amortization breaks down as follows:

in TEUR	2024	2023
Land and buildings	2,145	2,124
Other equipment, operating and office equipment	896	770
Total	**3,041**	**2,894**

The maturity analysis of undiscounted lease payments included in the present value of lease liabilities as of 31 December 2024 breaks down as follows:

in TEUR	31.12.2024	31.12.2023
due < 1 year	2,892	2,497
due 2 – 5 years	6,591	4,767
due > 5 years	7,071	6,686
Total of undiscounted lease payments	**16,554**	**13,950**

Amounts recognized in profit and loss in 2024 break down as follows:

in TEUR	2024	2023
Interest expenses for lease liabilities	372	343
Expenses for short-term leases	1,035	662
Expenses for low value leases	19	17

The following amounts were recognized in the cash flow statement in the 2024 financial year:

in TEUR	2024	2023
Total cash outflow relating to leases	4,428	3,877

As of 31 December 2024, there were no leases that had already been entered into but had not yet commenced. As of 31 December 2023, future cash outflows of TEUR 2,969 were expected from such leases.

Note 19 – Share capital

The Company's share capital as of 31 December 2024 as well as of 31 December 2023 was EUR 16 million and is divided into 16 million shares with a par value of EUR 1.00 each.

In the Annual General Meeting from 23 April 2019 as well as from 25 April 2024 the Executive Board was authorized for a period of five years to increase the share capital by up to TEUR 1,600 by issuing new shares, with the approval of the Supervisory Board. At the Annual General Meetings on 28 April 2022 and 25 April 2024 the Executive Board was authorized to acquire treasury shares of the Company up to a maximum of 10 % of the share capital for a period of 30 months in each case. In the 2024 and 2023 financial years the company did not make use of the authorization to acquire treasury shares.

As of the 2024 reporting date, the Company held 240,535 treasury shares which corresponds to 1.50 % of the share capital with a cost of TEUR 7,798. The number of shares outstanding as of 31 December 2024 and 31 December 2023 was therefore 15,759,465 shares.

As of 31 December 2024, Berndorf Industrieholding AG, Vienna held approximately 33.6 % of the share capital (previous year: approximately 33.4 %).

Note 20 – Reserves

Austrian law requires the formation of a LEGAL RESERVE amounting to 10 % of the Company's nominal share capital. As long as the legal reserve and other restricted capital reserves do not reach this amount, the Company is required to allocate 5 % of its annual net profit, reduced by a loss carried forward to the legal reserve. Only the annual financial statements of the parent company prepared in accordance with Austrian accounting principles are relevant for the formation of this reserve. No further allocation is required because the amount of the reserve already recognized is sufficient.

The CURRENCY TRANSLATION RESERVE mainly contains currency translation differences from the inclusion of financial statements of foreign subsidiaries in the consolidated financial statements. Currency translation differences and the associated income tax effects from long-term intragroup foreign currency receivables that qualify as part of a net investment in a foreign entity are also included in this position. The change in 2024 in the amount of TEUR 4,181 (previous year: TEUR -1,794) is recognized in other income in the STATEMENT OF COMPREHENSIVE INCOME.

RETAINED EARNINGS include current income after tax according to the income statement and in addition, actuarial gains and losses from the remeasurement of the net debt from defined benefit obligations. These will not be reclassified to the income statement in future periods. Furthermore, in 2023 an amount of TEUR 2,100 was reclassified from CAPITAL RESERVE to RETAINED EARNINGS in connection with the fulfilment of the share-based compensation program (see Note 29). Accordingly, no further reclassification was made in the 2024 financial year.

In the 2024 financial year a dividend of TEUR 31,518 (previous year: TEUR 31,459) was distributed relating to a share capital eligible for dividends of TEUR 15,759 (previous year: TEUR 15,729). Accordingly, the dividend per share amounted to EUR 2.00 (previous year: EUR 2.00).

Note 21 – Sales revenues

Sales break down as follows:

in TEUR	Advanced Manufacturing & Services		Oilfield Equipment		Total	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Product sales	264,812	305,072	154,698	123,391	419,510	428,463
Services and repairs	15,874	18,432	7,946	5,409	23,820	23,841
Rental revenue	4,603	5,183	112,513	128,384	117,116	133,567
Total	**285,289**	**328,687**	**275,157**	**257,184**	**560,446**	**585,871**

in TEUR	Advanced Manufacturing & Services		Oilfield Equipment		Total	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
North America	119,881	142,935	163,081	161,156	282,962	304,091
Europe	45,114	60,461	5,818	7,723	50,932	68,184
Middle East	12,024	14,620	47,394	32,088	59,418	46,708
Asia	94,093	94,466	16,143	22,344	110,236	116,810
Central and Latin America	1,344	1,994	36,979	27,338	38,323	29,332
Other	12,833	14,211	5,742	6,535	18,575	20,746
Total	**285,289**	**328,687**	**275,157**	**257,184**	**560,446**	**585,871**

Revenues are allocated based on the customer's location. In 2024 sales revenues of TEUR 466,200 relate to performance obligations which were satisfied at a point in time (previous year: TEUR 455,206) and TEUR 114,246 to performance obligations which were satisfied over time (previous year: TEUR 130,665) (mainly rental revenue).

The Company rents out drilling tools under rental contracts with terms of generally less than a year. Apart from a few exceptional cases, rental income is charged according to use and is therefore variable.

Note 22 – Additional breakdown of expenses

As the Company classifies its expenses by function following the cost of sales method, the following additional disclosures are required by IAS 1 (presentation using the nature of expense method):

in TEUR	2024	2023
Sales	**560,446**	**585,871**
Cost of materials	-221,620	-245,607
Personnel expenses	-150,822	-158,534
Change in inventory	-9,690	25,227
Depreciation of property, plant and equipment	-25,956	-25,303
Amortization of other intangible assets	-5,891	-3,699
Exchange loss	-13,576	-12,987
Other Expenses	-76,345	-70,767
Subtotal	**-503,900**	**-491,670**
Exchange gains	10,943	6,042
Other operating income	2,597	2,035
Subtotal other income	**13,540**	**8,077**
Profit from operations	**70,086**	**102,278**

Note 23 – Other operating income and expenses

The main items within OTHER OPERATING EXPENSES are:

in TEUR	2024	2023
Research and development expenses	10,481	8,243
Foreign exchange losses	13,576	12,987

Development costs have not been capitalized to date due to the uncertainty of the future economic benefits directly attributable to them.

The main items within OTHER OPERATING INCOME are:

in TEUR	2024	2023
Foreign exchange gains	10,943	6,042
Income from the disposal of fixed assets	1,433	662

Note 24 – Interest income and expenses

INTEREST INCOME at TEUR 5,705 (previous year: TEUR 9,038) mainly relates to bank deposits and other loans.

INTEREST EXPENSES break down as follows:

in TEUR	2024	2023
Loans	11,238	7,270
Interest on management interests and participation rights	594	931
Accrued interest on lease liabilities according to IFRS 16	372	343
Interest expenses	**12,204**	**8,544**

Note 25 – Liability from the acquisition of non-controlling interest

As part of the business combination Downhole Technology (now: The WellBoss Company, LLC) in 2016, the Company concluded an agreement with the non-controlling shareholders on the later acquisition of these non-controlling interests. SBO had already exercised its purchase option with its share in the company reaching 100 % as of 1 April 2019. The final payment of the purchase price for the last share in non-controlling interest was only made following an out of court settlement of a legal dispute in 2023. This settlement resulted in a payment of MUSD 128.7 (MEUR 119.0) in the 2023 financial year, which was recognized in the cash flow from financing activities, as well as an expense of MEUR 8.6, which was recognized in the financial result under "Expenses from the acquisition of non-controlling interests".

The development of the liability from the acquisition of non-controlling interest relating to the business combination Downhole Technology in 2023 is shown below:

in TEUR	2023
As of 1 January	99,600
Reclassification from other liabilities as of 1 January	12,381
Valuation loss	8,563
Currency translation adjustments	-1,554
Disposal from settlement	-118,990
As of 31 December	0

Note 26 – Income taxes

A reconciliation of income taxes applying the Austrian corporate tax rate to the reported Group tax rate is as follows:

in TEUR	2024	2023
Consolidated tax expense at a presumed tax rate of 23 % (previous year: 24 %) (income +/ expense -)	-14,630	-22,610
Foreign tax rate differentials	3,936	5,269
Change in domestic and foreign tax rates	294	-16
Withholding and foreign taxes	-1,483	-2,327
Valuation of investments	0	-4,520
Non-deductible expenses	-1,627	-2,960
Non-taxable income and tax allowances	518	554
Prior year adjustments	-173	789
Unrecognized tax losses	-3,438	-498
Write-down of loss carryforwards recognised in the previous year	-3,020	0
Utilization of tax losses not recognized in the previous year	730	337
Capitalization of tax losses not recognized in the previous year	200	2,683
Profit share of management interests	-10	-51
Other differences	411	715
Consolidated tax expense	**-18,292**	**-22,635**
Profit before tax	63,608	94,209
Consolidated tax rate	**28.8%**	**24.0%**

INCOME TAXES break down as follows:

in TEUR	2024	2023
Current taxes	-16,001	-23,477
Deferred taxes	-2,291	842
Total	**-18,292**	**-22,635**

The following income taxes were recognized in OTHER COMPREHENSIVE INCOME:

in TEUR	2024	2023
Current taxes		
Currency translation adjustments	-227	3
Remeasurements IAS 19	-47	111
Deferred taxes		
Currency translation adjustments	-1,022	533
Total	**-1,296**	**647**

The net deferred tax assets reported in the balance sheet were increased by TEUR 1,335 in the 2024 financial year due to currency translation effects (previous year: reduced by TEUR 898).

The Company’s dividend distribution to shareholders did not result in any income tax consequences for the company for either the 2024 financial year or the comparative period in 2023.

Note 27 – Segment reporting

The Company operates worldwide, mainly in one single industry segment, the design and manufacturing of drilling equipment for the energyindustry.

In accordance with IFRS 8, the following segment report follows the management approach, in which the entire Executive Board of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft is the chief operating decision maker monitoring the performance of the business units and deciding on the allocation of resources to the business segments.[1]

The “Advanced Manufacturing & Services” (AMS) segment comprises the production of high-alloy, non-magnetic steels and the high-precision manufacture of steels into special components for the oil, gas and other industries using innovative and additive technologies such as Direct Metal Laser Sintering (DMLS), a 3D metal printing technology.

The “Oilfield Equipment” (OE) segment offers high-efficiency tools for drilling and completion in the oil and gas industry as well as in the geothermal sector.

Management of the Company and the allocation of resources are based on the financial performance of these segments. Sales revenue as well as operating result (EBIT) are monitored separately by management for the purpose of making decisions on the allocation of resources.

[1] As of 2025, SBO‘s business divisions have been renamed. The former Advanced Manufacturing & Services division is now being referred to as „Precision Technology“, the Oilfield Equipment division has been renamed to „Energy Equipment“.

The amounts presented are a summary of the separate balance sheets and income statements of the individual companies included in the consolidated financial statements. Individual holding adjustments and consolidation entries (elimination of intercompany profit and loss and other intragroup transactions) must therefore be taken into account in order to achieve the consolidated results presented. Results in the total column correspond to those in the profit and loss statement.

Intragroup sales are made at arm's length conditions.

2024

in TEUR	Advanced Manufacturing & Services	Oilfield Equipment	SBO Holding & Consolidtion	Group
External sales	285,289	275,157	0	560,446
Intercompany sales	110,107	28,845	-138,952	0
Total sales	395,396	304,002	-138,952	560,446
Profit/loss from operations	56,733	16,699	-3,346	70,086
Capital expenditures	19,102	19,456	940	39,498
Depreciation and amortization	10,266	21,121	460	31,847
thereof impairments	0	0	0	0
Head count (average)	962	621	34	1,617
Head count (reporting date)	927	635	34	1,596

2023

in TEUR	Advanced Manufacturing & Services	Oilfield Equipment	SBO Holding & Consolidtion	Group
External sales	328,687	257,184	0	585,871
Intercompany sales	130,589	37,167	-167,756	0
Total sales	459,276	294,351	-167,756	585,871
Profit/loss from operations	80,347	31,476	-9,545	102,278
Capital expenditures	15,838	24,156	203	40,197
Depreciation and amortization	10,167	18,396	439	29,002
thereof impairments	0	0	0	0
Head count (average)	964	563	30	1,557
Head count (reporting date)	986	582	33	1,601

Referring to the results reported in column SBO-Holding & Consolidation for profit/loss from operations an amount of TEUR -666 (previous year: TEUR 592) is attributable to consolidation effects.

Geographic information

Sales break down as follows:

in TEUR	2024	2023
Austria	4,516	5,214
US	261,161	279,406
Singapore	70,054	53,947
Rest of World	224,715	247,304
Total	**560,446**	**585,871**

The revenues are allocated based on the customer’s location. There are no individual other countries with sales exceeding 10 % of the SBO Group’s total sales.

For information on the most important customers, see Note 32.

Non-current assets break down as follows:

in TEUR	2024	2023
Austria	37,926	35,688
US	203,686	196,730
United Arab Emirates	30,645	28,770
Rest of World	34,109	26,667
Total	**306,366**	**287,855**

Assets are allocated to the location of the respective company.

Note 28 – Remuneration of the executive and supervisory boards

The Executive Board’s remuneration is composed as follows:

2024

in TEUR	Base salary	Pension fund contributions	Subtotal	Performance based remuneration	Total
Klaus Mader	701	437	1,138	614	1,752
Campbell MacPherson	512	30	542	0	542
Total	**1,213**	**467**	**1,680**	**614**	**2,294**

2023

in TEUR	Base salary	Pension fund contributions	Subtotal	Performance based remuneration	Total
Gerald Grohmann	820	431	1,251	1,395	2,646
Klaus Mader	519	156	675	565	1,240
Total	**1,339**	**587**	**1,926**	**1,960**	**3,886**

The basic salary also includes non-cash benefits. The performance based remuneration components relate to amounts granted for the prior year that were paid out in the current financial year. In the 2024 financial year, the variable remuneration attributable to 2023 in the amount of TEUR 1,502 was paid out to the former CEO Gerald Grohmann, who retired from the company on 31 December 2023.

In addition, termination benefits at TEUR 3,937 were paid to the former CEO in the course of his scheduled retirement in 2023 as well as a compensation for unused vacation at TEUR 66.

Expenses for pensions and severance payments for the two members of the Executive Board amounted to TEUR 484 (previous year: TEUR 3,031), which relates to expenses for defined contribution pension agreements of TEUR 484 (previous year: TEUR 604) and for defined benefit agreements amounting to TEUR 0 (previous year: TEUR 2,427). See Note 29 for information on the voluntary severance and share-based payments in 2023.

The remuneration paid to the Supervisory Board in the 2024 financial year for the 2023 financial year amounted to TEUR 201 and was a flat reimbursement (previous year: TEUR 186).

No loans were granted to the members of the Executive or the Supervisory Board in the 2024 or 2023 financial years.

Note 29 – Share-based payments

There are currently no share-based remuneration programs at SBO.

The voluntary severance payment in the form of share-based remuneration granted to the former CEO in the 2014 financial year was fulfilled in full in the 2023 financial year as part of the scheduled departure by transferring 30,000 SBO shares. As full provision had already been made for the transfer in previous years, this did not result in any further expense for the company in 2023. At the time of transfer in 2023 the provided amount of TEUR 2,100 was reclassified from CAPITAL RESERVES to RETAINED EARNINGS (see Note 20).

Note 30 – Transactions with related parties

In the 2023 financial year, the company rented property for residential purposes at arm's length conditions to the Chief Executive Officer who retired from the company as of 31 December 2023.

Note 31 – Financial instruments

1. Derivative financial instruments

FORWARD EXCHANGE CONTRACTS

The Austrian company hedges its receivables balances denominated in US dollars and CAN dollars by concluding forward exchange contracts. All transactions are short-term exposures (3–9 months).

FORWARD EXCHANGE CONTRACTS AS OF 31 DECEMBER 2024

in TEUR	Receivables at hedged rate	Receivables at reporting date rate	Fair value
USD	27,664	28,770	-1,106
CAD	2,832	2,842	-10

FORWARD EXCHANGE CONTRACTS AS OF 31 DECEMBER 2023

in TEUR	Receivables at hedged rate	Receivables at reporting date rate	Fair value
USD	36,475	35,665	810
CAD	1,758	1,773	-15

The forward exchange contracts are measured at fair value and recognized in profit or loss since not all requirements for hedge accounting in accordance with IAS 39 are met.

2. Overview of existing financial instruments

The following table shows the financial instruments, broken down by category in accordance with IFRS 9:

CLASSIFICATION OF FINANCIAL INSTRUMENTS 31.12.2024

in TEUR			Valuation method according to IFRS 9			
	Carrying amount	No financial instrument	Financial asset at amortized cost	Financial liability at amortized cost	At fair value through profit & loss	Carrying amount financial instrument
Current assets						
Cash and cash equivalents	314,686	0	314,686			314,686
Trade receivables	131,444	0	131,444			131,444
Income tax receivable	1,546	1,546				0
Other receivables and other assets	12,590	12,584			6	6
Inventories	188,668	188,668				0
Total current assets	**648,934**	**202,798**	**446,130**	**0**	**6**	**446,136**
Non-current assets						
Property, plant and equipment	145,061	145,061				0
Goodwill	146,809	146,809				0
Other intangible assets	14,496	14,496				0
Long-term receivables and assets	2,737	1,325	1,412			1,412
Deferred tax assets	28,072	28,072				0
Total non-current assets	**337,175**	**335,763**	**1,412**	**0**	**0**	**1,412**
TOTAL ASSETS	**986,109**	**538,561**	**447,542**	**0**	**6**	**447,548**
Current liabilities						
Liabilities to banks	42,787	0		42,787		42,787
Current portion of long-term loans	29,786	0		29,786		29,786
Lease liabilities*	2,776	0		2,776		2,776
Trade payables	32,131	0		32,131		32,131
Income tax payable	9,867	9,867				0
Other liabilities	53,662	32,971		19,569	1,122	20,691
Other provisions	4,237	4,237				0
Total current liabilities	**175,246**	**47,075**	**0**	**127,049**	**1,122**	**128,171**
Non-current liabilities						
Long-term loans	298,071	0		298,071		298,071
Lease liabilities	8,273	0		8,273		8,273
Provisions for employee benefits	6,174	6,174		0		0
Other liabilities	4,975	0		4,975		4,975
Deferred tax liabilities	672	672		0		0
Total non-current liabilities	**318,165**	**6,846**	**0**	**311,319**	**0**	**311,319**
Equity						
Share capital	15,759	15,759				0
Capital reserve	59,526	59,526				0
Legal reserve	785	785				0
Other reserves	19	19				0
Currency translation reserve	63,464	63,464				0
Retained earnings	353,145	353,145				0
Total equity	**492,698**	**492,698**	**0**	**0**	**0**	**0**
TOTAL LIABILITIES AND EQUITY	**986,109**	**546,619**	**0**	**438,368**	**1,122**	**439,490**

* Lease liabilities are measured at amortized cost according to IFRS 16.

CLASSIFICATION OF FINANCIAL INSTRUMENTS 31.12.2023

in TEUR			Valuation method according to IFRS 9			
	Carrying amount	No financial instrument	Financial asset at amortized cost	Financial liability at amortized cost	At fair value through profit & loss	Carrying amount financial instrument
Current assets						
Cash and cash equivalents	162,351	0	162,351			162,351
Trade receivables	132,519	0	132,519			132,519
Income tax receivable	3,178	3,178				0
Other receivables and other assets	11,518	10,708			810	810
Inventories	205,811	205,811				0
Total current assets	**515,377**	**219,697**	**294,870**	**0**	**810**	**295,680**
Non-current assets						
Property, plant and equipment	130,436	130,436				0
Goodwill	138,407	138,407				0
Other intangible assets	19,012	19,012				0
Long-term receivables and assets	3,551	1,539	2,012			2,012
Deferred tax assets	29,638	29,638				0
Total non-current assets	**321,044**	**319,032**	**2,012**	**0**	**0**	**2,012**
TOTAL ASSETS	**836,421**	**538,729**	**296,882**	**0**	**810**	**297,692**
Current liabilities						
Liabilities to banks	38,144	0		38,144		38,144
Current portion of long-term loans	41,638	0		41,638		41,638
Lease liabilities*	2,378	0		2,378		2,378
Trade payables	39,624	0		39,624		39,624
Income tax payable	18,932	18,932				0
Other liabilities	46,127	33,792		12,320	15	12,335
Other provisions	3,654	3,654				0
Total current liabilities	**190,497**	**56,378**	**0**	**134,104**	**15**	**134,119**
Non-current liabilities						
Long-term loans	174,839	0		174,839		174,839
Lease liabilities	6,589	0		6,589		6,589
Provisions for employee benefits	5,988	5,988		0		0
Other liabilities	10,231	0		10,231	0	10,231
Deferred tax liabilities	260	260		0		0
Total non-current liabilities	**197,907**	**6,248**	**0**	**191,659**	**0**	**191,659**
Equity						
Share capital	15,759	15,759				0
Capital reserve	59,526	59,526				0
Legal reserve	785	785				0
Other reserves	19	19				0
Currency translation reserve	32,739	32,739				0
Retained earnings	339,189	339,189				0
Total equity	**448,017**	**448,017**	**0**	**0**	**0**	**0**
TOTAL LIABILITIES AND EQUITY	**836,421**	**510,643**	**0**	**325,763**	**15**	**325,778**

* Lease liabilities are measured at amortized cost according to IFRS 16.

3. Fair value of financial instruments

The Company uses the following hierarchy to determine and disclose the fair values of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for similar assets or liabilities.

Level 2: Techniques for which all inputs which have significant effects on the recognized fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recognized fair value that are not based on observable market data.

The financial instruments recognized at fair value in the consolidated financial statements and measured using level 2 are allocated as follows:

in TEUR	Balance sheet item	2024	2023
Assets			
Derivatives (FVTPL)	Other receivables and other assets	6	810
Liabilities			
Derivatives (FVTPL)	Other liabilities	-1,122	-15

There were no reclassifications between the individual measurement levels during the 2024 and 2023 reporting periods. If required, items are generally reclassified at the end of the reporting period.

The forward exchange contracts are measured on the basis of observable spot exchange rates.

For fixed-interest rate loans received, the fair value was calculated by discounting the expected future cash flows using standard market interest rates. For variable-interest rate bank loans and loans received and issued, discounting corresponds to current market rates, which is why the carrying amounts largely equal the fair values. Cash and cash equivalents, trade receivables and trade payables and all other items predominantly have short residual terms. The carrying amounts therefore correspond to the fair values as of the reporting date.

For financial instruments measured at cost, the carrying amount and the different fair value are shown in the following table:

in TEUR		2024		2023	
	Level	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Liabilities					
Loans and liabilities to banks	2	-370,644	-369,228	-254,621	-248,166

4. Net result from financial instruments

The following table shows the gains and losses (net result) by category in accordance with IFRS 9:

2024

in TEUR		Remeasurement		Derecognition / disposal		
	Impairment	Profit and loss	Other comprehensive income	Profit and loss	Other comprehensive income	Net result
At amortized cost (loans and receivables)	-1,964	0	0	-118	0	2,082
At fair value through profit or loss						
Derivatives: Forward exchange contracts	0	-1,910	0	0	0	-1,910

2023

in TEUR		Remeasurement		Derecognition / disposal		
	Impairment	Profit and loss	Other comprehensive income	Profit and loss	Other comprehensive income	Net result
At amortized cost (loans and receivables)	-1,474	0	0	-410	0	-1,884
At fair value through profit or loss						
Derivatives: Forward exchange contracts	0	-542	0	0	0	-542
Liability from the acquisition of non-controlling interest	0	-8,563	0	0	0	-8,563

The total interest expense for financial liabilities not valued at fair value through profit or loss, determined using the effective interest rate method, was TEUR 12,204 (previous year: TEUR 8,544), the corresponding interest income was TEUR 5,705 (previous year: TEUR 9,038).

Note 32 – Risk report

The business activities of the SBO Group are exposed to a variety of risks that are unseparable from global entrepreneurial activity. Effective management and control systems are in place to identify, analyze and manage these risks. The management of the individual companies monitors the operational risks and reports on them to the Group management.

From a current perspective, no risks can be identified that jeopardize the Company's existence as a going concern.

1. Macroeconomic risks

The business development of SBO is to a large extent exposed to economic cycles, in particularto the cycle of the oilfield service industry. In order to minimize the associated fluctuation risk in bookings, the group's production entities are designed to be as flexible as possible.

The SBO Group's business risks have not changed fundamentally in the 2024 financial year. Starting in 2022, the Russian war of aggression in Ukraine had a strong impact globally, but particularly on the energy markets, and intensified activities in other regions such as the US, North Africa and the Middle East. There were only limited bottlenecks in the supply chains, with no impact on production output overall. Economic activities with Russia are subject to far reaching restrections. Deliveries from the Group to Russia were halted completely already in 2022 and will not be resumed in the foreseeable future. The subsidiary operating as a service and repair shop in Russia runs its operations autonomously. The reorganization measures of individual customers in the region did not lead to any significant reassessment of the market; in line with general expectations, existing activities were continued. Currently, there are no material circumstances that would lead to a change in the assessment of power over the investee and thus to a change in the scope of consolidation.

The energy sector is also undergoing a long-term transformation with the aim of gradually replacing fossil fuels with renewable energies, a goal that is currently being driven forward in the European Union in particular. Tighter climate policy could trigger a decline in demand for oil within the EU and affect the SBO Group's core business due to the reduced need for oil drilling tools. As explained in note 4.17, the European Union represents only a small part of SBO's sales market. Furthermore, the energy transition can only be achieved by using crude oil and natural gas, as these are important raw materials for renewable energy technologies. Gas is also an indispensable component of the energy mix and plays an essential role in the coal phase-out. Nevertheless, the SBO Group is also preparing strategically for a changing environment with regard to climate change in order to exploit new opportunities. The economic activities and locations of the SBO Group are only exposed to a small extent to physical climate risks in terms of temperature changes, wind, precipitation or erosion. As a result, overall climate-related physical risks were classified as low from a financial perspective in terms of the expenses required to avoid them. Climate risk and vulnerability analyses were prepared for key production sites in Austria, the US and the Middle East, which confirmed this expectation, also with regard to future risks.

Neither macroeconomic nor climate policy developments required the Group to make provisions in 2024.

2. Sales and procurement risks

The market for the SBO Group's products and services is determined to a large extent by the ongoing development and application of new technologies. Securing and maintaining the customer base therefore depends on the ability to offer customer-oriented new products and services.

In 2024, around 42.2% of sales were generated with the three largest customers (these are global service companies in the directional drilling market) (previous year: 42.8%). SBO counters the risk of suffering potential noticeable sales declines from the loss of a customer through continuous innovation, quality assurance measures and close customer retention.

Through SBO's international activities it is also exposed to the possible consequences of geopolitical risks and uncertainties in trade policy, in particular tariffs, which can exert pressure on supply chains and results. However, the global presence of SBO and its customers, as well as SBO's diversified procurement strategy, enables it to adapt quickly and effectively to political changes, thereby helping to mitigate these risks.

On the procurement side, raw materials, in particular alloy surcharges for non-magnetic steel, are subject to strong price fluctuations, some of which are passed on to customers as agreed.

The Company procures high-alloy non-magnetic steel, which is by far the most important raw material, to a great extent from one supplier and is therefore exposed to risks such as delayed deliveries, capacity bottlenecks or outages. From today's perspective, the Company foresees no difficulty in continuing to purchase quality steel from this supplier. However, in the event of a failure by this supplier, there are only limited short-term replacement options.

3. Substitution risks

SBO is subject to the risk of substitution of its products and technologies, which may also result in the growth of new competitors. SBO counters this risk through ongoing market observation, active proximity to customers, and proprietary innovations.

4. Financial risks

On the one hand, the company has various financial assets that result directly from its business activities, such as trade receivables, cash and cash equivalents and short-term investments. On the other hand, financial instruments are used to finance the company's business activities, such as liabilities to banks and trade payables.

The company also has derivative financial instruments whose purpose is to hedge currency risks resulting from business activities and its sources of financing. No derivatives are used for trading or speculative purposes.

The financial instruments mainly result in interest-related cash flow risks as well as liquidity, currency and credit risks for the Group.

FOREIGN CURRENCY RISKS

Foreign currency risks result from fluctuations in the value of financial instruments or cash flows due to exchange rate fluctuations.

Foreign currency risks arise in the SBO Group where balance sheet items as well as income and expenses exist or are incurred in a currency other than the local currency. Forward exchange contracts (mainly in US dollars and almost exclusively for intragroup transactions) are concluded to hedge receivables and liabilities in foreign currencies.

On a long-term average, SBO invoices approximately 80 % of its sales in US dollars. This is due to the Company's customer structure which mainly comprises companies of the oil- and gas industry headquartered in the US that settle their global activities in US dollars. Also in the long term, only around 50 % - 60 % of costs are incurred in US dollars as important production facilities are not only located in the US. For cost and opportunity reasons, however, SBO does not hedge its entire net dollar exposure. In any case, SBO's results are dependent on the USD/EUR exchange rate.

Additional risks arise from the translation of the annual financial statements of the foreign companies into the Group currency. Sales, earnings, and carrying amounts of these companies are dependent on the applicable exchange rate. Due to the significant investments in the US, one of the main sales market and headquarters of important production facilities, changes in the US dollar have a significant impact on the consolidated financial statements.

The following table shows the impact of a reasonably possible change in the US dollar exchange rate on the consolidated financial statements only with regard to changes in the value of derivative instruments (forward exchange contracts for intragroup transactions), as there are no significant trade receivables or payables that are not denominated in the functional currency of the respective Group company:

in TEUR	2024		2023	
Change in EUR/USD exchange rate	+10 Cents	-10 Cents	+10 Cents	-10 Cents
Change in profit / loss before tax	2,551	-2,551	3,368	-3,368

INTEREST RATE RISKS

Interest rate risks result from fluctuations in market interest rates that lead to a change in value of financial instruments and interest rate-related cash flows.

The majority of the long-term loans existing on the balance sheet date have fixed interest rates and are therefore not subject to any interest rate risk. The market value of these long-term loans is therefore subject to fluctuations. The interest rates of the individual loans are disclosed in Note 15. With the exception of loans and lease liabilities, no other liabilities are interest bearing and therefore are not subject to any interest rate risk.

Furthermore, the interest rate risk is reduced by the portfolio of short-term interest-bearing investments held by the company. Depending on whether the company has a surplus of funds on the investment or borrowing side, interest rate risks can therefore result from both a rise and a decrease in interest rates.

The table below shows the impact of a reasonably possible change in interest rates (impact on the interest expense for variable-interest liabilities to banks or on the interest income for variable-interest bank balances) on consolidated earnings before taxes (there is no impact on consolidated equity):

in TEUR	2024		2023	
Change in base points	+100	+200	+100	+200
Change in profit / loss before tax	672	1,344	1,430	2,860

CREDIT RISKS

The credit risk arises from the non-fulfilment of contractual obligations by business partners and the resulting loss of assets. The maximum default risk results from the carrying amount of the receivables.

The credit risk for receivables from customers can be considered low, as there are long-standing, stable business relationships with all major customers. In addition, the creditworthiness of new and existing customers is checked on an ongoing basis and outstanding receivables are monitored regularly. Provision is made for default risks by recognizing valuation allowances (see Notes 4 and 5). Neither macroeconomic developments or the Russian war of aggression on Ukraine nor climate-related risks have led to observable or expected changes in the estimated default risk.

With regard to loans to the management of subsidiaries, the credit risk is limited by the collateralization of the acquired shares (see Note 10).

For other financial assets (cash and cash equivalents), the maximum credit risk in the event of counterparty default corresponds to the carrying amount of these financial instruments. However, the credit risk here can be considered low, as only banks with a high credit rating are selected.

LIQUIDITY RISKS

Liquidity risk is the risk of not being able to raise the funds required to settle liabilities on time at all times.

Due to the Company's strong self-financing capability, the liquidity risk is relatively low. In addition to obtaining liquid funds through the operating business, external financing is obtained from banks as required. Due to the global diversification of financing options, there is no significant concentration of risk. Climate-related risks are currently not a relevant factor in the liquidity risk assessment. It is not foreseeable whether and to what extent such climate-related factors could become a risk in the future when taking out new credit lines for SBO's core business.

A key instrument of liquidity management is the ongoing monitoring of liquidity and financial planning of the operating units by Group management. Financing requirements are managed centrally on the basis of consolidated reports of the Group members.

The following tables show all contractually obligated payments as of 31 December for repayments, redemptions and interest from recognized financial liabilities including derivative financial instruments, with disclosure of the undiscounted cash flows for the following financial years:

31.12.2024

in TEUR	**Due on demand**	**2025**	**2026**	**2027**	**2028 or beyond**
Liabilities to banks	44,766	0	0	0	0
Long-term loans	0	41,653	56,896	40,013	238,466
Lease liabilities	0	2,892	2,476	1,898	9,288
Management interests and participation rights	0	0	0	0	4,846
Trade payables	0	32,131	0	0	0
Derivatives	0	1,122	0	0	0
Other	0	19,723	0	0	0
Total	**44,766**	**97,521**	**59,372**	**41,911**	**252,600**

31.12.2023

in TEUR	Due on demand	2024	2025	2026	2027 or beyond
Liabilities to banks	40,047	0	0	0	0
Long-term loans	0	48,271	61,974	49,538	79,010
Lease liabilities	0	2,497	1,757	1,361	8,335
Management interests and participation rights	0	0	0	0	5,348
Trade payables	0	39,624	0	0	0
Derivatives	0	15	0	0	0
Other	0	12,320	3,982	0	1,296
Total	**40,047**	**102,727**	**67,713**	**50,899**	**93,989**

CAPITAL MANAGEMENT

The company's primary objective is to ensure that it maintains a high credit rating and a solid equity ratio in order to support its business activities and maximize shareholder value.

In particular, the gearing ratio (net debt or net liquidity as a percentage of equity) is used to monitor and manage capital. Net debt or net liquidity comprises long-term loans and liabilities to bank, less cash and cash equivalents.

Gearing amounted to 11.4% as of 31 December 2024 (previous year: 20.6 %)

in TEUR	31.12.2024	31.12.2023
Liabilities to banks	42,787	38,144
Long-term loans	327,857	216,477
Less: cash and cash equivalents	-314,686	-162,351
Net debt	**55,958**	**92,270**
Total equity	**492,698**	**448,017**
Gearing	**11.4 %**	**20.6 %**

For the shareholders of the parent, the average long-term dividend rate aimed for is 30 % to 60 % (of the consolidated profit after tax).

Note 33 – Contingent liabilities

There were no contingent liabilities on the part of the Company as of 31 December 2024 or 31 December 2023.

Note 34 – Other obligations

Other obligations consist exclusively of short-term leases or low value leases (see Note 19) and purchase commitments for investments in property, plant and equipment and intangible assets (see Notes 8 and 9).

Note 35 – Cash flow statement

The Company's cash flow statement shows the change of cash and cash equivalents for the Company and the subsidiaries during the reporting year as a result of cash inflows and outflows. Cash and cash equivalents correspond to the cash and cash equivalents in the consolidated balance sheet and exclusively comprise cash on hand and bank balances including short-term deposits. Due to current foreign exchange regulations as of 31 December 2024, cash and cash equivalents of the subsidiaries in Russia amounting to TEUR 6,312 (previous year: TEUR 7,413) are subject to restrictions on the general use within the Group.

Within the cash flow statement, cash flows are broken down into cash flows from operating activities, from investing activities and from financing activities.

The free cash flow shown in the cash flow statement is calculated as the sum of the cash flow from operating activities and the cash flow from investing activities.

The cash flows from foreign operations were calculated by using average foreign exchange rates.

Cash flow from operating activities is calculated using the indirect method. This calculation is based on profit before income taxes and adjusted for non-cash income and expenses. This result and the balance sheet changes in net current assets (excluding cash and cash equivalents) provide the cash flow from operating activities.

Dividend payments are reported as part of financing activities.

For payments in 2023 in connection with the acquisition of non-controlling interests, see Note 25; for payments in 2023 in connection with the acquisition of subsidiaries, see Note 36.

Financial liabilities were as follows during the 2024 and 2023 financial years:

2024

in TEUR	01.01.2024	Cash changes	Non-cash changes		31.12.2024
			Foreign currency effects	Other changes	
Long-term loans including current portion	216,477	111,380	0	0	327,857
Liabilities to banks	38,144	3,696	947	0	42,787
Lease liabilities	8,967	-2,889	521	4,450	11,049
Deferred compensation business combination	3,587	0	239	255	4,081
Other financial liabilities	5,348	-1,459	150	807	4,846
Total liabilities from financing activities	**272,523**	**110,728**	**1,857**	**5,512**	**390,620**

2023

in TEUR	01.01.2023	Cash changes	Non-cash changes		31.12.2023
			Foreign currency effects	Other changes	
Long-term loans including current portion	222,529	-6,052	0	0	216,477
Liabilities to banks	30,765	7,397	-18	0	38,144
Lease liabilities	9,356	-2,859	-118	2,588	8,967
Liability from acquisition of non-controlling interest	99,600	-118,990	-1,554	20,944	0
Deferred compensation business combination	0	0	-98	3,685	3,587
Other financial liabilities	5,342	-942	-68	1,016	5,348
Total liabilities from financing activities	**367,592**	**-121,446**	**-1,856**	**28,233**	**272,523**

Note 36 – Business combinations

Year 2024:

No business combinations were carried out in 2024.

Year 2023:

On 9 October 2023 the closing for the acquisition of 100 % of the shares in Praxis Completion Technology FZCO (now: The Wellboss Company FZE) and its subsidiary, Praxis Completion Technology Arabia for Maintenance (now: The WellBoss Company for Maintenance) took place. As a result, the companies' assets and income and expenses were consolidated by the Group starting from 1 October 2023.

The Dubai-based company with a branch in Saudi Arabia is a leading supplier of packer systems and completion products in the Middle East, which isolate the annulus from the production line, thereby enabling controlled production and increasing the production rate from the well. The acquisition not only strengthened SBO's market position in the Middle East, which is considered the market with the highest growth momentum in the energy sector, but also expanded SBO's product offering with a meaningful well completion technology. In addition, the products Praxis is working on will also be used for Carbon Capture & Storage (CCS) applications. This bolt-on acquisition underlines SBO's activities in the company's attractive core business.

The purchase price allocation on the basis of the fair values determined at the time of acquisition was as follows:

in TEUR	
Purchase price paid in cash	21,731
Deferred compensation	3,685
Total consideration	**25,416**
- Net assets	-16,696
Goodwill	**8,720**

The net assets acquired were made up as follows on the basis of the fair values determined at the time of acquisition:

in TEUR	
Intangible assets	9,059
Property, plant and equipment	168
Inventories	2,910
Trade receivables	8,037
Other receivables and assets	203
Cash and cash equivalents	3,137
	23,514
Trade Liabilities	-4,578
Other liabilities and provisions	-1,425
Deferred tax liabilities	-815
Net assets	**16,696**

See Note 9 for information on acquired intangible assets.

Trade receivables and other receivables and assets corresponded to the fair value and were not impaired.

The cash outflow from the business combination amounted to:

in TEUR	
Purchase price paid in cash	21,731
Cash and cash equivalents acquired with the company	-3,137
	18,594

The goodwill determined in the course of initial recognition was allocated to the “Oilfield Equipment” segment and resulted from the expected business development and employee know-how, taking into account the expected synergies from the business combination. The goodwill recognized is currently not deductible for tax purposes. The deferred compensation represents the discounted fixed agreed residual amount of the purchase price due two years after the acquisition.

The acquisition increased reported consolidated revenue for the 2023 financial year by TEUR 5,251 and reported operating profit by TEUR 1,044. If the acquisition had taken place at the beginning of the year, consolidated revenue in 2023 would have been higher by further TEUR 16,752 and operating profit by further TEUR 3,509.

Transaction costs of TEUR 1,103 were paid in the 2023 financial year, which were recognized in administrative expenses.

See Note 9 for information on acquired intangible assets. See Note 13 and 17 for the remaining deferred compensation due in 2025.

Note 37 – Employees

The average number of employees for the year and as of the reporting date was as follows:

	Annual average		Reporting date	
	2024	**2023**	**31.12.2024**	**31.12.2023**
Blue collar	1,147	1,110	1,117	1,134
White collar	470	447	479	467
	1,617	**1,557**	**1,596**	**1,601**

The increase in the annual average number of white collar employees compared to the previous year is largely due to the full-year inclusion of employees from the business combination “Praxis” (now: The WellBoss Company FZE) recognized as of 1 October 2023. The adjustment of the previous year’s breakdown into blue collar and white collar employees was due to the standardization of one group company’s allocation criteria.

Note 38 – Events after the reporting date

No events of particular significance occurred after the balance sheet date that would have led to a different presentation of the net assets, financial position and results of operations in the consolidated financial statements as of 31 December 2024.

Note 39 – Proposed dividend

The Executive Board proposes distributing a dividend of EUR 1.75 (previous year: EUR 2.00) per share to shareholders for 2024. This results in a total distribution of MEUR 27.6 (previous year: MEUR 31.5).

Note 40 – Expenses incurred for the group auditor

The following expenses were incurred for the Group auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft:

	2024	2023
Audit fees	598	568
Other assurance services	150	17

In addition to the consolidated financial statements, the financial statements of the Austrian entities and the reporting packages of the US companies were also audited by the Group auditor in 2024 and 2023. Furthermore, for the first time in 2024 the non-financial statement was subject to a voluntary limited assurance engagement by the Group auditor.

Management Disclosures

Executive Board

Klaus Mader
Chief Executive Officer from 1 January 2024

Campbell MacPherson
Chief Operating Officer from 1 January 2024

Klaus Mader's existing Executive Board contract runs until 30 September 2028 and that of Campbell MacPherson until 31 December 2026.

Supervisory Board

Norbert Zimmermann
(Chairman)
Initial appointment: 1995
End of the current term of office: 2027

Brigitte Ederer
(Depity Chairwoman)
Initial appointment 2014
End of the current term of office: 2025

Helmut Langanger
until 25 April 2024
Initial appointment: 2003
resigned at the end of the 2024 Annual General Meeting

Simon William Caines Eyers
from 25 April 2024
Initial appointment: 2024
End of the current term of office: 2028

Wolfram Littich
Initial appointment: 2016
End of the current term of office: 2026

Sonja Zimmermann
Initial appointment: 2018
End of the current term of office: 2028

COMMITEES OF THE SUPERVISORY BOARD:

NOMINATION AND REMUNERATION COMMITTEE

Norbert Zimmermann

Helmut Langanger (until 25 April 2024)

Sonja Zimmermann

Brigitte Ederer (from 25 April 2024)

AUDIT COMMITEE

Wolfram Littich

Norbert Zimmermann

Sonja Zimmermann

Brigitte Ederer (from 20 November 2024)

Each year, at least one member of the Supervisory Board retires at the end of the Annual General Meeting, thus ensuring that at least one member can be elected to the Supervisory Board at the Annual General Meeting. Insofar as the order of retirement is not determined by the term of office, this is decided by drawing lots.

In the Supervisory Board meeting that takes place prior to the holding of an Annual General Meeting to discuss the proposed resolutions and nominations in accordance with Section 108 (1) Austrian Stock Corporation Act (Aktiengesetz, 'AktG'), a lot shall be drawn to determine which member of the Supervisory Board shall retire at the end of the following Annual General Meeting. The retiring member is immediately eligible for re-election.

Ternitz, 12 March 2025

Klaus Mader

Campbell MacPherson

Executive Board

Auditor's Report

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft, Ternitz,

and its subsidiaries ("the Group"), which comprise the Consolidated balance sheet as at 31 December 2024, and the Consolidated profit and loss statement, Consolidated statement of comprehensive income, Consolidated cash flow statement and Consolidated statement of changes in equity for the year then ended, and the Notes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code).

Basis for our Opinion

We conducted our audit in accordance with the EU Regulation No. 537/2014 ("AP Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date. Our liability as auditors is guided under Section 275 UGB.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

RECOVERABILITY OF GOODWILL

Refer to notes to the Consolidated Financial Statements "Note 4 - significant accounting principles, 9. Goodwill" and explanations to the balance sheet "Note 9 - Intangible assets" as well as general information on "Explanation 4 - significant accounting principles, 16. Estimates, judgements and assumptions".

RISK FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The recoverability of goodwill is of particular importance because in the consolidated financial statements of the company as this item reports a book value of MEUR 146.8. At least once a year and, if necessary, on an event-related basis, goodwill is subjected to an impairment test by SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft.

The impairment tests are based on assumptions and estimates. The recoverability of goodwill is essentially dependent on the management's assessment of future cash inflows and outflows, the discount rates applied, growth rates as well as the planning period considered and is therefore subject to significant estimation uncertainties.

For the consolidated financial statements, there is a risk that inappropriate assumptions and estimates may have a significant impact on the recoverable amount and thus the recoverability of goodwill in the consolidated balance sheet and the operating result in the consolidated profit and loss statement.

OUR RESPONSE

We have assessed the recoverability of goodwill as follows:

- To assess the appropriateness of the underlying internal plans, we have gained an understanding of the planning process, discussed the assumptions about growth rates and operating results in conversations with the responsible senior persons in the company and reconciled the planning data used for the valuation with the current budget figures approved by the Supervisory Board and the medium-term planning released by the Executive Board.

- To assess the adherence to planning, we compared the actual cash flows that occurred during the fiscal year in samples with the planning figures of the previous periods. We discussed any observed deviations with management.

- Our valuation specialists traced the methodology of the valuation models and assessed whether they comply with the relevant standards. The underlying assumptions in determining the cost of capital rates were compared by our valuation specialists with market and industry-specific benchmarks and the mathematical correctness of the valuation model was checked.

- The composition of the Cash Generating Unit (CGU) and the allocation of the assets, liabilities and cash flows to the CGU were reviewed.

- Additionally, we have assessed whether the disclosures in the notes with respect to the recoverability of goodwill are appropriate.

Other Information

Management is responsible for other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor's report. We expect the annual report to be provided to us after the date of the auditor's report.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information as soon as it becomes available, to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

Responsibilities of Management and Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We plan and conduct the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence on the financial information of the components within the Group, in order to form an audit opinion. We are responsible for directing, supervising and reviewing the audit activities carried out for the purposes of auditing the consolidated financial statements. We remain solely responsible for our audit opinion.

- We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.

- We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.

- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal Requirements

Group Management Report

In accordance with Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with legal requirements.

It is our responsibility to determine whether the consolidated non-financial statement has been prepared as part of the group management report, to read and assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

Management is responsible for the preparation of the group management report in accordance with Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

OPINION

In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

STATEMENT

Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

Additional Information in accordance with Article 10 AP Regulation

We were elected as auditors at the Annual General Meeting on 25 April 2024 and were appointed by the supervisory board on 8 August 2024 to audit the financial statements of Company for the financial year ending on 31 December 2024.

We have been auditors of the Company, without interruption, since the consolidated financial statements at 31 December 2023.

We declare that our opinion expressed in the "Report on the Consolidated Financial Statements" section of our report is consistent with our additional report to the Audit Committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Group.

Engagement Partner

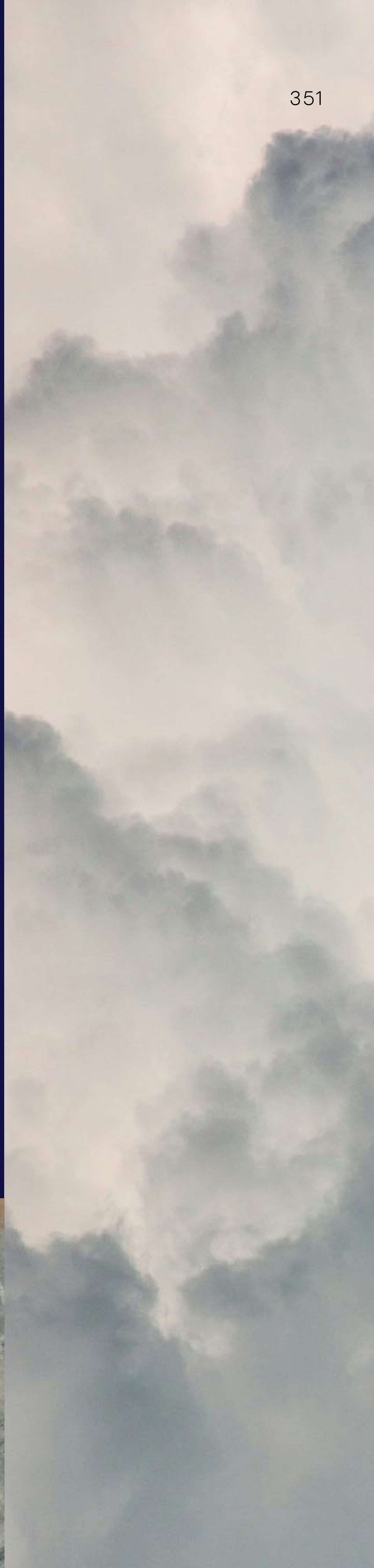
The engagement partner is Ms Heidi Schachinger.

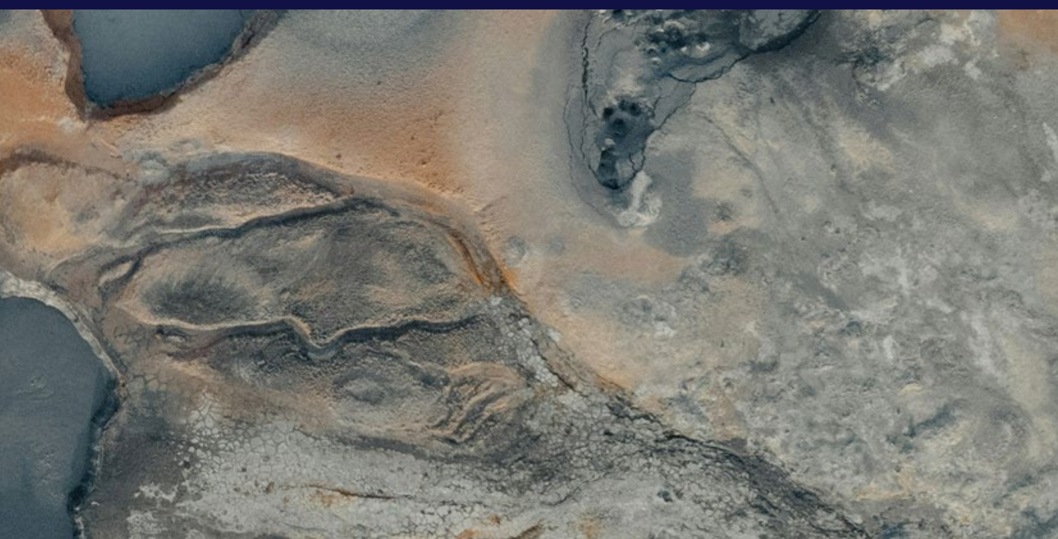
Vienna, 13 March 2025

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Heidi Schachinger
Wirtschaftsprüferin
(Austrian Chartered Accountant)

Corporate Information





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Imprint

This Annual Report was prepared with the greatest possible diligence. Nevertheless, mistakes and printing errors cannot be excluded. This Annual Report includes information and forecasts that are based on the future development of the SBO Group and its member companies. These forecasts represent estimates, which have been prepared based on the information currently available Should the assumptions underlying these forecasts not realize or risks – as those described in the risk report – occur, actual results may differ from the results currently expected.

This report may not be misinterpreted as a recommendation to buy or sell shares in SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft.

In the interest of better readability, we refrain from simultaneously using feminine and masculine versions and use only the masculine form. All references to persons apply equally to all genders.

This English translation of the report is for convenience. Only the German version shall be binding.

Published on 20 March 2025

For further information:

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