



XSYS

# **OUR VISION FOR SUSTAINABLE PRINT**

Sustainability Report 2025

# IN THIS REPORT

|                                      |    |
|--------------------------------------|----|
| About this report                    | 3  |
| A message from our CEO               | 4  |
| Business overview                    | 5  |
| About XSYS                           | 6  |
| XSYS across the printing value chain | 7  |
| Our global footprint                 | 8  |
| Major production sites               | 9  |
| Our approach to sustainability       | 10 |
| Sustainability targets and snapshots | 14 |

|                                                   |           |
|---------------------------------------------------|-----------|
| <b>INNOVATE:</b>                                  |           |
| <b>Designing for impact</b>                       | <b>16</b> |
| In conversation with our Chief Technology Officer | 18        |
| Designing safer, lower-impact products            | 20        |
| Enabling circular solutions                       | 24        |
| Delivering on quality                             | 25        |

|                                      |           |
|--------------------------------------|-----------|
| <b>OPERATE:</b>                      |           |
| <b>Reducing environmental impact</b> | <b>28</b> |
| Reducing climate impact              | 30        |
| Managing chemicals responsibly       | 35        |
| Minimizing waste                     | 37        |

|                                                        |           |
|--------------------------------------------------------|-----------|
| <b>EMPOWER:</b>                                        |           |
| <b>Empowering our people</b>                           | <b>40</b> |
| In conversation with our Chief Human Resources Officer | 42        |
| Prioritizing health and safety                         | 43        |
| Investing in training and development                  | 45        |
| Fostering an inclusive culture of ownership and pride  | 47        |

|                            |           |
|----------------------------|-----------|
| <b>GOVERNANCE</b>          | <b>50</b> |
| Our approach to governance | 51        |
| Responsible business       | 52        |
| Human rights               | 54        |

|                                                           |           |
|-----------------------------------------------------------|-----------|
| <b>APPENDIX</b>                                           | <b>56</b> |
| 2025 GHG emissions data                                   | 57        |
| Sustainability Accounting Standards Board (SASB) Index    | 58        |
| International Sustainability Standards Board (ISSB) Index | 62        |
| Independent Limited Assurance Report                      | 69        |
| Glossary of terms                                         | 72        |
| Our reporting partners                                    | 74        |

# ABOUT THIS REPORT

**This is XSYS's first Sustainability Report. It explains how we are approaching environmental, social, and governance topics across the business and establishes the foundation for future disclosures. The report covers the period from January 1 to December 31, 2025.**

The content and structure of this report are guided by the material sustainability topics identified through our 2025 Double Materiality Assessment (DMA), together with XSYS's strategic business priorities. Throughout the report, we have aligned relevant disclosures with the Sustainability Accounting Standards Board (SASB) standards for Industrial Machinery & Goods and Chemicals, where appropriate to our business. Climate-related disclosures have been prepared with reference to International Financial Reporting Standards (IFRS) S2, reflecting our current reporting maturity and supporting transparent disclosure of climate-related risks, opportunities and performance.

As 2025 marks the establishment of our reporting baseline following the merger of XSYS and MacDermid Graphics Solutions, the availability of consolidated historical data is limited. Consequently, historical trend information is presented only where reliable and comparable data is available. Some statements in this report are forward looking and reflect our current priorities and expectations. They may evolve as our data quality improves, our governance develops further, and our integration progresses. We engaged ERM Certification and Verification Services Limited (ERM CVS) to provide limited assurance over the GHG and safety information included on pages 32–33 and 44 of this Report. ERM CVS's full assurance report and conclusion are available in the appendix of this report. See page 69.



# A MESSAGE FROM OUR CEO



**Alexander Unterschütz,**  
Chief Executive Officer

**Our industry is changing fast. While demand remains resilient, cost pressure, technology shifts and a more complex business environment are reshaping how value is created.**

As this new trading landscape unfolds, we are not standing still. Instead, we are actively preparing our business for what comes next. The 2025 merger of XSYS and MacDermid Graphics Solutions has strengthened our business. It expands our reach, broadens our portfolio and improves our ability to serve customers locally. We have made strong progress integrating our systems and operations, as we invest in innovation that improves performance and sustainability. Culturally, the work continues and it remains a priority as we build one company with clear expectations and a shared sense of ownership.

Innovation sits at the center of our efforts and sustainability is an important part of that. For us, sustainability is not a separate agenda and it is not a trade-off against quality, productivity, or commercial discipline. It must support all three. Where we reduce environmental impact while improving performance and efficiency, we create value for our customers and strengthen our competitive position.



**Sustainability shapes how we develop products, run our sites, manage waste and circularity and prepare the organization for the future.**

This is how I view sustainability at XSYS: not as a slogan, but as a practical business lever. It shapes how we develop products, run our sites, manage waste and circularity and prepare the organization for the future.

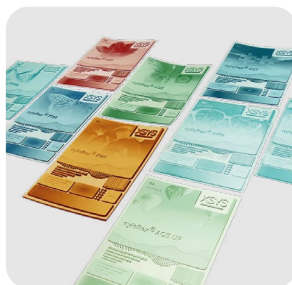
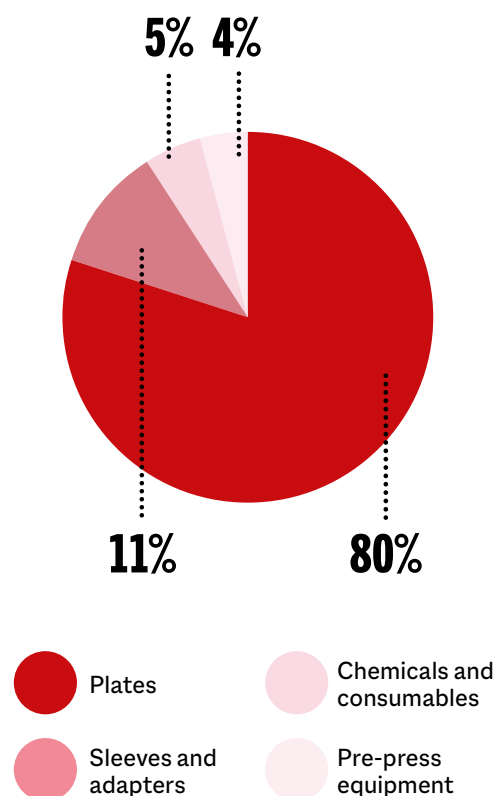
We are still at an early stage in some areas and this report reflects that honestly. The direction, however, is clear. We are embedding sustainability into how we operate, innovate and compete: to strengthen customer value and position XSYS as a more resilient and competitive partner.

A handwritten signature in black ink, appearing to read 'A. Unterschütz', written in a cursive, flowing style.

**Alexander Unterschütz,**  
Chief Executive Officer

# BUSINESS OVERVIEW

## Market segments by revenue (%)



## Plates

Printing plates represent our core business and primary revenue stream. We develop and manufacture high-performance photopolymer plates for flexographic and letterpress printing applications, serving a broad range of packaging markets, including flexible packaging, paperboard, corrugated packaging, aseptic cartons, and labels. Marketed under the established nyloflex® and nyloprint® brands, these products support efficient, high-quality printing processes across the packaging value chain.



## Sleeves and adapters

Sleeves and adapters represent an important complementary product category within our flexographic printing portfolio. Marketed under the rotec® brand, sleeves and adapters are designed to reduce vibration, enhance press stability, and improve operational efficiency through faster job changeovers and reliable print performance.



## Pre-press equipment

Pre-press equipment provides the technologies and systems required for the preparation and processing of printing plates. Our portfolio includes Thermoflex imagers, Catena processing units, and Woodpecker screening software, which enable highly automated and consistent high-quality plate production workflows. These solutions help customers improve process efficiency, enhance quality consistency, and optimize productivity throughout the platemaking process.



## Chemicals and consumables

Chemicals and consumables comprise essential supporting products used throughout the plate processing workflow. Our portfolio includes products such as washout solvents and developer rolls, which contribute to the quality, performance, reliability, and longevity of platemaking systems. These products support efficient processing operations and help ensure consistent production quality throughout the plate manufacturing process.

# ABOUT XSYS

**Following the acquisition of MacDermid Graphics Solutions in 2025, XSYS is the second largest supplier in the global printing plate market. We have a heritage of more than 60 years, operations in 21 countries and a global headcount of around 800. We operate production sites in Europe and the U.S., supported by R&D capabilities across three continents.**

## Our role in the value chain

While our products are not typically visible to end users, they form a critical component of the printing process, supporting the production of packaging, labels and printed materials that facilitate communication, commerce and consumer experiences.

We support customers across the full process from imaging to processing to printing, combining products, equipment, software, and service. Our goal is to provide bespoke solutions that meet the technical and commercial requirements of each customer. We are also exploring future end-of-life solutions for printing plates in collaboration with external partners, with the aim of improving circularity over time.

## A bedrock of partnership

As this report highlights, we are fortunate to be supported in our sustainability-focused and broader innovation by around 1,500 suppliers and hundreds of skilled employees, more than 120 of whom are dedicated to R&D and customer service. And most

importantly, there are our progressive clients – our vital partners – who quite rightly won't stand still and who continue to challenge us to drive positive change. The combination of all these stakeholders means we have a solid foundation for success.

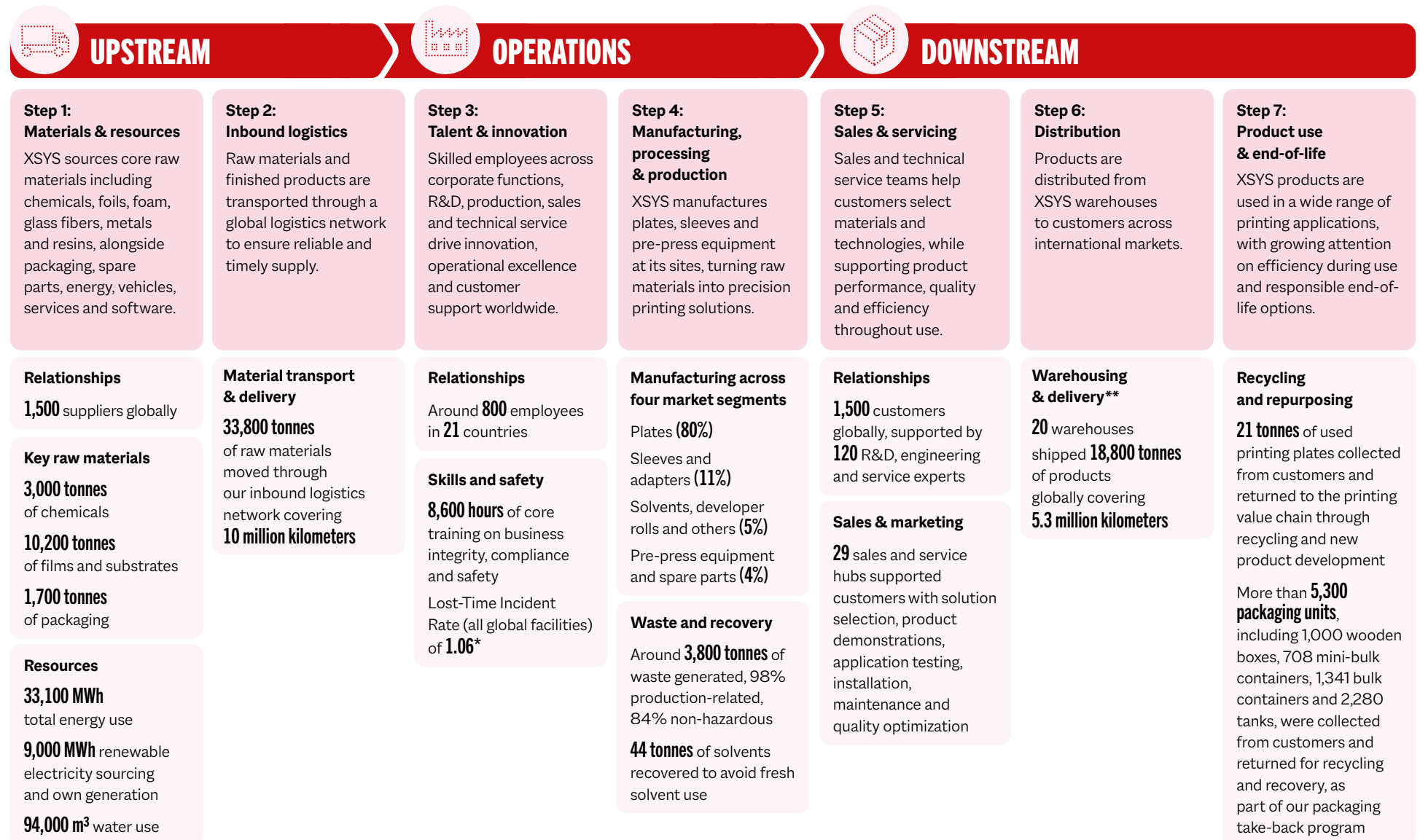


**We support customers across the full process from imaging to processing to printing, combining products, equipment, software, and service.**



# XSYS ACROSS THE PRINTING VALUE CHAIN

This graphic illustrates XSYS's role at each stage of the printing industry value chain, from sourcing raw materials and manufacturing products to supporting customers and enabling circularity at end-of-life.

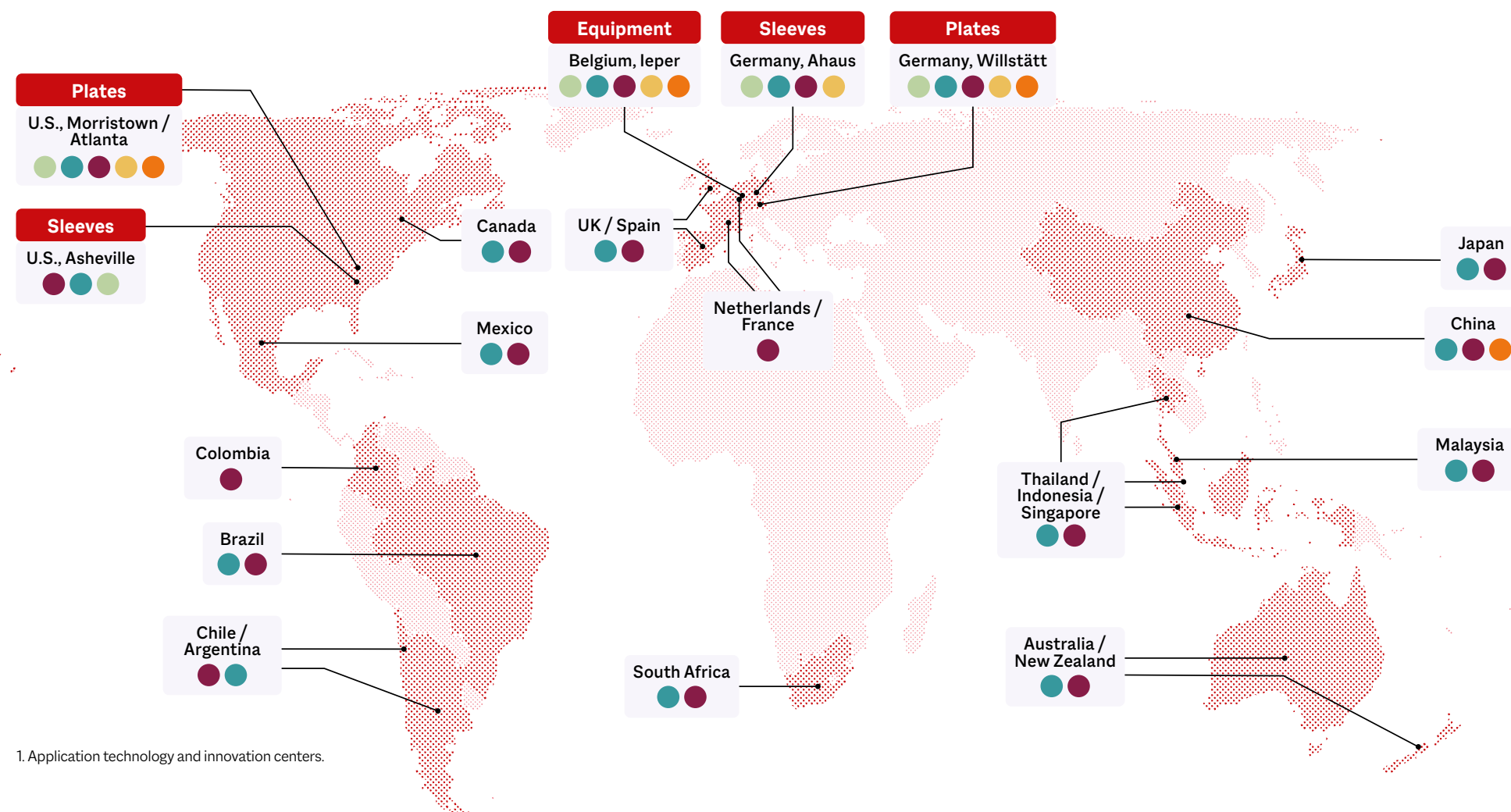
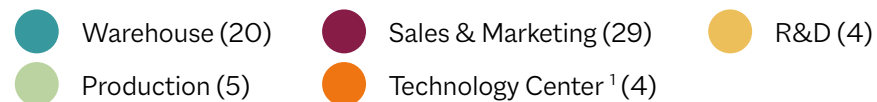


\* per 200,000 hours worked.

\*\* Includes only logistics paid for by XSYS.

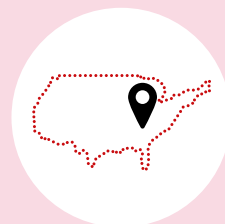
# OUR GLOBAL FOOTPRINT

## Site functions (number of sites, globally)



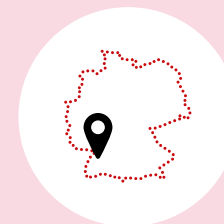
1. Application technology and innovation centers.

# MAJOR PRODUCTION SITES



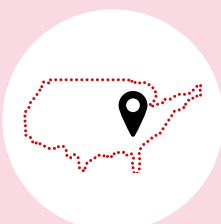
**MORRISTOWN,  
U.S.**

Flexographic  
plate production



**WILLSTÄTT,  
GERMANY**

Flexographic and letterpress  
plate production



**ASHEVILLE,  
U.S.**

Sleeve production



**AHAUS,  
GERMANY**

Sleeve  
production



**IEPER,  
BELGIUM**

Equipment  
production

# OUR APPROACH TO SUSTAINABILITY

In early 2026, we introduced our first global strategic sustainability framework to bring clearer priorities, ownership and consistency to how we manage sustainability topics across the business. It is built around our sustainability vision, **Advancing Sustainable Print**.

At XSYS, advancing sustainable print means helping our customers produce high-quality print more efficiently, safely and responsibly. Through innovation, operational excellence and collaboration across the value chain, we strive to reduce environmental impacts while delivering the performance, quality and reliability that modern print demands. We also recognize that the future of our industry depends on people, which is why we are committed to attracting, developing and retaining the talent, skills and expertise needed to drive progress for years to come.

The framework is shaped by three strategic pillars:

- **Designing for impact:** Designing safer, lower-impact products; enabling circularity; and delivering on quality. Delivering sustainable products and innovation to our customers through R&D and service, as well as customer and industry partnerships, to enhance the print performance, footprint and end-of-life of our solutions.
- **Reducing environmental impact:** Reducing climate impact; managing chemicals responsibly and minimizing waste. Driving operational excellence across our manufacturing facilities to reduce environmental impact and maximize production efficiency, while reducing greenhouse gas (GHG) emissions throughout our value chain.
- **Empowering our people:** Prioritizing health and safety; investing in training and development and fostering an inclusive culture of ownership and pride. Creating a safe, empowering, high-performance culture that fosters innovation and supports both today's workforce and the next generation of XSYS talent.

# OUR STRATEGIC SUSTAINABILITY FRAMEWORK



## Sustainability governance

Governance forms the foundation of our sustainability strategy. Through effective oversight, robust policies, risk management, and a commitment to ethical business conduct, it supports our ability to generate value.

Sustainability governance is integrated into our broader business governance framework, ensuring that sustainability considerations are embedded in strategic decision-making, risk management, and day-to-day operations. The Board of Directors, as the Company's highest governing body, provides oversight of key business, risk and sustainability matters, while executive accountability rests with the CEO and Executive Leadership Team. Sustainability is led through our Sustainability and HSEQ function, which reports directly to the CEO and is represented at Executive Leadership level, ensuring regular engagement on sustainability priorities and performance.

As a newly combined business, sustainability is increasingly central to our approach, reflecting stakeholder expectations and our ambition to create long-term value while supporting customers to achieve their own sustainability goals.

## INNOVATING MORE SUSTAINABLE SOLUTIONS

We have been focused on developing bio-based alternatives for several years, with the aim of creating tangible customer value. The first results are now visible. This is demonstrated by our nyloflex® eco printing plate series, launched in 2024, which are among the first in the market to incorporate bio-based raw materials (see page 23).

There is more to come in this space, such as further developments in thermal processing,

which we believe creates great value for our customers by making processing faster, cleaner and more efficient. As the products and technologies we sell are highly sensitive to change, innovation takes time and investment to ensure anything we release into the market delivers the right solutions and value for our customers. We are, however, committed to improving the environmental performance of our products wherever feasible.



# DOUBLE MATERIALITY ASSESSMENT

Our framework is informed by a double materiality assessment (DMA), conducted in 2025. The DMA combined desktop research, value chain and stakeholder mapping, along with insights from interviews with internal subject matter experts and leadership, selected customers, XSYS's primary investors, and legacy MacDermid's leadership. Impacts, risks and opportunities were assessed in line with European Sustainability Reporting Standards (ESRS) guidance, then validated with our sustainability team, Executive Leadership and primary investors.

The process identified 12 material topics which underpin both the content of this report and the development of our sustainability strategy.

Building on the DMA, we engaged Executive Leaders across the business to identify where sustainability creates the greatest value and strengthens long-term resilience. These priorities and the framework were further refined and validated through an internal steering group representing key functions in the business.

Our framework provides a practical structure for governance, decision-making and target-setting.

It reflects where we are today: still building baseline data and metrics in some areas, but clear on direction and priorities.

In 2026, we will focus on defining further measurable targets in priority areas such as climate, circularity and waste, quality and health and safety. In 2027, this will expand to employee experience, training and development, culture, sustainable product design and responsible management of chemicals.

| STRATEGIC PILLARS | Material Issue                    | Material Topic                                                   |
|-------------------|-----------------------------------|------------------------------------------------------------------|
| INNOVATE          | Pollution                         | Air Pollution                                                    |
|                   |                                   | Water Pollution                                                  |
|                   |                                   | Substances of Concern/Very High Concern                          |
|                   | Resource Use and Circular Economy | Resource Outflows Related to Products and Services (Circularity) |
| OPERATE           | Climate Change                    | Waste                                                            |
|                   |                                   | Climate Mitigation                                               |
|                   |                                   | Climate Adaptation                                               |
|                   | Energy                            | Energy                                                           |
| EMPOWER           | Pollution                         | Substances of Concern/Very High Concern                          |
|                   | Resource Use and Circular Economy | Waste                                                            |
|                   | Own Workforce                     | Health and Safety                                                |
| GOVERNANCE        | Workers in the Value Chain        | Training and Development                                         |
|                   | Business Conduct                  | Health and Safety                                                |
|                   |                                   | Management of Supplier Relationships                             |

## SUSTAINABILITY AWARDS AND ACCREDITATIONS

In 2025, we received U.S., UK and European printing industry recognition for our sustainability efforts:



### Flexographic Pre-press Platemakers Association (FPPA) Excellence in Flexo Pre-Press Award

XSYS's innovation excellence was recognized for the Thermoflex Catena+ fully automatic platemaking line. The award highlights Catena+ as a groundbreaking, end-to-end flexo pre-press solution that delivers outstanding print quality, efficiency and reduced waste, while offering sustainability benefits through advanced automation and UV LED technology. See page 22 for more.



### Flexographic Technical Association (FTA) Sustainability Excellence Award and UK Flexographic Industry Association (FIA) Operational Environment & Sustainability Award – Gold

We received both these Awards for our nyloflex® eco printing plates, commended for their significant reduction in environmental impact compared to standard plates. To read more, see the case study on page 23.

## MEMBERSHIPS AND ASSOCIATIONS

XSYS maintains industry membership of and collaborations with key printing trade and flexographic associations across the world to support partnerships, advance sustainability-led innovation and help address region and sector-specific commercial priorities. Some of these include:



# SUSTAINABILITY TARGETS AND SNAPSHOTS

## Sustainability targets linked to our financing

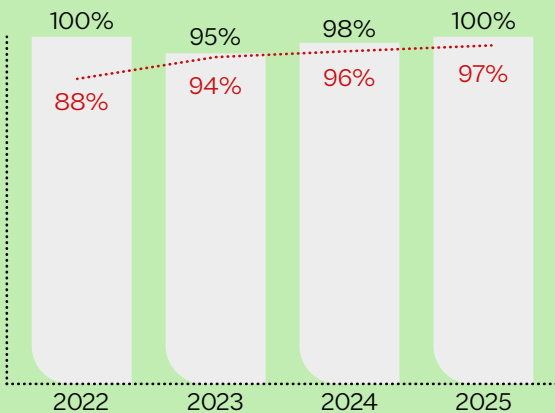
We met and exceeded all sustainability targets linked to our debt financing agreed with our lenders and investors for 2025:

### OPERATE

#### Reducing climate impact

##### Clean electricity:

% renewable electricity for in-scope sites (Willstätt, Ieper and Ahaus)

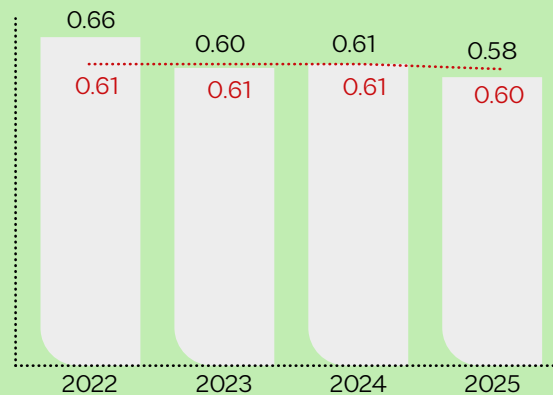


### OPERATE

#### Minimizing waste

##### Waste:

kg of waste per square meter of plate for in-scope sites (Willstätt)

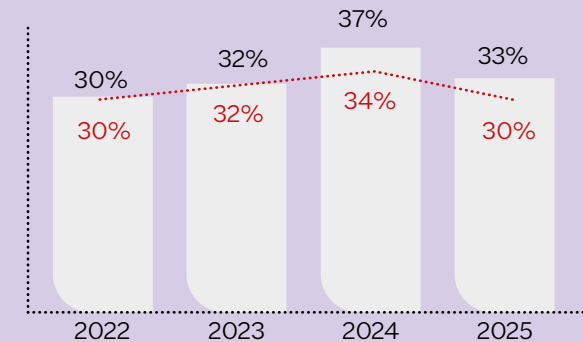


### EMPOWER

#### Fostering an inclusive culture of ownership and pride

##### Women in management:

% women in management globally (2025 target recalibrated following the merger to reflect the new organizational baseline)



..... Target

■ Actual

## HEALTH AND SAFETY

Our long-term goal remains zero harm, supported by a 50% reduction target in production lost-time incident rate (LTIR) by 2030, from a 2025 baseline of 1.44 per 200,000 hours worked.

In 2025, we recorded no serious injuries or fatalities.

Our LTIR was 1.06 globally and 1.44 for production sites per 200,000 hours worked.

Our LTIR performance is broadly in line with or slightly better than industry averages, with global performance trending toward lower incident rates. Incident rates in production environments remain at typical sector levels, indicating an opportunity to further strengthen site-level safety.



## PRODUCT CARBON FOOTPRINT (PCF)

In 2025, we developed PCF reports for nine flexographic plates, representing 51% of our plate revenue.



## CDP

We secured a score of B for our 2025 Climate Change disclosure – the highest rating attainable for companies in the SME category. This strong result, achieved in XSYS's first-ever public CDP disclosure, reflects the progress we have made in climate governance and disclosure.



## BIO-BASED PLATES

Our bio-based plates replace fossil-based raw materials with ones made with up to 29% by weight of renewable materials. Following their launch in 2024, they accounted for approximately 50% of new plate sales within their product category.

## DEVELOPMENT OF THERMOFLEX EDGE AND CORE X ADAPTERS

Our next-generation Thermoflex Edge imaging platform advances automation, precision and efficiency in flexographic platemaking (see page 22). The rotec® Core X carbon-fiber adapters are engineered with unique, press-specific constructions to enhance stability and reduce vibration, helping customers achieve higher print quality and operational performance (see page 27).



### Material topics:

- Circularity
- Waste
- Water and Air Pollution
- Substances of Concern and Very High Concern

# INNOVATE: DESIGNING FOR IMPACT



## Designing for impact

**The INNOVATE pillar of our sustainability framework channels our R&D expertise, customer relationships and industry partnerships towards a clear goal: outstanding print quality alongside measurable sustainability progress.**

By design, INNOVATE is future-focused. It captures how we create value today and lays the foundations for what comes next, whether that is developing safer, lower-impact products, enabling new approaches to end-of-life management, or consistently raising the bar on quality and performance. These priorities connect directly to our financial resilience: dependence on virgin polymers, metals and chemical inputs exposes us to price volatility and supply constraints, while chemical-intensive production carries compliance costs and potential liabilities under tightening substance regulations. Growing demand for recyclable plate systems presents an opportunity for product differentiation.

Across all three areas, our work is guided by the same conviction: technical excellence and environmental sustainability are mutually reinforcing. Together, they help us meet customer needs efficiently, strengthen our position as supplier of choice, and contribute to the sustainability of the print value chain.

Delivering on this pillar goes beyond our own capabilities. The toughest systemic challenges, particularly around circularity, will only be solved through partnerships with customers, suppliers and solution providers.

## The three priority areas under INNOVATE are:

### 1. Designing safer, lower-impact products:

Embedding sustainability into product design by reducing lifecycle impacts, advancing material innovation and developing high-performance solutions with a lower environmental footprint.

### 2. Enabling circularity:

Embedding circular design principles into our products to enable repurposing or recycling of used plates. A clear but complex priority that also matters to our customers and will require sustained R&D investment and strong external collaboration.

### 3. Delivering on quality:

Maximizing durability, consistency and performance to help ensure customers can print right first time. Done well, this reduces waste, extends product life and lowers costs, reinforcing our position as supplier of choice on both quality and sustainability.



## IN CONVERSATION WITH OUR CHIEF TECHNOLOGY OFFICER

**Martin Vollmer,**  
Chief Technology Officer

**Innovation is central to our competitiveness. It enables us to improve product performance, respond to evolving customer requirements, and create tangible value in a demanding market.**

The unique composition of our global R&D function, comprising R&D teams for all product segments, closely connected with technical service teams around the globe, allows a holistic approach. Our chemists, material scientists, print engineers and technicians collectively understand every element of the print process and every link in the value chain. In bringing these skills together, we can translate customer and market needs into truly comprehensive product and service solutions. The merger with MacDermid Graphics Solutions in 2025 strengthened our innovation capabilities, broadened our technical expertise, and expanded our intellectual property and patent portfolio.

When it comes to our innovation strategy, we have six defined Innovation Fields (see page 21) which act as our North Stars, guiding everything we do. They ensure we are aligned across teams and territories and that we are focused on what we believe is most valuable to our customers.

Our internal strength is complemented by our open approach to collaboration as we believe, particularly in the field of sustainability, that many challenges cannot be tackled alone.

We understand that in today's world, we need to build the right ecosystem of suppliers, customers and other partners. And we need the best brains. Our printing plate circularity trials in North America are a great example of that (see page 24) and we are actively exploring how we can scale it in future to create an industry-first model.

As well as exploring more sustainable end-of-life solutions, we are also focused on designing inherently more sustainable products. Our nyloflex® eco series, our clean plate- and anti-ink filling technologies are all great examples of that (see pages 23 and 21 respectively).

Looking ahead, one of the most important innovation opportunities for us lies in connecting data across the value chain – from plate design to final print. Over time, better use of data analytics and AI can help us improve product design, customer support, and development speed. It is still early days for the industry in this area, but we see clear long-term potential and intend to build capabilities accordingly.

**Martin Vollmer,**  
Chief Technology Officer

# OUR INNOVATION JOURNEY

XSYS's origins stretch back over 60 years to chemical giant BASF. While the business has evolved over that time, innovation has consistently been at the heart of what we do.

**1965**

Introduction of photopolymer printing plates for letterset (**nyloprint®**)

**1972**

BASF launches first **nyloprint®** newspaper printing plate

**1978**

BASF begins producing flexo plates (**nyloflex®**)

**1990**

**rotec®** Hülsensysteme is founded in Ahaus, Germany

**1994**

The **rotec®** Blue Light Sleeve success story makes its market debut

**2019**

**Thermoflex** introduces **Woodpecker** Nano surface screening

**2018**

**nyloprint® WF Sharp D** for the high-end label market

**2016**

Launch of **nyloflex® Xpress Thermal Processing 2016**

**1995**

First digital flexo plate is developed (**nyloflex®**)

**2020**

**Thermoflex** introduces **Catena** product line

**2023**

**nyloflex® FTV** added to the Flat Top Family **nyloprint® WS Pro D** for tubes, cups and cans

**2024**

- Launch of **nyloflex® eco series** at Drupa
- Software launches EcoFillX, ProServX

**2025**

Acquisition of **MacDermid Graphics Solutions**

# DESIGNING SAFER, LOWER-IMPACT PRODUCTS

## Our ambition:

We aim to create next-generation solutions that support both customer and environmental performance, combining principles from green chemistry and sustainable design to minimize environmental and health impacts without compromising on performance.

## Our approach:

As a manufacturer of printing plates, sleeves, and pre-press equipment, our product design directly affects environmental and safety impacts across the full lifecycle, from raw material selection through to end-of-life treatment.

We believe that designing safer, lower-impact products strengthens business resilience while supporting customers to meet growing regulatory and market sustainability expectations. We consider products to be safer or lower-impact where they deliver a demonstrable safety or environmental improvement compared with the product they replace, based on one or more material criteria such as hazardous substance reduction, greenhouse gas emissions, resource efficiency, circularity, or

customer use-phase impacts. These principles inform every new product design, alongside raw material risk assessments conducted in collaboration with our Procurement team.

## Governance and process

Innovation at XSYS is guided by a governance framework led by our Chief Technology Officer and a global, cross-functional team, ensuring projects are strategically aligned, consistently prioritized and executed. We apply a stage-gated innovation process covering opportunity identification, feasibility, development, field testing and launch, with defined decision points to manage risk, validate performance and integrate safety and sustainability considerations across all product areas.

## Responsible chemicals integration

Chemicals management sits across two pillars of our framework, and the boundary is intentional. Here, under Innovate, the focus is on design-stage decision-making: when developing new products, we screen materials using European Chemistry Industry Council (CEFIC) and comparable databases to assess toxicity and environmental

risk. We consider regulatory realities, both current and emerging, alongside raw material choices, manufacturing implications, use-phase effects and end-of-life possibilities. Our goal is to make better choices before a product exists, reducing the burden downstream.

The consequences of those design choices (how we handle, store, transport and dispose of chemical inputs in our own operations and how we support customers) are addressed in Operate (see Managing Chemicals Responsibly, page 35). Each product is also supported by a Safety Data Sheet (SDS), which sits across both pillars: it encodes design-stage decisions, while enabling operational compliance, workplace safety and transparency across the value chain.

## Measuring progress

We track innovation through KPIs including expected sales, contribution margin in the first three years, full-year project costs and milestone adherence. We are expanding these to include revenue from new products, innovation investment in sustainable design and circular solutions, and intellectual property generation.

## Innovation fields driving lower-impact solutions

**Our R&D activities focus on six interconnected innovation fields that underpin safer, lower-impact and high-performance solutions across the printing value chain:**

- **Sustainability and renewables:** applying circularity principles, e.g., by increased use of bio-based and renewable raw materials.
- **Robustness and efficiency:** robust plate processing, longer product life and consistent print quality.
- **Thermal processing:** increasing resource efficiency by replacing the use of organic solvents in plate processing.
- **Imaging and exposure:** increasing process efficiency and print quality.
- **Modularity:** enabling an 'Open System Architecture' by connecting plates, processing equipment and software to boost productivity.
- **Automation, digitalization and AI:** smarter, more resource-efficient operations.

## Intellectual Property (IP)

Our IP portfolio reflects the strength of our innovation platform and disciplined management. With more than 900 active patents across over 140 patent families and over 400 trademarks, it protects core technologies and brand value worldwide. Active portfolio management helps ensure alignment with business strategy, focusing on high-value technologies, priority markets and future growth areas.



## Our actions:

Recent innovations demonstrate how we align technology development with market needs and sustainability ambition, delivering solutions that drive environmental progress and add customer value:

**Clean plate technologies,** such as those used in our ITP™ 60 (added to our portfolio in 2025 with the merger with MacDermid), enable long, clean-running print performance by reducing ink build-up, deliver enhanced compatibility with water-based and UV inks which support more sustainable printing applications, while maintaining high-process performance. By enabling cleaner printing surfaces, these technologies reduce stops for cleaning, improve press productivity and lower ink consumption.

**Anti-ink filling technologies,** such as our FTV plate first introduced in 2023, improve print consistency and quality while extending plate lifetime. This helps customers reduce waste and resources, giving them a durable, high-efficiency product.

**Advanced pre-press imaging**, including platforms such as our next-generation Thermoflex Edge, developed in 2025 and launched in 2026, increases automation, precision, quality and processing efficiency and productivity in flexographic plate processing, enabling higher print quality while reducing waste and manual handling. Complementing this, Catena+ is an automated plate processing line (introduced in 2023/2024) covering exposure, washout, drying, light finishing and stacking. Catena+ improves process consistency, reduces material waste and lowers solvent exposure for operators. Together, Thermoflex Edge and Catena+ provide an integrated workflow that enables more sustainable plate production through improved resource efficiency, reduced errors, less waste and consistently high-quality output.

**Bio-based plates**, such as our eco ACT and eco FAC plates, launched in 2024 as among the first print plate ranges to replace fossil-based raw materials with renewable, bio-based ones. Read more about our nyloflex® eco series in the feature case study on the next page.

## Understanding product climate impact

We use Product Carbon Footprint (PCF) assessments, aligned with ISO 14067:2018, to quantify GHG emissions across the product lifecycle. These assessments identify carbon hotspots, guide product and procurement decisions, and provide customers with transparent emissions data to inform their own sustainability evaluations. In 2025, we developed PCF reports for nine flexographic plates, representing 51% of our plate revenue. We are progressively expanding PCF coverage across our portfolio and plan to strengthen credibility through external assurance over time.

## Looking ahead:

- Expand PCF coverage across the product portfolio in line with customer demand.
- Continue evaluating opportunities to replace raw materials with safer and lower-impact alternatives where relevant while maintaining product performance and quality.
- Further integrate sustainability considerations across all product development processes, including assessments of raw material risks, product performance and lifecycle impacts.
- Expand collaboration across R&D, product regulatory, operations, suppliers and customers to accelerate the development and adoption of more sustainable solutions.

## nyloflex® eco series – a pioneering approach



**Chemical innovation is often associated with sophisticated chemistry building on fossil-based raw materials. Equally important, however, is innovation driven by renewable, naturally-derived raw materials. At XSYS, we embrace both approaches. Our nyloflex® eco series reflects our commitment to modern product design by replacing conventional fossil-based feedstocks with renewable alternatives, helping to reduce product carbon footprint while maintaining high performance.**

Launched in 2024, nyloflex® eco series was among the first ranges of print plates to incorporate renewable, bio-based raw materials, delivering a reduced carbon footprint of up to 10% compared with the standard version, as validated by our Product Carbon Footprint study. Our customers can also have confidence that every plate is guaranteed to incorporate a significant amount of plant-based content (19-20% for our eco FAC D plates and 24-29% for our eco ACT D plates). The amount is traceable in every single eco plate, through carbon dating, which is the technology we used to independently verify our freshly developed materials in the test phase. That's thanks to our segregated raw material supply which prevents cross-contamination with non-certified raw materials. We are continuing to refine the formulation and are not aware of any disposal tradeoffs.

What we have also found with nyloflex® eco series plates is that they deliver a secondary benefit by lowering customers' operational energy use, thanks to their shorter washing times. This type of added value outcome adds further weight to our position that modern, sustainable thinking should be central to the traditional R&D process.

Following the launch, our bio-based plates accounted for approximately 50% of new plate sales within their product category and we continue to refine the recipe as we encourage more of our customers to switch. Like all pioneering, alternative products, there are challenges, as modeling in the lab can't predict every single real scenario. In reality most new product developments – whether sustainability-driven or not – follow a 'test, learn, launch, learn, refine' approach. And in the case of nyloflex® eco series, we work closely with our customers to minimize any pain points, ensuring its suitability for the specific application they require.

# ENABLING CIRCULAR SOLUTIONS

## Our ambition:

We aim to establish a more circular model for plate manufacturing by enabling used printing plates to be repurposed as secondary raw materials, opening potential new value streams for customers and XSYS. This means designing circularity into our products, offering credible take-back and next-life options and continuing to test and build the partnerships needed to bring solutions to scale.

## Our approach:

Flexographic printing plates are highly engineered composite products, which makes material recovery and disassembly challenging. Historically, there have been no circular options at end-of-life. The problem is compounded by fragmented waste volumes across many customer sites, which complicates collection, reverse logistics and aggregation.

Circularity is an increasingly important priority for our customers, particularly as landfill and incineration become less acceptable long-term outcomes. Scalable circular solutions will require

both technical innovation in material recovery and entirely new collection and processing infrastructure.

We are actively exploring partnerships with startups, academic institutions, trade associations, recyclers, logistics providers and industry peers, combining technical expertise with access to the infrastructure needed to develop and scale solutions. Product lifecycle assessments and carbon footprints inform our evaluation of new processes, support decision-making and help us communicate impacts to customers.

## Our actions:

### Advancing plate recycling

We are working on a new technical recycling pathway aimed at repurposing fully cured, used printing plates into secondary raw materials for adjacent applications. Our proprietary process treats used photopolymer plates without prior separation of component layers, and in 2025, we successfully completed pilot trials with an external partner in the U.S., resulting in 21 tonnes of used plates being collected from customers, recycled and repurposed for new product development.

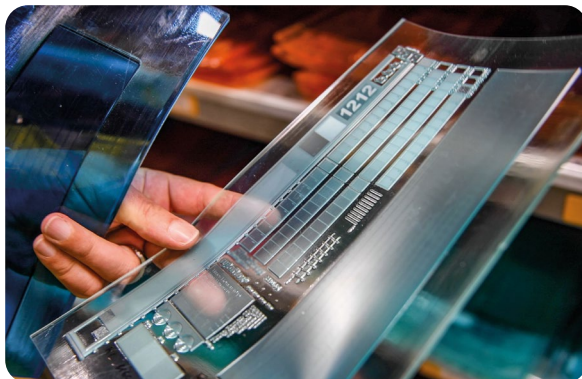
## Looking ahead:

- Continue working with specialist external partners to support industrial scaling and market deployment of circular solutions.
- Explore opportunities to integrate recycled outputs into future products and adjacent applications, with potential long-term raw material cost benefits.
- Advance initiatives to reduce material waste throughout the product lifecycle and identify additional opportunities for reuse and recovery.
- Evaluate new technologies and partnerships that can help improve circularity within the flexographic printing value chain.

# DELIVERING ON QUALITY

## Our ambition:

Our ambition is to deliver consistently high-performing printing plates that meet the increasingly demanding requirements of modern print applications, combining advanced material science, rigorous process control and end-to-end quality assurance across manufacturing, packaging and transportation. We aim to support customers with reproducible plate performance and operational reliability across every production run, helping them improve efficiency, reduce waste and achieve premium print outcomes. We also want everyone at XSYS to understand and take responsibility for quality in their day-to-day work.



## Our approach:

Excellent quality is foundational to everything we do. It underpins our brand, market positioning and our value proposition to customers, while being a critical enabler of our broader business and sustainability objectives. Robust quality management reduces waste, rework and claims, supports operational efficiency and contributes to the trust of long-term customer relationships. Quality is a shared responsibility across the organization, from R&D and production through to packaging, logistics, sales and customer service.

## Industry context

Product quality across the flexographic printing plate industry has improved materially over the past decade. Advances in digital plate imaging, automation, photopolymer chemistry, and workflow integration have enhanced print consistency and repeatability, helping flexographic printing compete more directly with gravure printing and other premium print processes in high-end packaging.

Despite this progress, quality remains an important area of competitive differentiation. Performance

varies between suppliers depending on plate formulation, manufacturing precision, process control and technical support. Customers increasingly expect near-gravure print quality, shorter lead times, longer run lengths and high reproducibility. Quality leadership today goes beyond meeting specification, to delivering application-specific performance, consistent outcomes and providing integrated technical support.

## Quality management systems

ISO 9001-certified quality management systems are in place at our production sites in Willstätt, Ahaus, Asheville and Morristown (collectively representing 97% of our revenue), providing a structured framework for process control, documentation and continuous improvement. Operational responsibility for production quality lies with the operations organization, and product formulations, recipes and supplier qualification are managed by our Technology function. Quality Management leads are in place at every production facility, supported by centralized customer complaints and claims procedures and site-level managers for each business segment.

## Collaborating to improve quality

Quality cannot be achieved unilaterally. We work closely with suppliers and logistics partners and listen to customer feedback to continuously improve outcomes. Raw materials are a key determinant of plate quality, and we collaborate with suppliers on consistency and suitability for specific applications. We also place strong emphasis on high-quality packaging: flexographic plates are precision-engineered and dimensionally sensitive and can be damaged during storage and transport, making effective packaging essential to preserve their integrity and ensure consistent performance.



## Our actions:

### Integrating quality processes across XSYS

Following the integration of MacDermid in 2025, a key priority has been harmonizing quality processes across the integrated business. We developed a structured global customer complaint management process, helping to ensure that issues are handled consistently and transparently, with a focus on continuous improvement. Complaints now follow a defined workflow from intake and initial assessment through root-cause investigation, resolution and closure. This work included merging IT systems, rolling out new integrated tools, training commercial and operational teams and clarifying roles and responsibilities. New KPIs and a reporting baseline have been established, with clearer performance targets to follow. Our goal is to have fully harmonized quality management systems, processes and reporting in place by the end of 2026.

## Monitoring our performance

We monitor quality through a range of KPIs reviewed at site, regional and corporate level, including the number and value of customer complaints and claims, complaint and claim rates normalized by units of sales, cost of quality, acceptance rate of justified complaints and response and investigation closing times. Each justified complaint is investigated in detail, with corrective actions defined and implemented to prevent recurrence, covering processes, raw materials, recipes, packaging, or other relevant factors as appropriate.

### Customer quality complaints

In FY2025, our average response time for handling customer quality complaints was under five days, and the average time to close root-cause investigations was between one and four weeks. Key actions we took to address quality complaints in 2025 included formula improvements to enhance plate performance, working with suppliers on raw material enhancements and packaging improvements to better protect the products during transport.

## Next-generation carbon-fiber adapter development

At our Ahaus Technology Center in Germany, we continued to invest in quality-driven innovation through the development of the rotec® Core X adapter series. Close collaboration with several key press manufacturers resulted in machine-tuned adapters with an optimized balance of stiffness and flexibility to harmonize with the specific press dynamics and ensure a more stable, productive print.

These adapters reduce vibration and allow for lower impression settings, which contributes to superior print quality at faster press speeds and extended plate and press lifetime. Incorporation of the eco Xtra technology allows for easier handling and more resource-efficient operations, also supporting our commitment to advancing sustainable print through innovation.



## Looking ahead:

- Continue strengthening our quality culture through a focus on prevention, root-cause analysis and continuous improvement.
- Enhance the use of data and customer feedback to identify improvement opportunities and further reduce quality incidents and complaints.
- Support the rollout of new product innovations while maintaining the high quality and consistency standards expected by customers.
- Continue investing in process improvements and employee capabilities to reinforce quality performance across our operations.



### Material topics:

- Climate Mitigation
- Climate Adaptation
- Energy
- Substances of Concern and Very High Concern
- Waste

# OPERATE: REDUCING ENVIRONMENTAL IMPACT



# OPERATE

The three priority areas under  
**OPERATE** are:

## Reducing environmental impact

**Our operations are where environmental commitments become tangible. This pillar focuses on the impacts we can most directly influence: the efficiency of our sites, the energy we use, the chemicals we manage, and the waste we generate.**

The case for focus here is clear. As an energy-intensive manufacturer of printing plates and consumables, XSYS faces exposure to transition climate risks such as rising energy and carbon costs, and regulatory carbon pricing, as well as potential supply chain disruptions linked to physical climate risks impacting raw material sourcing and logistics. Reducing our operational footprint lowers our environmental impact, climate risk and the embodied

impacts of our products, enables cost savings and makes for greater efficiency by using fewer resources and generating less waste.

Delivering on OPERATE sits primarily with our operational and manufacturing teams, although some impacts, such as Scope 3 GHG emissions from our supply chain, demand we work closely with suppliers and partners.

### 1. Reducing climate impact:

Covering energy use and associated GHG emissions across our manufacturing and supply chain, as well as reducing energy demand from customer equipment where possible. This includes increasing our use of renewable energy, decreasing the energy intensity of our processes, and working with partners to decarbonize our supply chain. We have measured our footprint as a baseline and are currently assessing our decarbonization goals.

### 2. Managing chemicals responsibly:

Improving chemical handling practices, increasing solvent recovery and recycling, and working toward the elimination of substances of concern and very high concern from our processes as we translate our product design decisions into safe, compliant operational practices across our value chain (see also Innovate, page 20).

### 3. Minimizing waste:

Addressing production offcuts, scrap, rejects and inefficiencies that arise in plate and equipment production. Reducing these not only cuts the volume of waste generated, but also reduces the resources consumed in the first place. Increasing yield, exploring recycling opportunities and eliminating the need for landfilling across our sites is a major focus for us.

# REDUCING CLIMATE IMPACT

## Our ambition:

Our ambition is to reduce climate impact in a way that strengthens XSYS as a more resilient and competitive business. In practice, this means increasing renewable energy use in production, streamlining our product portfolio, reducing reliance on fossil-based heat and raw materials, improving production, transportation and logistics efficiencies to lower indirect emissions and waste, and transitioning our vehicle fleet to electric and hybrid technologies.



## Our approach:

Our operations and products are energy-, materials- and chemicals-intensive. We recognize our responsibility to reduce emissions and contribute to the broader transition to a low-carbon economy. We also face transition and physical climate risks in our operations and value chain and understand that the resilience and growth of our business require the mitigation of these risks.

The majority of our GHG emissions occur upstream, from the raw materials we source, rather than in our own manufacturing processes. Our most significant climate-related impacts, risks and opportunities span three areas: reducing emissions across Scopes 1, 2 and 3; managing energy use in our operations, particularly from non-renewable sources; and climate adaptation, including exposure to carbon pricing mechanisms.

Climate performance is managed by our sustainability function, reporting to the CEO, with our Heads of Operations accountable for our manufacturing footprint. Our Executive Leadership Team review sustainability and climate issues monthly or as the need arises.

## Standards and accreditations

We hold ISO 14001 environmental management system certifications at our Willstätt, Ahaus and Morristown sites (collectively representing 90% of our revenue), and ISO 50001 energy management system certifications at our Willstätt and Ahaus sites (59% of our revenue). Greenhouse gas emissions have been measured and reported in accordance with the Greenhouse Gas Protocol. We also apply ISO 14067 to develop product carbon footprints for key products, supporting customers in managing the climate impact of their own operations. We are currently refining our decarbonization goals, and will communicate these in future reports.

## Our actions:

### Improving energy efficiency

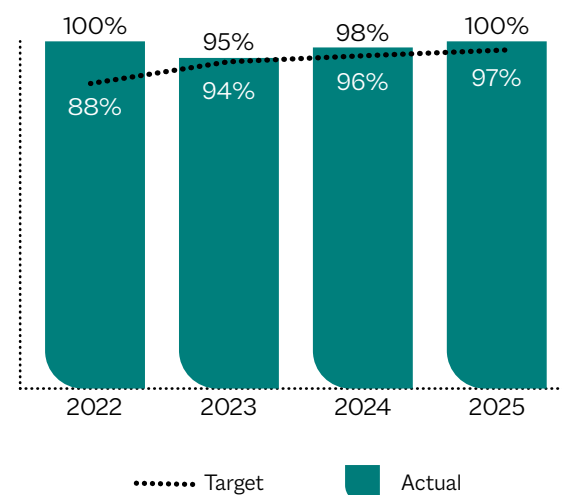
Regular energy audits, required under ISO 50001 at our Willstätt and Ahaus sites and conducted voluntarily at others (including Morristown), have revealed practical opportunities for equipment upgrades, fuel switching and process optimization. These have led to improvement projects across multiple sites, reducing energy consumption per unit produced. In 2025, upon the merger with MacDermid, we began a strategic consolidation of our product portfolio, expected to deliver further production efficiencies and reduce energy use by simplifying processes and cutting production losses.

### Moving to renewable energy

Increasing the share of renewable electricity across our operations is a key priority. We use Energy Attribute Certificates (EACs) at core production sites and source certified renewable electricity where available. Photovoltaic (solar panel) infrastructure at Ieper and Willstätt also contributes to on-site solar generation. Our debt financing includes an annual sustainability-linked ratchet tied to renewable electricity use.

In 2025, we achieved 100% renewable electricity sourcing across in-scope sites (Willstätt, Ieper and Ahaus: 62% of our revenue), exceeding our target for the year. We aim to maintain this performance and extend certified renewable sourcing to additional sites. All new vehicle leases are now required to be fully electric or hybrid under our revised fleet policy, introduced in early 2026.

### Clean electricity (% electricity use)



### Expanding renewable electricity generation at Willstätt

In 2025, we commissioned a new rooftop photovoltaic installation at our Willstätt site, further supporting our efforts to increase the use of renewable energy in our operations. During its first year of operation, the system generated 785 MWh of renewable electricity, supplying 13% of the site's annual electricity demand. The installation achieved a self-consumption rate of almost 90%, demonstrating the site's ability to utilize the majority of the renewable electricity generated on-site and reduce reliance on externally sourced electricity.

Willstätt also transitioned to LED lighting in early 2024. The project continued to deliver energy efficiency benefits in 2025, reducing annual electricity consumption by approximately 96 MWh compared with the previous lighting system.



## 2025 GHG emissions:

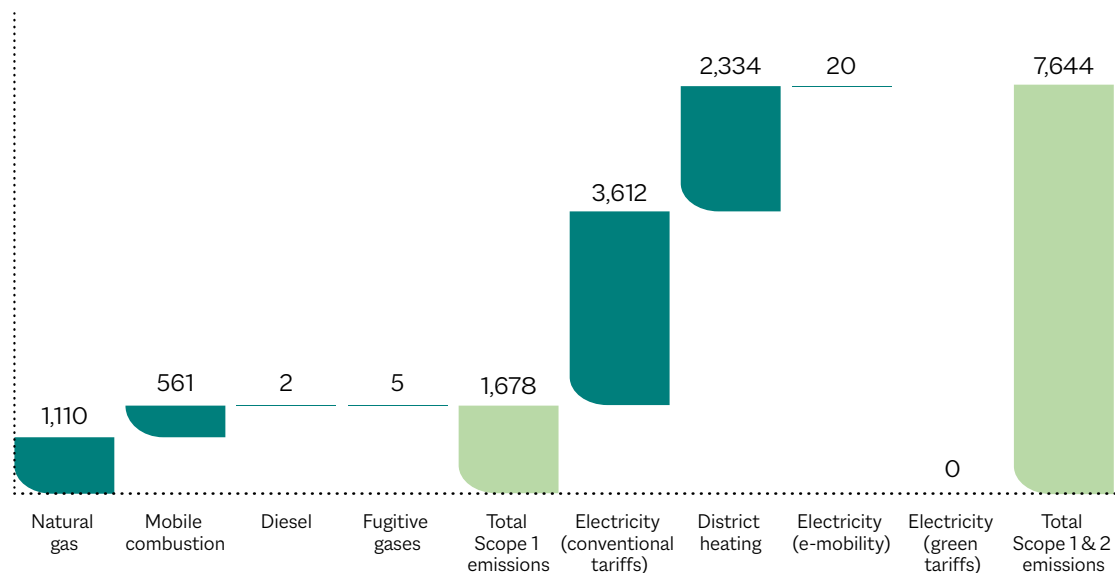
Absolute Scope 1 emissions totaled 1,678 tCO<sub>2</sub>e in 2025, with natural gas accounting for approximately two-thirds (66%) of direct emissions and mobile combustion (fleet) contributing a further

33%. As a result, the greatest opportunities to reduce Scope 1 emissions lie in improving energy efficiency, reducing natural gas consumption, and progressively transitioning to lower-carbon heating and vehicle technologies where technically and economically feasible.

Absolute Scope 2 emissions totaled 6,969 tCO<sub>2</sub>e (location-based) and 5,966 tCO<sub>2</sub>e (market-based) in 2025, driven primarily by purchased electricity and district heating across our manufacturing operations. Location-based figures reflect the average carbon intensity of the local electricity grid, while market-based figures reflect the specific energy products and contracts we use, including renewable energy tariffs and certificates. The difference in contractual renewables sourcing accounts for the reduction of our reported electricity emissions using the market-based method.

Reporting both location-based and market-based Scope 2 emissions provides transparency on the impact of our renewable electricity procurement, while our primary opportunities for further reduction remain increasing renewable electricity sourcing, improving energy efficiency, and reducing electricity demand across our sites.

## Absolute Scope 1 and 2 emissions by source (market-based, tonnes CO<sub>2</sub>e)

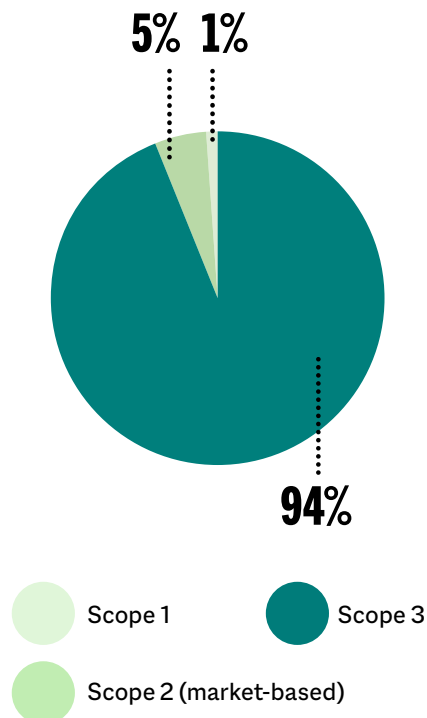


Absolute Scope 3 emissions totaled 116,880 tCO<sub>2</sub>e in 2025, with purchased goods and services accounting for approximately 60% of the total, reflecting the carbon intensity of upstream raw materials and manufacturing inputs. Emissions associated with the processing, use and end-of-life treatment of sold products contributed a further 21%, while upstream and downstream transportation and distribution represented approximately 11%.

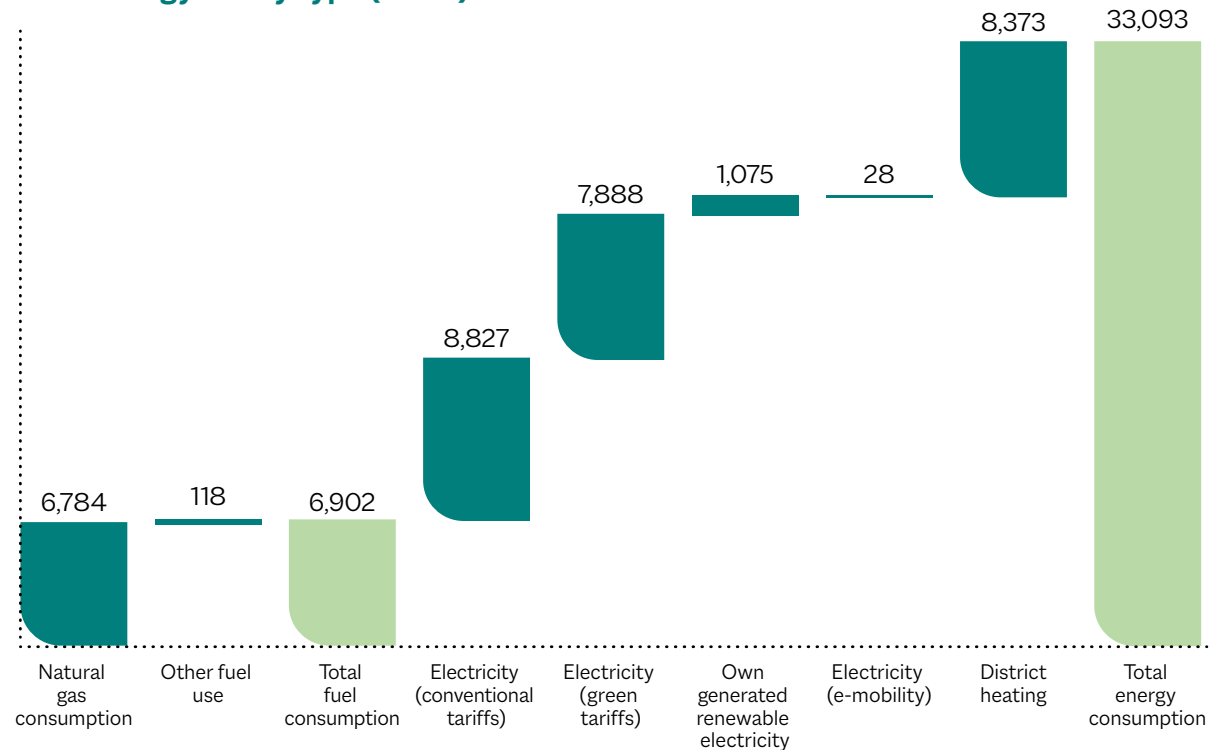
Given this emissions profile, our greatest opportunities to reduce Scope 3 emissions lie in collaborating with suppliers to lower the carbon intensity of raw materials, increasing the use of lower-impact materials where feasible, improving logistics efficiency and continuing to innovate products that reduce environmental impacts across their lifecycle.

Electricity represents the largest share of our total energy consumption, which was approximately 33,100 MWh in 2025. Overall, our use of renewable energy is currently at 27% of combined electricity and fuel use, and 50% of total electricity use. Approximately 6% of total electricity was self-generated from solar. There remains an opportunity to expand on-site generation, continue to shift our operations to renewables and improve energy efficiency to reduce overall demand.

### GHG emissions by scope (%)



### Total energy use by type (MWh)



## Innovating our product portfolio

In 2024, we launched the first products in our eco series of more sustainable flexographic printing plates, incorporating renewable materials that replace fossil-based content by up to 29% of plate weight. See the case study on page 23 for more detail.

## Managing climate risks and capturing opportunities

Carbon pricing mechanisms represent a key climate transition risk, particularly in markets such as Germany where regulatory costs may increase (we monitor these as part of our enterprise risk management processes). As opportunities, innovation and improved production efficiency both reduce emissions and lower costs. Through R&D, we are developing products that rely on less carbon-intensive raw materials and exploring options to improve circularity at end-of-life (see page 24 in Enabling Circular Solutions for more on this).

For example, in 2025 we continued development work on the eco series to identify further opportunities to replace fossil-based materials in our plates with bio-based ones. We are also exploring the value of further product certification and transparency schemes to expand our sustainable product offering to customers in future.



## Looking ahead:

- Define a practical decarbonization roadmap across Scopes 1, 2 and 3.
- Continue to assess and manage climate risks and opportunities and better integrate in our enterprise risk management processes.
- Continue expanding renewable electricity sourcing, including EACs and on-site renewable energy generation where feasible.
- Increase the proportion of electric, hybrid and lower-emission vehicles within our fleet as leases are renewed.
- Advance improvements in productivity, yield, portfolio consolidation and inventory management to reduce energy consumption, waste and indirect emissions.
- Extend our portfolio of more sustainable flexographic printing plates and related solutions, with a focus on reducing carbon impacts.

# MANAGING CHEMICALS RESPONSIBLY

## Our ambition:

We are committed to improving chemical handling, recovery and recycling across our operations and innovation, while progressively reducing reliance on hazardous chemicals and advancing safer alternatives. Where substitution is not feasible without compromising performance, for instance, acrylates, we prioritize safe use, regulatory compliance, and ongoing monitoring of emerging alternatives.

## Our approach:

Our products rely on advanced materials and carefully controlled chemical processes. Effective lifecycle management protects human health, the environment and value chain trust, while reducing regulatory, financial and reputational risks.

Key risks include air and water pollution and the safe handling, storage and disposal of hazardous substances. This area is closely linked to Prioritizing Health and Safety (see page 43).

We screen our portfolio regularly against watchlists for substances of concern and very high concern,

comply with the European Union (E.U.) REACH regulation (Registration, Evaluation, Authorization and Restriction of Chemicals), tracked via the IntegrityNext platform, and engage selectively with industry associations. While most of our products are articles and therefore are not themselves subject to the Globally Harmonized System of Classification and Labelling of Chemicals (GHS), all printing plates and sleeves contain chemical ingredients classified under GHS Category 1 or 2 for Health or Environmental Hazards.

We monitor regulatory developments via the European Chemicals Agency, the U.S. Environmental Protection Agency and other sources, and conduct raw material risk assessments. New chemicals and suppliers are evaluated before approval, with preference given to lower-impact alternatives where possible.

Air emissions (NO<sub>x</sub>, SO<sub>x</sub>, VOCs and HAPs) from our plate and sleeve manufacturing sites amounted to 12.3 tonnes in 2025, with emissions remaining within all applicable permit limits. We manage air emissions by applying process controls, emissions abatement technologies and robust environmental management practices across our manufacturing operations.

## Operating in the regulatory landscape

We operate under global and regional regulations including:

- **E.U.:** REACH and the Classification, Labelling and Packaging (CLP)
- **U.S.:** the Toxic Substances Control Act (TSCA) and Occupational Safety and Health Administration (OSHA) Hazard Communication
- **Australia:** the Australian Industry Chemicals Introduction Scheme (AICIS).

Most products are classified as articles with fewer regulatory requirements, while washout solvents and cleaning agents are regulated as chemical products.

## Our management systems

Chemical management is embedded in site-level Health, Safety and Environment (HSE) systems, primarily aligned with ISO 9001. Developing a unified global chemicals management system and policy is a focus area for 2026.

## Our actions:

### Integrating chemical risk into innovation

We assess product and raw material risks, prioritizing safe use, compliance, and progressive substitution where feasible: an approach embedded in our innovation process and supporting portfolio resilience. See also page 43 for our approach to employee safety.

### Product substitutions

Recent progress includes replacing methanol in a testing solution and introducing a lower-diisocyanate raw material, without compromising performance or customer requirements. Ongoing projects focus on lower-impact alternative solvents and additives, including new carrier films that could eliminate an entire coating step and reduce process chemical use.

While regulatory developments influence timing and scope of these transitions, our goal is to go beyond compliance by improving environmental, health, and safety performance, reducing lifecycle impacts and maintaining competitiveness.

### Looking ahead:

- Finalize and deploy a global chemicals policy and management framework.
- Continue evaluating opportunities to reduce reliance on priority hazardous substances where feasible.
- Advance alternative materials projects driven by evolving regulatory and market requirements.
- Strengthen engagement with suppliers, industry associations and regulators.
- Continue to improve process efficiency and support the transition to lower-impact manufacturing.

### Solvent recovery at Willstätt and Morristown through condensation and reuse

We recover and reuse solvent at each of these sites to reduce the need to purchase virgin solvent and dispose of used solvent, resulting in cost savings and waste reduction. At Willstätt, a recovery process introduced in 2024 and rolled out in 2025 captures solvent condensate from letterpress plate production, which is filtered and reused in place of virgin solvent. At Morristown, a Still Solvent Unit at our plate processing hub separates solvent from impurities absorbed during plate washing: a boiling process separates clean vapor from dirty sludge, and a cooling process condenses the vapor back into liquid, ready for reuse.

In 2025, approximately 37 tonnes of solvent condensate were recovered and reused at Willstätt, and a further 7 tonnes of solvent used for processing plates at Morristown were distilled, recovered and reused, avoiding the purchase of an equivalent quantity of fresh solvent, and preventing the same volume of liquid waste from requiring treatment and disposal.

# MINIMIZING WASTE

## Our ambition:

Our goal is to stop waste going to landfill, maximize recycling and recovery across all streams, including hard-to-recycle materials and solvents, and reduce waste at source. Key focus areas include yield optimization, developing circular solutions for plate waste, improving recycling rates, enhancing solvent recovery and harmonizing waste data and reporting across sites.

## Our approach:

Waste is a key environmental challenge for the printing sector and a clear opportunity to improve resource efficiency, reduce costs and strengthen circularity. This chapter covers XSYS's operational waste only. For further information on how we minimize waste across our value chain, see Enabling Circular Solutions on page 24.

## Primary waste streams

The nature of our primary waste streams presents specific challenges: up to 98% of waste is production-related, with plate waste accounting for the majority (85%). This includes out-of-specification production, trimming losses, process residues, and composite and polymer materials from sleeves and adapters that are hard to recycle. 16% of our total waste is categorized as hazardous waste, and either incinerated or otherwise treated according to legal requirements.

Non-production waste is negligible and comes mostly from packaging, maintenance and facility operations.

A significant share of total waste is diverted from landfill through effective segregation, with only 3% currently landfilled. Recycling performance is strong for secondary materials, such as metals and cardboard, as well as some polymer-based production waste, amounting to 39% of our total

waste being recycled. However, limited recovery and recycling options for primary production materials, such as complex polymer films, chemical layers and adhesives, remain our most significant challenge to circularity. These are currently incinerated instead, bringing our total incinerated waste to 51%.

Responsibility for waste sits with Heads of Operations for each business segment, with the sustainability function responsible for harmonization, target-setting and monitoring. Performance is reviewed quarterly at executive level and on an as-needed basis by the Board. Our approach is aligned with ISO 14001, with certification in place at Willstätt, Ahaus, and Morristown (collectively representing 90% of our revenue).

## Our actions:

### Innovating on waste at Willstätt and Morristown

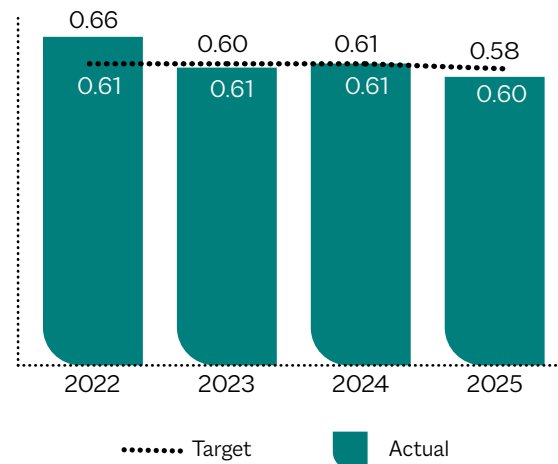
We have a sustainability ratchet for our Willstätt site in Germany, tracking the amount of waste created per square meter of plate, agreed with our investors, and which sets a ceiling for waste annually. In 2025, the site team delivered measurable improvements across three areas:

- In 2023, a CAPEX project was introduced to reduce plastic waste from flexographic plate trims (edge strips) in production, to help achieve our waste-related ESG ratchet: waste was reduced over the years from 0.66 kg per m<sup>2</sup> of plate to 0.58 kg per m<sup>2</sup> in 2025, with further reductions planned for 2026.
- In letterpress plate production, solvents recovered through condensate from the production process are now reused, reducing solvent waste and creating cost efficiencies. We also recover and reuse solvents used for plate processing at our sites, read more in the case study on page 36.

- Intermediate bulk containers and pallets are reused within the recycling process rather than scrapped. We took back more than 1,000 wooden boxes at Willstätt (equivalent to approximately 172,000 kg of wood materials) for reuse in 2025 and our Morristown packaging buy-back efforts resulted in more than 4,300 bulk containers and tanks being collected from customers and returned for recovery, reuse or recycling.

89% of our Morristown site's production waste is recycled through an external waste management company, while we locally recycle 22% at Willstätt and 33% at Ahaus. Similar capital investment projects focused on edge strip reduction through a combination of product design and other process improvements are underway at our plate sites. We will share more detail on outcomes as these progress.

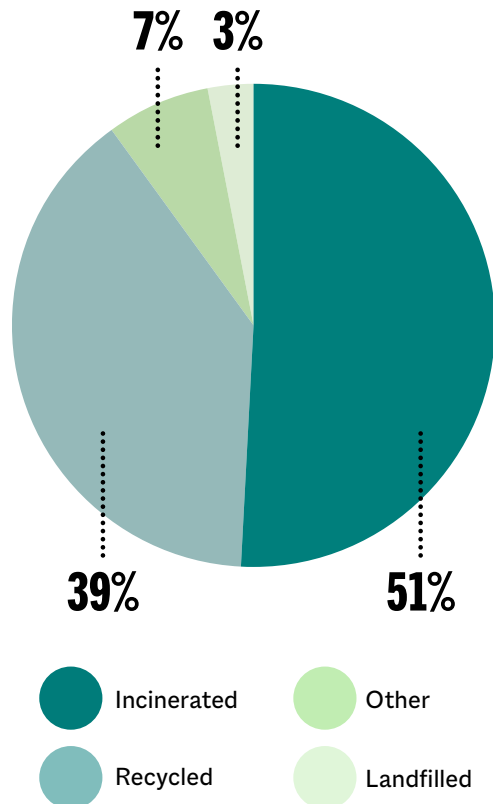
### Willstätt waste (kg/m<sup>2</sup> plate)



## 2025 Waste

Total waste generated was 3,824 tonnes, with 85% coming from plate production activities. Most waste is classified as non-hazardous, while around 16% is hazardous (such as waste from chemical solvents or inks).

### Total waste by treatment method (%)



## The Green Star Partnership at Morristown

In 2025, our Morristown plate manufacturing facility was recognized through the Tennessee Green Star Partnership, a voluntary program administered by the Tennessee Department of Environment and Conservation (TDEC) for organizations that demonstrate a commitment to environmental management and regulatory compliance. As part of this, the site highlighted its ISO 14001-certified environmental management system and range of operational improvements implemented in recent years including reductions in water consumption, waste sent to landfill and ongoing efforts to improve resource efficiency and waste management. Participation in the Green Star Partnership provides the facility with opportunities to share best practices, engage with peer organizations and identify further areas for environmental improvement.



## Looking ahead:

- Continue to reduce waste at source, expand recovery and recycling where technically feasible and further harmonize waste data and performance tracking across sites.
- Further improve production yields and material efficiency to reduce waste generation at source.
- Qualify similar products across sites to improve production efficiency and reduce waste, logistics and emissions.
- Continue exploring circular solutions for plate waste, plastics, packaging materials and other hard-to-recycle streams.



### Material topics:

- Health and Safety
- Training and Development

# EMPOWER: EMPOWERING OUR PEOPLE



# EMPOWER

## Empowering our people

**Advances in automation, digital manufacturing, data analytics and AI are changing the skills our business needs, while intensifying competition for qualified talent.**

Demographic shifts, growing demand for technical and engineering expertise and the need to transfer knowledge from experienced employees to the next generation add further pressure. Attracting, developing and retaining talented people is therefore essential, not only for safe and efficient operations, but for driving innovation, quality and customer partnerships and equipping the business to compete and succeed in the years ahead.

Our EMPOWER pillar turns these people commitments into concrete actions. It defines how we build future-ready capabilities and create conditions where every colleague can perform at their best, underpinned by a culture of trust, accountability and inclusion, aided by leaders who empower their teams.

## The three priority areas under EMPOWER are:

### 1. Prioritizing health and safety:

Supporting physical and psychological safety across all locations, fostering a culture of accountability where people feel empowered to speak up and mistakes are treated as learning opportunities that drive continuous improvement.

### 2. Investing in training and development:

Building a structured learning ecosystem that develops critical capabilities across Commercial, Technology and key interfaces, spanning essential training, functional learning, leadership development and knowledge transfer. We are also clarifying career pathways, strengthening onboarding and talent management with an annual talent cycle and succession planning in key functions.

### 3. Fostering an inclusive culture of ownership and pride:

Culture plays a defining role in how we perform together. We are deepening dialogue, reinforcing shared expectations around feedback, recognition and accountability and listening to our people so their insights shape how we communicate, make decisions and collaborate across regions.



## IN CONVERSATION WITH OUR CHIEF HUMAN RESOURCES OFFICER

**Dirk van den Hurk,**  
Chief Human Resources Officer

**2025 marked a year of profound transformation. With the merger of XSYS and MacDermid Graphics Solutions, we combined two strong global businesses and reshaped our organization into a truly global group: global in our operations, outlook and culture.**

We are still in build mode, but the foundations are firmly in place: confidence is growing, direction is clearer and our people are increasingly aligned around a shared purpose.

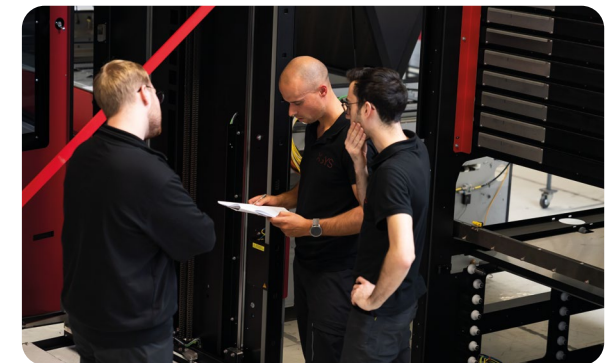
Our planned People Strategy, which has tangible objectives built in, will create a new framework for our company culture. It brings together the best of two complementary worlds, to form a people philosophy that reflects the company we aspire to be. On the one hand, it sets out the discipline and structure needed to support performance and development. And on the other, it supports a people-centered mindset that values empowerment, trust and thoughtful decision-making. It will further fuel our momentum by strengthening leadership, opening clearer pathways for growth and shaping a culture where accountability, inclusion and empowerment reinforce one another. Enhancing these key areas will positively impact our ability to recruit and retain staff and make our succession planning more robust. This is important because our people

are the source of our progress, our resilience and, indeed, our future.

Our ambition is to establish an environment where employees are equipped, trusted and expected to contribute; where communication is transparent and decision-making is consistent; and where diverse perspectives lead to better outcomes.

We are building a culture of ownership and performance that supports the long-term success of the business and enables our people to actively shape the future of XSYS.

**Dirk van den Hurk,**  
Chief Human Resources Officer



# PRIORITIZING HEALTH AND SAFETY

## Our ambition:

Our ambition is a safety culture where zero harm is built into every process and decision, owned by everyone and never compromised. An important part of this relies on continuing to build our working culture: safety should be everyone's business, unsafe behaviors should never go unchallenged, and it should be clearly understood across the organization that compromising on safety does not create efficiencies.

## Our approach:

Keeping our people safe is fundamental. We assess safety across both our production sites and the customer sites where colleagues carry out servicing and maintenance work.

The printing sector sits at the lower end of manufacturing risk, though our operations present specific occupational hazards: chemical exposure from photopolymer resins, solvents and volatile organic compounds (VOCs) used in manufacturing and R&D; mechanical risks from extrusion, coating and cutting equipment; and manual handling demands from working with large-format plates and heavy materials.

Our approach to managing health and safety is informed by ISO 45001 principles. Measurement and reporting of our safety performance is guided by Occupational Safety and Health Administration (OSHA), alongside local regulatory requirements.

Since 2025, HSE sits within our global sustainability and HSEQ function, reporting directly to the CEO. At site level, dedicated HSE managers oversee day-to-day performance, supervised by Heads of Operations. Safety features on the agenda of every monthly Executive Leadership Team meeting (see Governance on page 51).

## Our actions:

### Learning from lifting, handling and pinch-point incidents

Across all our core sites, insights from incidents involving manual handling, lifting or pinch-point risks during 2025 reinforced the importance of combining behavioral and engineering controls. This year, our reviews of root causes identified the need for clearer task ownership, improved ergonomic practices, adjusted equipment design

and more visible hazard controls. In response, we strengthened procedures, refreshed training where needed, introduced mandatory two-person tasks where appropriate, redesigned equipment to eliminate pinch-points and improved storage layouts and signage. These actions reduce reliance on individual judgement alone and have helped us embed safer ways of working.

### Updating our Personal Protective Equipment (PPE)

Following incidents where inadequate protection was identified as a root cause during the year, we have focused on ensuring our PPE is better fit for purpose and consistently applied. For example, in consultation with our employees, we introduced lightweight, but strong, cut-resistant arm guards for lifting and handling large-format plates.

## Global safety network

Established in 2025, our global safety network brings together the sustainability and HSEQ function with site HSE leaders across the business, meeting quarterly to share incident learnings, harmonize procedures and implement common standards as we move towards a more proactive and prevention-focused safety culture. In its first year, the network established our global safety procedures, including standardized risk categories, incident reporting and investigation processes. The team laid the groundwork for global safety target-setting, finalized in early 2026.



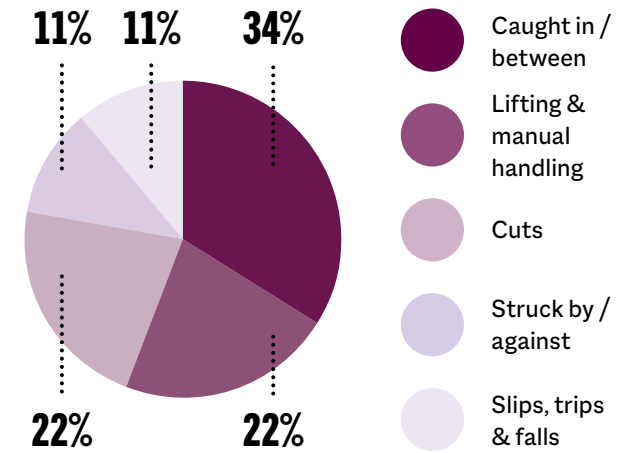
This year, we recorded nine recordable incidents, giving a Total Recordable Incident Rate (TRIR) of 1.86 (production only) and 1.36 (global production and non-production) per 200,000 hours worked. Seven resulted in lost working time, producing a Lost-Time Incident Rate (LTIR) of 1.44 (production) and 1.06 (global) per 200,000 hours worked. We recorded no serious injuries or fatalities (SIFs).

The most common causes of incidents were 'caught in/between', 'lifting and manual handling', and 'cuts' – each addressed through the targeted actions described above in Our Actions.

### Setting our safety targets

Our long-term aspiration remains zero harm, supported by a 50% reduction target in production LTIR by 2030, from a 2025 baseline of 1.44. We will review progress annually and complement LTIR monitoring with leading indicators such as training, safety observations, and near-miss reporting to strengthen our proactive approach to safety management.

### Recordable incidents by risk category (%)



### Looking ahead:

- Work towards our 2030 targets, ensuring continuous improvement.
- Strengthen our contractor management procedures, including selection, supervision and training.
- Continue to enhance our safety culture through employee engagement, training, peer observation and encouraging near-miss reporting and proactive action.
- Harmonize procedures for our technical service teams working at customer sites.

# INVESTING IN TRAINING AND DEVELOPMENT

## Our ambition:

Our ambition is to develop a learning ecosystem that empowers employees to continuously build the technical, digital and leadership capabilities needed to thrive in a changing environment, adapt to evolving technologies, strengthen performance, facilitate knowledge transfer and contribute to long-term talent retention and business growth.

We aim to evolve this into a globally consistent and scalable talent management system with clear standards and integrated processes across the organization, enabling transparent and data-driven talent decisions.

By aligning talent development more closely with business needs, we aim to directly support value creation through stronger commercial capabilities, accelerated innovation cycles and improved operational performance, while reducing risks in critical roles through structured succession pipelines.

## Our approach:

Our training framework begins with essential foundations, covering safety, compliance, technical certifications and core systems, through targeted functional learning to structured leadership development, individual career planning and knowledge transfer. Together these create clearer pathways for progression and strengthen succession readiness.

## Decentralized delivery with global standards

While Group HR provides strategic direction and systems support, much of our training is job-specific, managed locally and delivered through a mix of online and in-person formats, reflecting the diverse and specialized nature of our operations. Safety, IT and legal compliance follow more globally standardized, centrally coordinated approaches. Given the scientific and technical nature of our business, particular emphasis falls on building capability within technology, R&D, technical service, product management and sales, where skills are closely linked to innovation and long-term value creation.

## Linking talent development to business impact

To strengthen the link between capability building and business impact, we are establishing a structured talent management cycle, covering Performance and Potential Assessment, Talent Identification, Succession Planning and Development Planning. This enables a differentiated focus on our key talent segments – Commercial, Technology, and Operations (Site Leadership) – where targeted development can contribute to revenue growth, innovation and operational efficiency.

## Our actions:

### Talent management

In 2025, we ran pilot initiatives across our key talent cycle areas (Performance and Potential, Talent Reviews and Succession Planning). In early 2026, we established a dedicated talent management function to bring greater structure to how we attract, develop and retain our people.

The pilots are continuing and being refined in 2026, with structured Talent Reviews and Calibration sessions across Commercial, Technology and Site Leadership Operations, enabling a differentiated and data-informed view of talent in critical business areas. Insights are systematically evaluated to refine the approach ahead of a broader organizational rollout.

Where internal succession is not immediately available, particularly in highly specialized roles, we support targeted external hiring and plan for extended transition and knowledge transfer periods.

## Performance management

In 2025 and early 2026 we rolled out a Performance Log system as part of our global human capital management platform, supporting ongoing performance management, goal setting, development planning and performance discussions between employees and managers. The system covered 385 employees in 2025, representing 100% of those with desktop access. Production employees are covered by locally implemented systems tailored to their specific needs and shift work. The Performance Log also serves as a key enabler for linking individual performance and development needs to talent decisions within our evolving global talent management cycle.

## Delivering key training

Core training on our Code of Conduct and business integrity is delivered centrally through our global e-learning platform and completed periodically by all employees. In 2025, 538 employees completed Code of Conduct online training (over 500 hours), 211 production staff in Germany and the U.S. received in-person Code of Conduct training (over 200 hours), and 156 employees completed trade sanctions training with 100% completion, equivalent to over 100 hours of training. Employees globally completed more than 7,800 hours of safety training.

Tailored development initiatives are being introduced in key business areas to strengthen critical capabilities, including a structured Sales Enablement program and project management capability building, particularly for Technology and R&D functions. These will be piloted in 2026, to test content, formats and business relevance, with the goal of improving commercial effectiveness, cross-functional execution and more efficient delivery of innovation projects.

## Looking ahead:

- Continue post-merger integration efforts to ensure training and development systems are consistently rolled out across global operations, tailored to business and employee needs and enabling knowledge transfer.
- Introduce clear career pathways that support targeted development and capability building for critical roles. Enhance employee experience from onboarding through career development by providing a clear, consistent and well-supported journey.
- Implement a robust annual talent cycle integrating objective setting, performance management, development and succession planning.
- Strengthen our learning infrastructure by combining global platforms with locally adapted delivery formats, advancing scalable, accessible and high-quality training.
- Develop a leadership development framework to empower future leaders.
- Scale the talent management approach globally, including integration into core HR systems and further alignment of HR processes to ensure cross-region consistency and transparency.

# FOSTERING AN INCLUSIVE CULTURE OF OWNERSHIP AND PRIDE

## Our ambition:

We aim to build an inclusive, ownership-driven culture where employees feel valued, trusted and equipped to contribute to XSYS's long-term success, taking pride in shaping the company's future. We aim to create an environment where expectations are clear, leadership behaviors are consistent and people feel confident to raise ideas, address issues and take accountability for outcomes.

## Our approach:

We see workplace culture as a critical enabler of performance, collaboration and accountability, encouraging people to take ownership, act with confidence, work safely and take pride in their contribution. This is particularly important as we continue integrating teams and shaping a unified identity following recent organizational changes. In a specialized manufacturing environment, empowered employees support faster problem-solving, stronger cross-functional collaboration and the speak-up mindset essential for safety and operational excellence.

## Shaping culture

Our company values guide how we communicate, train and act, with trust, collaboration and responsibility as expectations for everyone. Culture is a shared leadership responsibility, owned by the Executive Leadership Team and reinforced daily across the whole organization. While policies and targets in this area are not yet fully established, foundational work is underway in 2026 to develop a more formal framework over time.



## Engagement, feedback and recognition

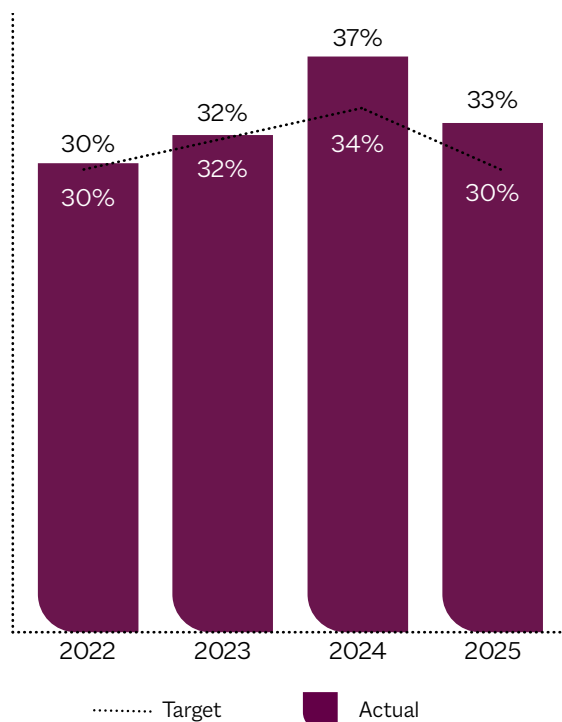
We use a combination of structured and informal mechanisms to understand and strengthen our culture, including pulse surveys, performance management processes, town halls and leadership walk-throughs. A centralized performance management system is being rolled out to support objective setting, feedback and evaluation with greater consistency (see page 46). Our remuneration approach combines fixed and variable compensation, with manufacturing bonuses linked to operational metrics such as safety, quality and delivery, while incentives for commercial and management roles reflect broader business performance.

## Leadership diversity in support of excellence

We have an ESG ratchet linked to our debt financing covering the representation of women in management globally, intended to embed accountability for inclusive leadership and strengthen our future talent pipeline. We have progressively improved this metric since defining it in 2022, reaching 33% in 2025, exceeding our 30% target. Women represent 21% of our total workforce.

## Women in Management (%)

(2025 target recalibrated following the merger to reflect the new organizational baseline)



## Our actions:

### Listening to our employees

In late 2025 and early 2026, we ran integration workshops across regions and functions to assess progress and identify where additional support was needed (see the case study on the next page).

We have completed regional pulse surveys in several countries, with a global rollout now in preparation to ensure consistent measurement of engagement and satisfaction. These surveys will serve as a key measure of our progress on inclusion, trust, and post-merger integration, and will help ensure that our people practices continue to evolve in line with employee and business needs.

Our performance management system, used by approximately 385 employees in 2025, supports structured discussions, salary planning and bonus decisions, helping to reinforce a culture of regular feedback (see also page 46).

Voluntary employee turnover is an important indicator of employee engagement, satisfaction and organizational health. While turnover is influenced by a range of internal and external factors, monitoring voluntary departures helps us assess our ability to foster an inclusive, supportive workplace, retain key talent and identify opportunities to strengthen the employee experience across our global organization.

In 2025, our global voluntary turnover rate was 8%. This percentage is reflective of the effects of the recent merger and integration of acquired businesses, rather than an underlying trend across the company. We continue to monitor turnover trends alongside employee engagement, development and retention initiatives to better understand workforce dynamics, inform targeted actions and strengthen employee retention across our business.



## Integration workshops

Following recent organizational changes, we conducted a series of workshops across regions and functions in late 2025 and early 2026. The sessions focused on how teams are working together, how the integration is progressing and where additional support would be beneficial.

Participants expressed strong alignment with the overall direction of the integration and a shared commitment to collaboration. At the same time, discussions highlighted opportunities to strengthen role clarity, improve communication and further harmonize ways of working across teams and regions.

Based on these insights, leadership initiated a set of targeted follow-up actions aimed at improving collaboration, supporting smoother interfaces and reinforcing consistent expectations across the organization. These measures are helping guide the next phase of integration and contribute to a more unified and effective operating environment.

## Looking ahead:

- Continue building a consistent and inclusive One XSYS culture by strengthening employee engagement, reinforcing leadership expectations and fostering ownership, accountability and pride across the organization.
- Complete the global rollout of employee pulse surveys to establish a consistent baseline for measuring engagement, inclusion, trust and post-merger integration, using insights to inform targeted actions and continuous improvement.
- Further embed a culture of regular feedback and performance by expanding the use of our global performance management system and strengthening the link between individual objectives, development and business priorities.
- Continue developing our people and culture framework, including more formal governance, metrics and long-term priorities to support employee engagement, retention and inclusive leadership.
- Build on progress in leadership diversity by maintaining a strong pipeline of talent and continuing to create an inclusive workplace where people from all backgrounds can develop and thrive.



### Material topics:

- Management of Supplier Relationships

# GOVERNANCE

# OUR APPROACH TO GOVERNANCE

XSYS operates with a governance structure designed to ensure clear accountability, disciplined decision-making and effective oversight of business performance, risk and sustainability priorities.

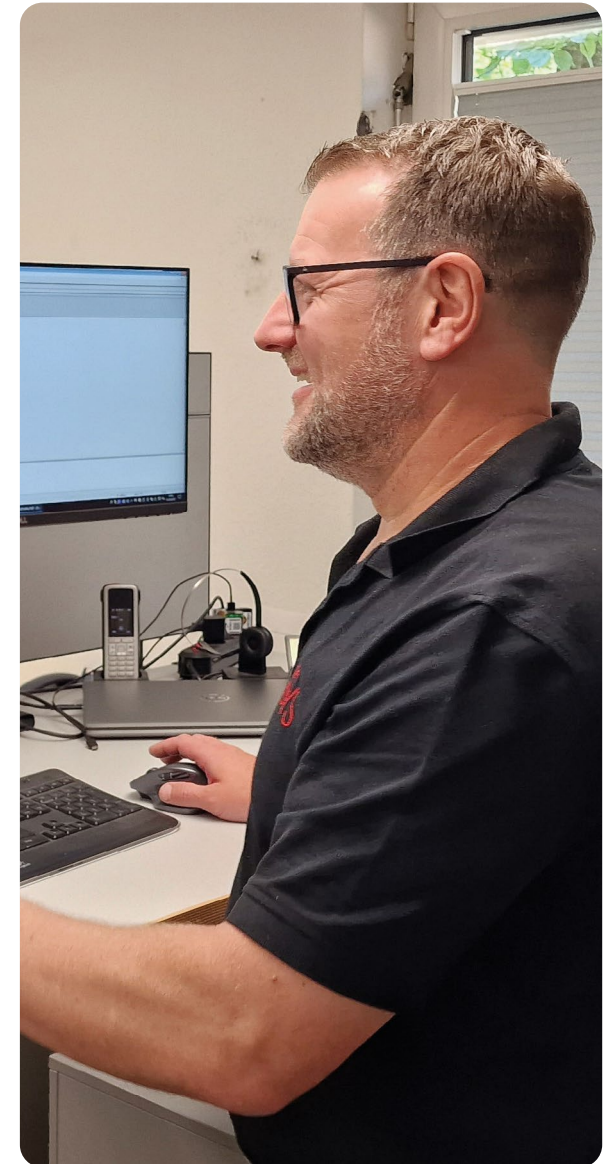
As a privately owned business under private equity ownership, the Board of Directors of our parent holding company is the highest governing body, comprising eight members including our CEO, Alexander Unterschütz, with five male and three female directors. The Board provides strategic direction and oversight on key business, risk and sustainability matters. See page 12 for a brief overview of how our DMA process engaged Executive Leadership and the Board.

Day-to-day executive leadership responsibility sits with the CEO and Executive Leadership Team, who meet monthly in person to review operational, financial and strategic priorities. Sustainability governance is integrated into the business through the Sustainability and HSEQ function, which reports directly to the CEO and is represented at Executive Leadership Team level. The Global Sustainability and HSEQ Director also provides weekly updates to the CEO, maintaining continuous visibility on emerging issues.

Health and safety is a standing agenda item at monthly leadership meetings. Broader sustainability, climate and quality topics are reviewed quarterly, or more frequently as required. The Executive Leadership Team is actively engaged in sustainability-related decision-making, with the Board of Directors informed of and involved in key decisions where appropriate.

## Regulatory compliance

Business integrity and regulatory compliance are overseen by a dedicated compliance function, responsible for monitoring adherence to applicable laws, internal policies and ethical standards.



# RESPONSIBLE BUSINESS

## Our ambition:

We aim to maintain a culture where integrity, transparency and accountability guide every business decision, strengthening trust with our employees, customers, suppliers and other stakeholders while supporting the long-term success of XSYS.

## Our approach:

We are committed to conducting business with integrity, transparency and accountability, including our interactions with employees, business partners (suppliers, distributors, sales agents and customers) and other stakeholders. Our Code of Conduct sets clear expectations for ethical behavior, compliance and responsible decision-making across our operations and value chain. We expect equivalent standards from our business partners. For our third-party intermediaries such as distributors and sales agents, we undertake a compliance onboarding process including background checks, and require a contractual commitment to all applicable laws and regulations and our Code of Conduct. All tier one suppliers are expected to acknowledge and

comply with our Code of Conduct, regardless of whether they are engaged under a formal contract or a purchase order. We emphasize high ethical standards through our procurement contracts and General Terms and Conditions of Purchase, including a clear commitment to prohibiting forced labor and child labor. We reserve the right to cease doing business with suppliers whose practices are inconsistent with these values. While we have not yet implemented systematic due diligence mechanisms to verify supplier compliance, we have no indication of material non-compliance to date. Strengthening our supplier assurance framework is an area of ongoing development.

Responsible business conduct is embedded in our governance framework and supported by dedicated policies, controls and oversight mechanisms designed to protect the company, its stakeholders and its long-term reputation.

## Ethical conduct and compliance

We maintain a zero-tolerance approach to corruption, bribery, fraud and money laundering. Improper payments, including facilitation payments and commercial bribery, are strictly prohibited.

We comply fully with applicable antitrust and competition laws and do not engage in anti-competitive practices of any kind.

## Conflicts of interest

Employees and business partners are required to avoid actual, potential, or perceived conflicts of interest, disclose them where they arise and act at all times in the best interests of XSYS. Decisions must be made objectively and without undue influence.

## Responsible engagement and transparency

We aim to conduct all business relationships with fairness and professionalism. This includes interactions with government officials, with strict controls on gifts and hospitality, transparent charitable contributions and sponsorships alongside a prohibition on political contributions or lobbying using company resources. Third parties are subject to due diligence before engagement.

## Financial integrity and record-keeping

We are committed to accurate, complete and transparent financial records in accordance with applicable accounting standards. Robust record-keeping underpins accountability, prevents fraud and supports regulatory compliance.

## Data protection and confidentiality

We safeguard confidential information, personal data and intellectual property in line with applicable legal requirements. Protecting sensitive information is a core responsibility across our operations and supply chain.

## Speak-up culture

We promote an open culture where concerns about unethical or unlawful conduct can be raised without fear of retaliation. Employees and stakeholders can report concerns through confidential channels, including an independent third-party whistleblowing system available in all markets.

## Our actions:

### Reported concerns

All reported concerns are reviewed by our Compliance Team and, where appropriate, investigated with support from relevant functions. Findings and recommendations are reported to senior management, with follow-up actions monitored through a centralized compliance process. In addition, we conduct an annual employee compliance review process to help identify potential risks, strengthen awareness and support continuous improvement.

In 2025, 247 employees in roles identified as requiring annual compliance certification

participated in the employee compliance review process, with the significant majority confirming alignment with our compliance standards and expectations. The process identified a limited number of cases requiring additional review and follow-up, all of which were assessed through our compliance procedure.

During 2025, we received five reports through our internal reporting channels, primarily relating to workplace conduct and employment-related matters. While most allegations were not substantiated following investigation, recommendations and preventive actions were implemented where appropriate to strengthen controls, awareness and workplace practices. XSYS continues to reinforce its speak-up culture through regular Code of Conduct training, including modules covering workplace behavior, reporting obligations and non-retaliation principles.

### Key policies

- XSYS code of conduct
- Supplier code of conduct
- Speak up and no retaliation
- HSE
- Quality
- Anti-bribery, anti-corruption and anti-money laundering
- Modern slavery
- Antitrust
- Global personal data privacy

## Looking ahead:

- Continue strengthening our ethics and compliance approach by reinforcing awareness, training and consistent application of our Code of Conduct across the organization.
- Enhance our supplier assurance framework to support greater visibility of supplier compliance with our ethical standards and expectations.
- Continue fostering a strong speak-up culture by encouraging the timely reporting of concerns, maintaining robust investigation processes and embedding lessons learned into our policies, controls and training.
- Further strengthen governance, compliance and risk management processes as our business continues to evolve, supporting responsible decision-making and long-term value creation.

# HUMAN RIGHTS

## Our ambition:

We aim to uphold and promote human rights across our operations and value chain by fostering safe, fair and respectful working conditions, embedding responsible business practices and strengthening our ability to identify, prevent and address human rights risks.

## Our approach:

We are committed to respecting and promoting human rights across our operations and supply chain, in line with the U.N. Global Compact (of which we are a signatory), the Universal Declaration of Human Rights, and International Labor Organization Standards.

Human rights is a lens through which we review all our sustainability impacts, from workplace safety and chemicals management to environmental stewardship and data privacy. These are not separate considerations, they are interconnected, and our human rights commitments inform how we approach all of them.

Human rights principles are embedded in our Code of Conduct and Supplier Code of Conduct, and integrated into our governance, risk management and stakeholder engagement processes. We expect our suppliers and business partners to apply the same principles in their own operations. Our aim is to identify, prevent and address adverse impacts while upholding fair and dignified working conditions throughout our value chain.

## Labor rights and fair working conditions

We uphold fundamental labor rights and require fair, lawful and respectful working conditions across our operations. This includes fair wages, compliance with working time regulations, respect for freedom of association and collective bargaining, and equal opportunity in employment.

## Prohibition of forced and child labor

We apply a zero-tolerance approach to forced labor, human trafficking and all forms of modern slavery. Child labor is strictly prohibited, and minimum age requirements are observed in line with applicable laws and international standards.

## Non-discrimination and a respectful workplace

We are committed to a workplace free from discrimination, harassment and abuse. Employment decisions are based solely on merit, and we aim to treat all individuals with dignity and respect.

## Health, safety and wellbeing

We are dedicated to ensuring safe and healthy working conditions, including risk and injury prevention, appropriate training and protection, and access to safe facilities. These expectations extend to our suppliers and contractors. See Prioritizing Health and Safety on page 43 for more information.



## Supply chain responsibility

Suppliers are expected to comply with labor and human rights laws, implement aligned policies and demonstrate continuous improvement in their practices. We currently conduct annual supplier assessments through questionnaires, supplemented by ongoing engagement between our global procurement team and individual suppliers. We are now establishing a more structured supplier audit program through our Procurement function, covering social and environmental risk alongside financial capacity and other material risk factors. This program will strengthen our ability to identify, assess and manage supplier risk in a more systematic and consistent way.

## Grievance mechanisms and remedy

We support accessible grievance mechanisms that allow concerns to be raised without fear of retaliation. All reported issues are investigated and addressed through appropriate remediation processes. See Responsible Business on page 52.

### Looking ahead:

- Complete the development and rollout of our global supplier audit program, strengthening our approach to managing social and environmental risks across the supply chain.
- Continue integrating human rights considerations into our procurement, risk management and governance processes.
- Strengthen supplier engagement and awareness of our human rights expectations through ongoing communication, assessments and collaboration.
- Continue reinforcing a workplace where employees are treated with dignity and respect and work under safe conditions, supported by accessible grievance mechanisms, a strong speak-up culture and regular training.



# APPENDIX

# 2025 GHG EMISSIONS DATA

Below is a detailed breakdown of our 2025 GHG emissions by source, across Scopes 1, 2 and 3.

| Scope 1: Direct emissions      | tonnes CO <sub>2</sub> e |
|--------------------------------|--------------------------|
| <b>Total Scope 1 emissions</b> | <b>1,678</b>             |
| <b>Stationary combustion</b>   | <b>1,112</b>             |
| Diesel                         | 2                        |
| Natural gas                    | 1,110                    |
| <b>Fugitive gases</b>          | <b>5</b>                 |
| <b>Mobile combustion</b>       | <b>561</b>               |

| Scope 2: Indirect emissions, purchased energy | tonnes CO <sub>2</sub> e |
|-----------------------------------------------|--------------------------|
| <b>Total Scope 2 emissions (market-based)</b> | <b>5,966</b>             |
| <b>Electricity</b>                            | <b>3,632</b>             |
| Electricity (conventional tariffs)            | 3,612                    |
| Electricity (green tariffs)                   | 0                        |
| Electricity (e-mobility)                      | 20                       |
| <b>District heating</b>                       | <b>2,334</b>             |

|                                                 |              |
|-------------------------------------------------|--------------|
| <b>Total Scope 2 emissions (location-based)</b> | <b>6,969</b> |
| <b>Electricity</b>                              | <b>5,501</b> |
| Electricity (conventional tariffs)              | 2,931        |
| Electricity (green tariffs)                     | 2,561        |
| Electricity (e-mobility)                        | 9            |
| <b>District heating</b>                         | <b>1,468</b> |

| Scope 3: Indirect emissions, supply chain          | tonnes CO <sub>2</sub> e |
|----------------------------------------------------|--------------------------|
| <b>Total Scope 3 emissions</b>                     | <b>116,880</b>           |
| 3.1 - Purchased goods and services                 | 70,330                   |
| 3.2 - Capital goods                                | 1,222                    |
| 3.3 - Fuel- and energy-related activities          | 1,358                    |
| 3.4 - Transportation and distribution (upstream)   | 7,675                    |
| 3.5 - Waste generated through operations           | 5,365                    |
| 3.6 - Business travel                              | 967                      |
| 3.7 - Employee commuting                           | 520                      |
| 3.8 - Assets the company has rented or leased      | not applicable           |
| 3.9 - Transportation and distribution (downstream) | 4,699                    |
| 3.10 - Processing of sold products                 | 8,094                    |
| 3.11 - Use of sold products                        | 8,884                    |
| 3.12 - End-of-life treatment of sold products      | 7,766                    |
| 3.13 - Assets rented out or leased by the company  | not applicable           |
| 3.14 - Franchises                                  | not applicable           |
| 3.15 - Investments                                 | not applicable           |

|                                                            |                |
|------------------------------------------------------------|----------------|
| <b>Total Scope 1, 2 &amp; 3 emissions (market-based)</b>   | <b>124,524</b> |
| <b>Total Scope 1, 2 &amp; 3 emissions (location-based)</b> | <b>125,527</b> |

# SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

We include a SASB index to support transparent, decision-useful sustainability reporting. The Sustainability Accounting Standards Board (SASB) is an independent non-profit that sets industry-specific disclosure standards, helping companies communicate the sustainability topics most relevant to their business and stakeholders. Reporting with reference to SASB aims to improve comparability and consistency by focusing on financially material issues within defined industry sectors.

We selected the SASB standards most relevant to our business. The majority draw on the Chemicals sector standard, which most closely aligns with our operations, supplemented by disclosures from the Industrial Machinery & Goods and Biotechnology & Pharmaceuticals sector standards. These additions capture sustainability issues not covered by the Chemicals standard alone, giving a more holistic view of our business activities. We chose the remaining topics and metrics based on their relevance to our operations, sustainability

priorities and stakeholder expectations, and on the availability and quality of supporting data (which reflects the reporting maturity of our recently merged organization).

This index states each disclosure point, a brief description of what it covers, and the chapters and sections in this report where supporting information can be found.

| Sector    | SASB code    | SASB disclosure                                                         | Disclosure requirement                                                                                                                                                                                                                                                                                | Response location                                   | Coverage |
|-----------|--------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|----------|
| Chemicals | RT-CH-410b.1 | SASB disclosure topics: Safety & Environmental Stewardship of Chemicals | <b>SAFETY &amp; DUE DILIGENCE:</b><br>(1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances<br>(2) Percentage of such products that have undergone a hazard assessment | OPERATE:<br>Managing chemicals responsibly, page 35 | Partial  |

| Sector                     | SASB code    | SASB disclosure                                                          | Disclosure requirement                                                                                                                                                             | Response location                                                  | Coverage |
|----------------------------|--------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|----------|
| Chemicals                  | RT-CH-410b.2 | SASB disclosure topics: Safety & Environmental Stewardship of Chemicals  | <b>SAFETY &amp; DUE DILIGENCE:</b><br>Discussion of strategy to (1) Manage chemicals of concern and (2) Develop alternatives with reduced human or environmental impact            | OPERATE:<br>Managing chemicals responsibly, page 35                | Full     |
| Industry machinery & goods | RT-IG-440a.1 | SASB disclosure topics: Materials Sourcing                               | <b>DUE DILIGENCE:</b><br>Description of the management of risks associated with the use of critical materials                                                                      | OPERATE:<br>Managing chemicals responsibly, page 35                | Full     |
| Chemicals                  | RT-CH-320a.1 | SASB disclosure topics: Workforce Health & Safety                        | <b>HEALTH &amp; SAFETY:</b><br>Total recordable incident rate (TRIR)<br>Fatality rate for (a) employees and (b) contract employees                                                 | EMPOWER:<br>Prioritizing health and safety, page 44                | Partial  |
| Chemicals                  | RT-CH-530a.1 | SASB disclosure topics: Management of the Legal & Regulatory Environment | <b>REGULATION:</b><br>Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry | OPERATE:<br>Managing chemicals responsibly, page 35                | Full     |
| Chemicals                  | RT-CH-410a.2 | SASB disclosure topics: Product Design for Use-phase Efficiency          | <b>USE-PHASE EFFICIENCY:</b><br>Description of efforts to manage product use-phase efficiency (e.g., energy, water)                                                                | INNOVATE:<br>Designing safer, lower-impact products, pages 22 & 24 | Full     |

| Sector    | SASB code    | SASB disclosure                                          | Disclosure requirement                                                                                                                                                                 | Response location                                                                                                       | Coverage |
|-----------|--------------|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------|
| Chemicals | RT-CH-130a.1 | SASB disclosure topics: Energy Management                | <b>ENERGY:</b><br>Total energy consumed<br>Percentage of grid electricity<br>Percentage of renewable (total percentage self-generated energy)                                          | OPERATE: Reducing climate impact, page 33                                                                               | Full     |
| Chemicals | RT-CH-110a.1 | SASB disclosure topics: Greenhouse Gas Emissions         | <b>EMISSIONS:</b><br>Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations                                                                           | OPERATE: Reducing climate impact, page 32<br>None of our GHG emissions are covered under emissions-limiting regulations | Full     |
| Chemicals | RT-CH-110a.2 | SASB disclosure topics: Greenhouse Gas Emissions         | <b>EMISSIONS:</b><br>Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against those targets | OPERATE: Reducing climate impact, page 32                                                                               | Full     |
| Chemicals | RT-CH-120a.1 | SASB disclosure topics: Air Quality; Community Relations | <b>AIR EMISSIONS:</b><br>Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) Volatile organic compounds (VOCs), and (4) Hazardous air pollutants (HAPs)   | OPERATE: Managing chemicals responsibly, page 35                                                                        | Partial  |

| Sector                          | SASB code    | SASB disclosure                                                       | Disclosure requirement                                                                                                                                               | Response location                                                          | Coverage |
|---------------------------------|--------------|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------|
| Chemicals                       | RT-CH-140a.1 | SASB disclosure topics: Water Management                              | <b>WATER:</b><br>(1) Total water withdrawn, (2) Total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress                | ABOUT US: XSYS<br>Across the printing value chain, page 7                  | Partial  |
| Chemicals                       | RT-CH-150a.1 | SASB disclosure topics: Hazardous Waste Management                    | <b>WASTE:</b><br>(1) Amount of hazardous waste generated (2) Percentage recycled                                                                                     | OPERATE:<br>Minimizing waste, page 39                                      | Full     |
| Biotechnology & Pharmaceuticals | HC-BP-330a.1 | SASB disclosure topics: Employee Recruitment, Development & Retention | <b>TALENT:</b><br>Discussion of talent recruitment and retention efforts for scientists and research and development staff                                           | EMPOWER:<br>Investing in training and development, page 45                 | Full     |
| Biotechnology & Pharmaceuticals | HC-BP-330a.2 | SASB disclosure topics: Employee Recruitment, Development & Retention | <b>TALENT:</b><br>(1) Voluntary and (2) Involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others | EMPOWER:<br>Fostering an inclusive culture of ownership and pride, page 49 | Partial  |

# INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB) INDEX

We refer to the International Sustainability Standards Board (ISSB) Standards to provide investors and stakeholders with globally consistent, comparable disclosure of sustainability-related risks and opportunities that could reasonably be expected to affect our cash flows, access to finance, or cost of capital over the short, medium and long term. The ISSB Standards, issued by the International Financial Reporting Standards (IFRS) Foundation, are designed to set a global baseline for sustainability disclosure alongside financial reporting.

This report has been prepared with reference to IFRS S2 (Climate-related Disclosures), reflecting our focus on climate-related risks and opportunities. Disclosures cover our global operations, aligned with the boundaries used in our financial statements. As our reporting develops, we intend to align more fully with the full IFRS standards in future years.

Given the reporting maturity of our recently merged organization, some disclosures reflect current data availability and measurement

approaches rather than full alignment with all ISSB requirements. We intend to build out the depth and completeness of these disclosures in future reporting cycles.

This index states the IFRS reference and disclosure requirements, and sets out XSYS's alignment, alongside references to this 2025 Sustainability Report and our 2025 CDP disclosure.

| IFRS reference      | ISSB pillar | Disclosure requirement    | Disclosure response                                                                                                                                                                                                                             | Response location                 | Coverage |
|---------------------|-------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------|
| <b>S2.6 (a)</b>     | Governance  | Governance body oversight | The CEO is the highest-ranking executive responsible for climate matters and reports directly to the Board. The CEO, CFO and CCO meet with the Board and investors monthly and report on relevant sustainability and climate matters as needed. | Governance, page 51<br>CDP 17.1.1 | Partial  |
| <b>S2.6 (a)(ii)</b> | Governance  | Skills and competencies   | Climate-related responsibilities are allocated across the CEO, CFO, sustainability leadership, executive team and CTO.                                                                                                                          | Reducing climate impact, page 30  | Partial  |

| IFRS reference            | ISSB pillar | Disclosure requirement                                                    | Disclosure response                                                                                                                                                                                                                                                                                                                                | Response location                                                           | Coverage |
|---------------------------|-------------|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------|
| <b>S2.6 (a) (iii)</b>     | Governance  | How and how often the governing body is informed                          | The CEO receives regular sustainability updates. The executive team reviews sustainability matters monthly or as relevant, and the CEO, CFO and CCO report relevant matters to the Board and investors at monthly meetings.                                                                                                                        | Governance, page 51<br>Reducing climate impact, page 30                     | Full     |
| <b>S2.6 (a) (iv)</b>      | Governance  | Consideration in strategy, transactions and risk oversight                | The CEO is involved in decisions on the climate response; the CFO oversees relevant budgets and expenditure; and the executive team participates in implementation. We plan to evaluate the effects of identified climate risks and opportunities on strategy and financial planning and are developing a climate transition plan.                 | CDP 17.1.1; 18.1; 18.2                                                      | Partial  |
| <b>S2.6 (a)(v)</b>        | Governance  | Oversight of targets and performance                                      | The sustainability function sets corporate environmental targets and measures progress. The executive team is briefed monthly, while the CEO receives weekly updates. The clean-electricity sourcing target for the Willstätt, Ahaus and Ieper sites was achieved in 2025.                                                                         | Our approach to sustainability, page 14<br>Reducing climate impact, page 30 | Partial  |
| <b>S2.6 (b)</b>           | Governance  | Management roles, controls and reporting lines                            | The Global Sustainability & HSE-Q Director reports to the CEO and leads climate assessments, reporting, targets, transition planning and implementation. The Environmental and Sustainability Manager supports assessments, disclosures and improvement activities. The CFO, CTO, CCO and executive team have defined supporting responsibilities. | Reducing climate impact, page 30                                            | Full     |
| <b>S2.10; 13 (a)(iii)</b> | Strategy    | Climate-related risks and opportunities and effects on the business model | We identified a long-term transition risk from carbon-pricing mechanisms, which could increase compliance costs in Belgium, Germany and the United States. Identified opportunities include lower-carbon and more circular products and resource-efficiency measures that reduce production waste, costs and losses.                               | Our approach to sustainability, page 12<br>Reducing climate impact, page 34 | Full     |

| IFRS reference         | ISSB pillar | Disclosure requirement                                          | Disclosure response                                                                                                                                                                                                                                                                                                | Response location                    | Coverage |
|------------------------|-------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------|
| <b>S2.10; 13(b)</b>    | Strategy    | Concentration of risks and opportunities                        | The identified carbon-pricing risk is concentrated in direct operations in Belgium, Germany and the United States. Product and resource-efficiency opportunities also arise primarily in direct operations, with benefits extending to customers through lower-carbon products and circular end-of-life solutions. | Reducing climate impact, page 30     | Full     |
| <b>S2.10; 13(d)</b>    | Strategy    | Definitions of short, medium and long term                      | The risk and opportunity assessment uses short-, medium- and long-term horizons.                                                                                                                                                                                                                                   | CDP 16.1.1; 16.3.1                   | Full     |
| <b>S2.14 (a)</b>       | Strategy    | Current and anticipated effects on strategy and decision-making | We have identified material climate-related risks and opportunities through our double materiality assessment. Their potential effects on strategy and financial planning are scheduled for evaluation and integration.                                                                                            | CDP 18.1                             | Partial  |
| <b>S2.14 (a) (i)</b>   | Strategy    | Changes to business model and resource allocation               | Planned and ongoing responses include target-setting, development of a global transition plan, renewable-electricity procurement, energy-efficiency projects, lower-carbon raw materials, product circularity and production-waste reduction.                                                                      | Reducing climate impact, pages 31-34 | Partial  |
| <b>S2.14 (a) (iii)</b> | Strategy    | Direct and indirect mitigation and adaptation efforts           | Mitigation measures include renewable-electricity contracts, more efficient equipment, lower-carbon raw materials, circular product development and waste-reduction investments. These actions are intended to reduce operational and value-chain emissions and exposure to carbon costs.                          | Reducing climate impact, pages 31-34 | Full     |

| IFRS reference           | ISSB pillar     | Disclosure requirement                                              | Disclosure response                                                                                                                                                                                                                                                          | Response location                                                                               | Coverage |
|--------------------------|-----------------|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|----------|
| <b>S2.14 (a) (iv)</b>    | Strategy        | Transition plan, assumptions, dependencies and progress             | We are developing a climate transition plan. Its existing clean-electricity target covers the Willstätt, Ahaus and Ieper sites and aims for 100% clean-electricity by 2026, maintained through 2029. The 2025 milestone of 97% was achieved.                                 | Our approach to sustainability, page 14<br>Reducing climate impact, page 31                     | Partial  |
| <b>S2.15 (a)</b>         | Strategy        | Current financial effects                                           | The carbon-pricing risk could increase compliance costs. Product innovation and resource efficiency could reduce direct and operating costs, and meeting waste targets can reduce annual interest costs under a debt-funding ratchet.                                        | Reducing climate impact, pages 29 & 31                                                          | Partial  |
| <b>S2.15 (b); 16 (c)</b> | Strategy        | Anticipated financial effects and financial planning                | We expect carbon pricing to affect costs over the long-term and expect lower-carbon products and resource efficiency to provide benefits over the short-, medium- and long-term. We plan to assess these effects in strategy and financial planning.                         | CDP 16.1.1; 16.3.1; 18.1                                                                        | Partial  |
| <b>S2.22</b>             | Strategy        | Climate resilience and scenario analysis                            | Responsibility for climate scenario analysis is assigned to the sustainability function.                                                                                                                                                                                     | CDP 17.1.1; 18.1                                                                                | Partial  |
| <b>S2.25 (a)</b>         | Risk management | Processes to identify, assess, prioritize and monitor climate risks | Climate risks and opportunities are assessed annually through the double materiality assessment and/or site-level ISO 14001 and ISO 50001 processes. The disclosed carbon-pricing risk was assessed by value-chain stage, geography, time horizon, likelihood and magnitude. | Our approach to sustainability, page 12<br>Reducing climate impact, page 30<br>CDP 15.1; 16.1.1 | Partial  |

| IFRS reference              | ISSB pillar         | Disclosure requirement                                                   | Disclosure response                                                                                                                                                                                                                                                                                                                        | Response location                                                           | Coverage |
|-----------------------------|---------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------|
| <b>S2.25 (a) (iv)-(vi)</b>  | Risk management     | Prioritization, monitoring and changes to processes                      | Risks and opportunities are reassessed annually, with sustainability reporting to the CEO regularly and executive-team review monthly or as necessary.                                                                                                                                                                                     | CDP 15.1; 17.1.1                                                            | Partial  |
| <b>S2.25 (b)</b>            | Risk management     | Processes for climate-related opportunities                              | Climate opportunities are assessed annually. Identified opportunities are evaluated by type, value-chain stage, geography, financial effect, time horizon, likelihood and magnitude.                                                                                                                                                       | CDP 15.1; 16.3.1                                                            | Full     |
| <b>S2.25 (c)</b>            | Risk management     | Integration into overall risk management and overall process description | The double materiality assessment identifies global impacts, risks and opportunities, while certified site-management systems support annual assessment. Climate matters are escalated through the sustainability function to the CEO and executive team.                                                                                  | Our approach to sustainability, page 12<br>Reducing climate impact, page 30 | Partial  |
| <b>S2.29 (a) (i)</b>        | Metrics and targets | Absolute gross Scope 1, Scope 2 and Scope 3 emissions                    | For 2025, we reported absolute Scope 1 emissions of 1,678 tCO <sub>2</sub> e; absolute Scope 2 emissions of 6,969 tCO <sub>2</sub> e (location-based) and 5,966 tCO <sub>2</sub> e (market-based); and absolute Scope 3 emissions of 116,880 tCO <sub>2</sub> e.                                                                           | Reducing climate impact, pages 32 & 33                                      | Full     |
| <b>S2.29 (a) (ii)-(iii)</b> | Metrics and targets | GHG measurement method, approach and changes                             | The GHG inventory is prepared using the GHG Protocol Corporate Standard and the operational-control approach. All production facilities, offices and warehouses are included. Calculations combine activity- and spend-based methods and use external emission factors including Ecoinvent, UK government conversion factors and IEA data. | CDP 19.1; 20.2; 20.4-20.7                                                   | Full     |

| IFRS reference        | ISSB pillar         | Disclosure requirement                                  | Disclosure response                                                                                                                                                                                                                                                                                                                                                                                | Response location                | Coverage |
|-----------------------|---------------------|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------|
| <b>S2.29 (a) (v)</b>  | Metrics and targets | Scope 2 location-based and contractual information      | We report both location-based and market-based Scope 2 emissions. Green-electricity contracts and certified renewable-electricity sourcing are in place at core European production sites.                                                                                                                                                                                                         | Reducing climate impact, page 33 | Full     |
| <b>S2.29 (a) (iv)</b> | Metrics and targets | GHG emissions boundary and reporting entity             | The entities included in the GHG disclosure are the same as those included in the financial statements. The inventory uses operational control, and no relevant Scope 1, Scope 2, or Scope 3 sources are excluded.                                                                                                                                                                                 | CDP 14.5; 19.1; 20.3             | Full     |
| <b>S2.29 (a) (vi)</b> | Metrics and targets | Scope 3 categories and measurement information          | Relevant Scope 3 categories comprise purchased goods and services, capital goods, fuel- and energy-related activities, upstream and downstream transport, operational waste, business travel, employee commuting, processing and use of sold products, and end-of-life treatment. The response explains the calculation method and use of primary, secondary and estimated data for each category. | Reducing climate impact, page 33 | Full     |
| <b>S2.29 (b)</b>      | Metrics and targets | Assets or activities vulnerable to transition risk      | Carbon-pricing exposure is identified across direct operations in Belgium, Germany and the United States.                                                                                                                                                                                                                                                                                          | CDP 16.1.1                       | Partial  |
| <b>S2.29 (d)</b>      | Metrics and targets | Assets or activities aligned with climate opportunities | Climate opportunities include lower-carbon and circular products and resource-efficient production.                                                                                                                                                                                                                                                                                                | CDP 16.3.1                       | Partial  |

| IFRS reference       | ISSB pillar         | Disclosure requirement                                 | Disclosure response                                                                                                                                                                                                                                                                        | Response location                       | Coverage |
|----------------------|---------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------|
| <b>S2.29 (e)</b>     | Metrics and targets | Capital deployment                                     | We report investment in more efficient machinery and resource-efficiency measures.                                                                                                                                                                                                         | CDP 16.3.1; 20.9                        | Partial  |
| <b>S2.33</b>         | Metrics and targets | Metrics used to set and monitor targets                | We monitor renewable and non-renewable purchased electricity in MWh and the share of clean-electricity sourced across the target sites.                                                                                                                                                    | Reducing climate impact, page 33        | Partial  |
| <b>S2.33 (a)-(c)</b> | Metrics and targets | Target metric, objective and scope                     | The target is to source 100% clean-electricity, defined as renewable or nuclear electricity, for the Willstätt, Ahaus and Ieper production sites by 2026 and maintain that level through 2029. The target supports operational decarbonization and is linked to debt-funding ESG ratchets. | Our approach to sustainability, page 14 | Full     |
| <b>S2.33 (d)-(g)</b> | Metrics and targets | Target period, base period, milestones and methodology | The target was set in 2022, uses 2022 as the base year and runs to 2029. Interim milestones were 88% in 2022, 94% in 2023 and 96% in 2024, 97% in 2025, rising to 100% by 2026.                                                                                                            | CDP 20.16.3                             | Full     |
| <b>S2.33 (h); 34</b> | Metrics and targets | Target revisions, validation and measurement approach  | The target is company specific and is not part of an external target-setting initiative.                                                                                                                                                                                                   | CDP 20.16.3                             | Full     |
| <b>S2.35</b>         | Metrics and targets | Performance against targets                            | The 2025 clean-electricity milestone of 97% for the three target sites was achieved. Reported electricity purchases were 8,386.32 MWh in Germany and 568.90 MWh in Belgium, 100% of which were from renewable sources.                                                                     | Our approach to sustainability, page 14 | Full     |

# INDEPENDENT LIMITED ASSURANCE REPORT

ERM Certification and Verification Services Limited (“ERM CVS”) was engaged by XSYS Germany Holding GmbH (“XSYS”) to provide limited assurance in relation to the Selected Information set out below and presented in XSYS’s 2025 Sustainability Report (the “Report”).

## Engagement summary

### Scope of our assurance engagement

Whether the following Selected Information for 2025, as disclosed on pages 32-33 and 44 of the Report, is fairly presented, in all material respects, in accordance with the reporting criteria.

Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.

### Selected Information

- Total Scope 1 GHG emissions [metric tonnes CO<sub>2</sub>e]
- Total Scope 2 GHG emissions (location-based) [metric tonnes CO<sub>2</sub>e]
- Total Scope 2 GHG emissions (market-based) [metric tonnes CO<sub>2</sub>e]
- Total Recordable Incidents (TRI) [number]
- Total Lost Time Incidents (LTI) [number]
- Total Recordable Incident Rate (TRIR) production only [number per 200,000 hours worked]
- Total Recordable Incident Rate (TRIR) global production and non-production [number per 200,000 hours worked]
- Total Lost Time Incident Rate (LTIR) production only [number per 200,000 hours worked]
- Total Lost Time Incident Rate (LTIR) global production and non-production [number per 200,000 hours worked]

## Engagement summary

### Reporting period

2025 (1st January 2025 to 31st December 2025)

### Reporting criteria

- XSYS's Basis of Reporting
- The GHG Protocol Corporate Accounting and Reporting Standard (WBCSD/WRI Revised Edition 2015) for Scope 1 and Scope 2 GHG emissions
- GHG Protocol Scope 2 Guidance (An amendment to the GHG Protocol Corporate Standard (WRI 2015) for Scope 2 GHG emissions)
- OSHA Injury and Illness Recordkeeping and Reporting definitions

### Assurance standard and level of assurance

We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.

The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### Respective responsibilities

XSYS is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Selected Information.

## Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the Selected Information for 2025 is not fairly presented in all material respects, in accordance with the reporting criteria.

## Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating the appropriateness of the reporting criteria for the Selected Information;
- Interviewing management representatives responsible for managing the Selected Information;
- Interviewing relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the Selected Information;
- Reviewing of a sample of qualitative and quantitative evidence supporting the Selected Information at a corporate level;
- Performing sample review of the year-end data submitted by different locations included in the consolidated 2025 group data for the Selected Information which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary;
- Conducting a visit to XSYS's site in Willstätt, Germany to review source data and local reporting systems and controls;
- Evaluating the conversion factors, emission factors and assumptions used; and
- Reviewing the presentation of information relevant to the assurance scope in the Report to ensure consistency with our findings.



10 August 2026

London, United Kingdom

ERM Certification and Verification  
Services Limited

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## The limitations of our engagement

The reliability of the Selected Information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

## Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy-related services to XSYS in any respect.

# GLOSSARY OF TERMS

**Carbon footprint:**

A carbon footprint is the total greenhouse gas (GHG) emissions associated with an organization, product, activity or value chain, expressed as carbon dioxide equivalent (CO<sub>2</sub>e).

**Circularity/  
circular economy:**

Circularity is an approach to production and consumption that aims to keep materials in use for as long as possible — avoiding waste and pollution — by reusing, repairing, refurbishing, remanufacturing, and recycling them. Instead of the traditional ‘take-make-dispose’ model, circular systems create a ‘closed loop’ where waste is minimized, and resources are continually repurposed. This approach helps reduce carbon emissions, mitigate supply chain risks and save costs.

**Double Materiality  
Assessment  
(DMA):**

The process of identifying and prioritizing sustainability topics based on their impacts on people and the environment and their financial significance to the business.

**Energy Attribute  
Certificate (EAC):**

An EAC is a contractual instrument that certifies the ownership of renewable energy attributes. EACs are used to track and verify the origin of renewable energy and are key to supporting renewable energy markets and claims about renewable energy usage. EACs are known as renewable energy certificates (RECs) in the U.S.

**ESG ratchet:**

A reward or penalty built into a loan that changes the interest rate depending on whether a company meets its sustainability targets.

**Gravure:**

A printing process in which images are engraved onto a cylinder and filled with ink to transfer high-quality prints onto a surface.

**Green chemistry:**

The design of chemical processes and products that reduce or eliminate the use and generation of hazardous substances.

**Greenhouse gas  
(GHG) emissions:**

Greenhouse gas (GHG) emissions are gases released into the atmosphere that contribute to climate change by trapping heat.

**LTIR (Lost-Time Incident Rate):**

The number of work-related injuries resulting in one or more lost workdays per 200,000 hours worked, calculated as:  $(\text{Lost-time incidents} \times 200,000) \div \text{total hours worked}$ .

**Pinch-point:**

A point in a process where operational constraints create elevated risk of safety incidents.

**Renewable energy:**

Renewable energy is energy derived from natural sources that are replenished at a higher rate than they are consumed. Examples include solar and wind-generated energy.

**Recycled:**

Refers to a material or product made from previously used materials that have been recovered and reprocessed into new materials or products.

**Recyclable:**

If a material is recyclable, it means it can be collected in a formal or informal system, processed and turned into something new again – for example, widely recyclable materials are aluminum, paper and plastic.

**Scope 1, 2 and 3 emissions:**

Scope 1 - Direct GHG emissions from sources that are owned or controlled by a company. This includes on-site fossil fuel combustion and fleet fuel consumption.

Scope 2 - Indirect GHG emissions from operations that are owned or controlled by a company. This includes emissions that result from the generation of electricity, heat or steam purchased by the company from a utility provider.

Scope 3 - Indirect GHG emissions from sources not owned or directly controlled by a company but related to activities across its entire value chain, both upstream and downstream of company operations.

**TRIR (Total Recordable Incident Rate):**

The number of OSHA-recordable work-related injuries and illnesses per 200,000 hours worked, calculated as:  $(\text{Total recordable incidents} \times 200,000) \div \text{total hours worked}$ .

**Value chain:**

Value chain relates to the entire network of activities and entities involved in producing and delivering a product or service for a company, including both upstream and downstream processes.

# OUR REPORTING PARTNERS

**In preparing this report, XSYS worked with external sustainability and creative partners.**

## **Drafting & development:**

Drafting, technical advisory and report development by BRODIE, an international sustainability and responsible business advisory firm, working with some of the world's most forward-thinking companies.

# BRODIE

## **Design & editorial:**

Design, layout and editorial direction by Sherlock Studio, a strategic branding and design agency. Making brands look good and sound great.

# SHER LOCK.



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