

SBO

Our precision.
Your opportunities.

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 CO₂ 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 CO₂ 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 Diversitätsverbesserungsgesetz", 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

dation for balanced and informed decision-making as well as effective strategic oversight.

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 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)

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 found-

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 rea-

alignment 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
		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
Experience	GOV-1-21c		
Skills and expertise in monitoring sustainability aspects	GOV-1-23a	Access to experts	Access to experts
		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.	
Relation of skills and expertise to the material IROs	GOV-1-23b		

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 conferences, 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 downstream 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 consumption. 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 reputation-al 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 processes 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 mitiga-

tion 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 CO₂ 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 sig-

nificant 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, contract-ed 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 envi-

ronments 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 vehicle) 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 challeng-

ing 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 geographi-

cal 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 probabil-

ities 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 prac-

tices 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 alignment 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 alignment 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
E1-5	Energy consumption and mix	196	
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	198	
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phasing-In	
E2			
IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	161	
E2-1	Policies related to pollution	206	
E2-2	Actions and resources related to pollution	206	
E2-3	Targets related to pollution	206	
E3			
IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	162	
E3-1	Policies related to water and marine resources	207	
E3-2	Actions and resources related to water and marine resources	207	
E3-3	Targets related to water and marine resources	207	
E3-4	Water consumption	208	
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Phasing-In	
E4			
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	210	
SBM 3	Material impacts, risks and opportunities and their interaction with strategy and business model	143	
IRO 1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	163	
E4-2	Policies related to biodiversity and ecosystems	211	
E4-3	Actions and resources related to biodiversity and ecosystems	212	
E4-4	Targets related to biodiversity and ecosystems	212	
E5			
IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	164	
E5-1	Policies related to resource use and circular economy	213	
E5-2	Actions and resources related to resource use and circular economy	213	
E5-3	Targets related to resource use and circular economy	213	
E5-4	Resource inflows	214	
E5-5	Resource outflows	216	
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phasing-In	
S1			
SBM-2	Interests and views of stakeholders	83	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	144	

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, Article 12.1 (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

[illegible]

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 tax-

onomy-"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 Taxono- my-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; 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 environmen- tally sustainable activities (Taxonomy-aligned) (A.1)	0	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%	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	EL; N/EL												
Turnover of Taxonomy-eli- gible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	0	0%	0%	0%	0%	0%	0%	0%	0%											0%	
A. Turnover of Taxonomy-eli- gible activities (A.1+A.2)	0	0%	0%	0%	0%	0%	0%	0%	0%											0%*	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Turnover of Taxono- my-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		DNSH criteria ("Does Not Significantly Harm")																			
		Substantial contribution criteria																			
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; 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 Taxono- my-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, mainte- nance 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, mainte- nance 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, mainte- nance 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 own- ership 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-eli- gible 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 deter-

mining 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 denominator 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 assets. 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 CO₂ equivalent (tCO₂e), 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 tCO₂e:

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 tCO₂e

Use of renewable energy: 8,516 tCO₂e

Decarbonization levers Scope 3 in tCO₂e:

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 tCO₂e

Material efficiencies and consumption reduction: 60,274 tCO₂e

Energy efficiencies: 5,826 tCO₂e

Other: 2,885 tCO₂e

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 ₂ e	E1-4-34a	9,550 tCO ₂ e

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 ₂ e
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 ₂ e	E1-4-34a	80,321 tCO ₂ e
Included greenhouse gases	E 1-4-34b	All seven Kyoto gases (CO ₂ , HFC, Hf6, PFC, CH ₄ , N ₂ O, 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 ₂ e
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 ₂ e	E1-4-34a	1,364 tCO ₂ e
Included greenhouse gases	E 1-4-34b	All seven Kyoto gases (CO ₂ , HFC, Hf6, PFC, CH ₄ , N ₂ O, 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 ₂ e
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 ₂ e	E1-4-34a	8,925 tCO ₂ e
Included greenhouse gases	E 1-4-34b	All seven Kyoto gases (CO ₂ , HFC, Hf6, PFC, CH ₄ , N ₂ O, 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 ₂ e
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 ₂ eq)	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 ₂ eq)	11,647	11,980	12,086	0.89%	8,153	1,165	-3%
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	9,463	9,610	9,210	-4.16%	6,624	946	-3%
Scope 3 GHG emissions							
Total gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	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 ₂ eq)	105,073	118,849	122,455	3.03%	91,400	10,507	-3%
Total GHG emissions (market-based) (tCO ₂ eq)	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 ₂ eq / million € revenue)	203	218	8%
Total GHG emissions (market-based) per net revenue (tCO ₂ eq / 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 ₂ eq)	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 ₂ e 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 ₂ e 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 ₂ e 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 ₂ e 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 ₂ e 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 RE-SOURCE 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 CON- CEPTUALISATION ACCORDING TO CIRCULAR PRINCI- PLES	CIRCULAR PRINCI- PLE USED	FULFILMENT OF THE CIRCUL- LAR-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 COMPLE- TION 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 does 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 37301 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 SBO's 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 WORKFORCE 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 on-line 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.

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.

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

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 DIS-CLOSED	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.

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.

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

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 REPRESENTATION 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 cate- gory 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 em- ployees 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 Whistle-blowing 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 moni-

toring 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 whistleblowing 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 evaluates and enhances 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 independent 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 fines for violations of anti-corruption and anti-bribery laws, if there are any. Data is consolidated on group level.

Imprint

This Sustainability Statement was prepared with the greatest possible diligence. Nevertheless, mistakes and printing errors cannot be excluded. This Sustainability Statement 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.

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For further information:

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft
A-2630 Ternitz / Austria, Hauptstrasse 2
Tel.: (+43) 2630 315 0
E-Mail: info@sbo.at
Internet: www.sbo.at

Privacy policy available at www.sbo.at/privacy-policy

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