BLANC &
FISCHER

Familienholding

SUSTAIN
ABILITY
REPORT

2024

CONTENTS

AT A GLANCE

BLANC & FISCHER stands above all for competence in the kitchen. The expertise of our operational business groups in the kitchen and water hub is unique and enables well thought-out and networked solutions for both the private and professional sector. At the same time, our design and technology expertise has been making people's lives noticeably easier for almost 100 years. With this combination of knowledge and experience under one roof, which is unique in the industry, the BLANC & FISCHER Group is systematically refining and enhancing the kitchen living space.

arpa

As an original equipment manufacturer, ARPA produces kitchen equipment that bears the manufacturer or brand name of the customer. The portfolio includes customized stoves and built-in hobs featuring various heating systems as well as oven and extractor hood solutions.

BLANCO

BLANCO is the premium brand for the kitchen water place in residential kitchens. The BLANCO UNIT combines a tap with or without drink system, sink and products for the organization of the base unit into one integrated solution.

B.PRO

B.PRO produces industrial goods for commercial kitchens and industry with a focus on automation and digitalization. B.PRO Catering Solutions offers products and systems for professional commercial kitchens. The company also manufactures customized precision parts made of stainless steel, aluminum, or plastic for industry.

E·G·O

As a supplier to the household appliance industry, the E.G.O.-Group offers heating and control elements that are required for cooking and baking, washing and drying clothes, and dishwashing. In addition to products for household appliances, E.G.O. also manufactures components, systems, and technologies for other industries.

KUGEL
EDELSTAHLVERARBEITUNG

The stainless-steel specialist KUGEL is primarily a system supplier for on-board kitchens in high-speed trains.

100 years
of innovation

100 %
owned by the founding families Blanc and Fischer.

7.656
employees[1]

52 sites
in 23 countries[1]

1,127
million euros in sales[1]

[1] Figures relate to the reporting year 2024.

DEAR READERS,

Since 2021, we have been providing information about our commitment to sustainability with an annual report. Since then, we have been continually developing our content and reporting.

However, this Sustainability Report now marks a decisive milestone. Our carefully developed sustainability strategy for the environment, social and governance enables us to see more clearly than ever which sustainability aspects are of particular importance in connection with our business operations. Based on the extensive regulatory requirements of the European Union, the sustainability report is becoming even more structured, more formal, and one could even say "somewhat technical". At the same time, it consistently discloses how we have defined the sustainability aspects that are essential to us, what strategy we are pursuing, what objectives we have set ourselves, and how we are pursuing these. This includes transparency about responsibilities and structures. This progressive professionalization of our sustainability reporting is also the result of close dialog with external sustainability specialists and our auditor.

Ultimately, the report testifies to how we are bringing sustainability into the core business of the BLANC & FISCHER Group, step by step. Because that is where it belongs as a matter of course – regardless of the regulatory requirements for reporting, the dynamics of which unfortunately only make planning possible to a limited extent on the company side. It is encouraging to see that politicians are now also questioning whether the effort involved in meeting reporting obligations is appropriate – also with regard to the competitiveness of European companies. While we do not compromise on anchoring sustainability in our operations, we expressly welcome possible easing of administrative requirements.

Whether with intensified activities in training and further education or with consistent further development in the Compliance department, we are putting the strategy into practice in the business. And the first successful projects confirm that we are finding operational levers to advance both sustainability and profitability, especially with regard to the circular economy. This is not only encouraging, it also underlines the place that sustainable work can and must have: at the heart of the business.

I hope you learn many things from reading this report.

Frank Gfrörer
CEO
responsible for Group Sustainability

Frank Gfrörer
CEO
BLANC & FISCHER Family Holding

1 GENERAL (ESRS 2)

1.1 Basis for preparation (BP-1, BP-2)

For the first time, the BLANC & FISCHER Group is publishing this sustainability statement based on the requirements of the 📖 Corporate Sustainability Reporting Directive (CSRD) and the 📖 European Sustainability Reporting Standards (ESRS). This report contains general disclosures and comprehensive information on five topic standards that we have identified using a double materiality analysis (see ➔ ESRS 2 IRO-1). This information includes details of governance, strategy, IRO management (impact, risk, and opportunity), metrics, and targets.

We prepare the sustainability statement at Group level. It covers the same scope of consolidation as the Group's financial statements and thus also includes the operational business groups E.G.O., BLANCO, B.PRO, ARPA, and KUGEL. Where certain statements in the report only relate to individual companies, business groups, or countries, we make this clear. If individual metrics are based on estimates, we explain the underlying methodological approach.

As part of the materiality analysis, we also looked at the upstream and downstream value chain (see ➔ ESRS 2 IRO-1). The extent to which individual policies, actions, targets, and metrics relate to the entire value chain or only to individual components is specified in the respective sections of the chapters.

The reporting period for financial and non-financial reporting is from January 1 to December 31, 2024 (fiscal year 2024). The Group does not deviate from the short-, medium-, or long-term reporting time horizons set out in ESRS 1 section 6.4 of the CSRD.

Sustainability reporting now takes into account the CSRD/ESRS requirements and is therefore not comparable with previous reports of the BLANC & FISCHER Group. As some metrics are reported for the first time, we have largely refrained from reporting the previous year's figures.

The ➔ Appendix of the sustainability statement includes a ➔ Disclosure Requirement Index. The ➔ Due Diligence Index reports the core elements of due diligence under ESRS 2 GOV-4.

1.2 Governance and strategy

Blanc & Fischer Family Holding SE & Co. KGaA is the parent company and company group of the five operational business groups E.G.O., BLANCO, B.PRO, ARPA and KUGEL. It is 100 % owned by the two families Blanc and Fischer, who gave it its name.

The operational business groups are independent of each other with different brands, business models, and marketing priorities, and their respective managements lead them independently.

Since January 24, 2024, the holding company has been operating as an "SE & Co. KGaA" (Societas Europaea & partnership limited by shares) and before then as a "GmbH" (limited liability company). The new structure created by the change of legal form secures the founding families' future influence on key decisions in the holding company, ensuring that the character of the family business is retained. Due to the structure of the new legal form under company law, there is an additional, co-determined Supervisory Board in Blanc & Fischer Family Holding SE & Co. KGaA.

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Corporate Sustainability Reporting Directive (CSRD) und European Sustainability Reporting Standards (ESRS)

The **CSRD** is an EU Directive governing the sustainability reporting of companies. The Directive aims to ensure the transparency and reliability of the information published.

The **ESRS** are the framework that companies subject to the CSRD regulations and are required to apply to their disclosure of sustainability information.

1.2.1 The role of administrative, management, and supervisory bodies (GOV-1)

The BLANC & FISCHER Group's commitment to sustainability starts with responsible corporate governance. Our value framework is based on the Family Charter of the shareholders of the BLANC & FISCHER Family Holding. The Management Board and Supervisory Board set the sustainable direction of the company.

The Management Board consists of four members, whose responsibilities are divided into departments. The Management Board consists of three members, whose responsibilities are divided into departments. CEO is Frank Gfrörer (also CEO of the BLANCO-Group). He is joined by Heiko Pott (CFO) and Dr. Karlheinz Hörsting (also CEO of the E.G.O.-Group). The Management Board is appointed by the Supervisory Board of Blanc & Fischer SE. The Supervisory Board advises, monitors, and oversees the Management Board and consists of six men and one woman. Four of these members come from the two families, Blanc and Fischer. In addition, Blanc & Fischer Family Holding SE & Co. KGaA has an additional Supervisory Board consisting of twelve members, some of whom are represented on both boards.

RESPONSIBILITY AND ORGANIZATION OF THE SUSTAINABILITY MANAGEMENT
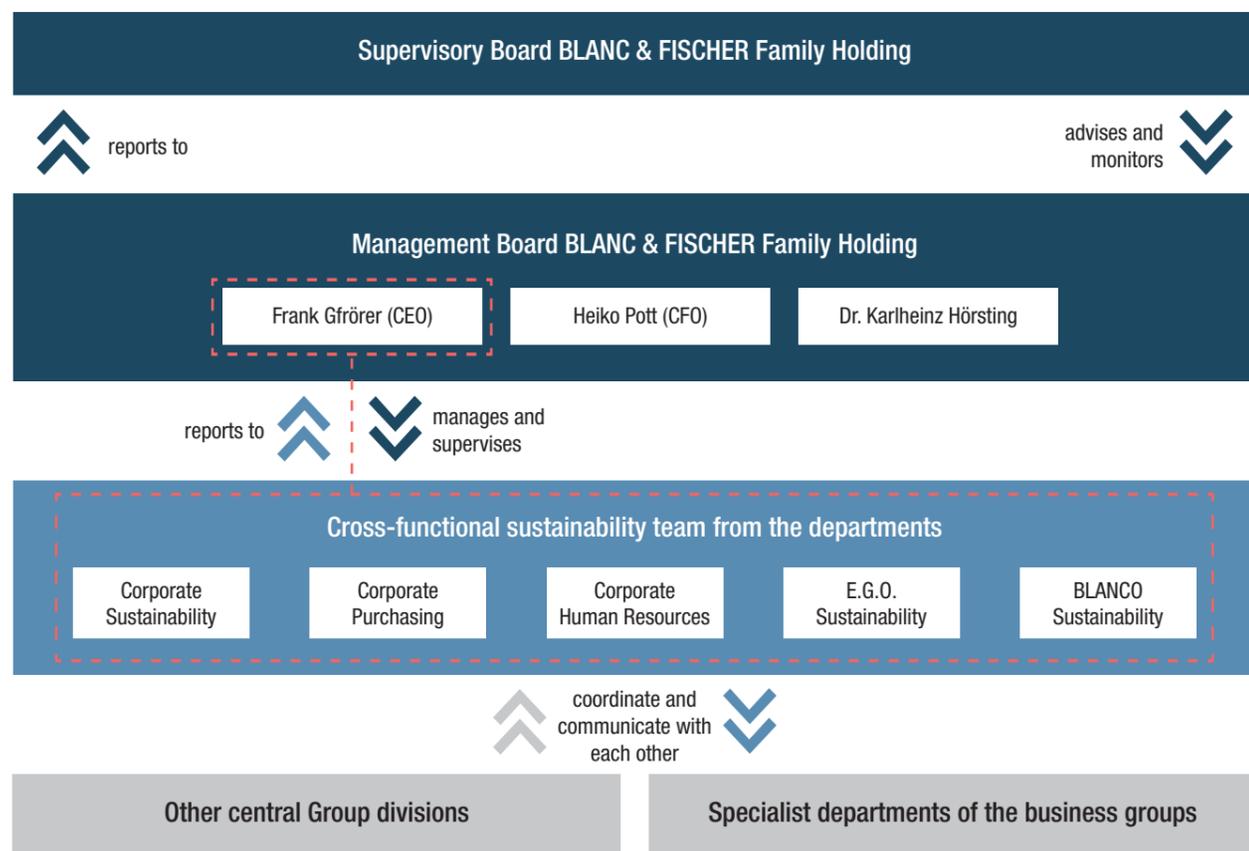
Since sustainability is of central importance in the BLANC & FISCHER Group, the Management Board incorporates the relevant sustainability topics into the general corporate strategy and into risk management. It also adopts the sustainability strategy and targets and monitors the implementation and achievement of these (see ➔ ESRS 2 GOV-2). The Management Board informs the Supervisory Board every six months about sustainability topics, the implementation of the sustainability strategy, and compliance with regulatory and reporting obligations.

The Head of Corporate Sustainability is in charge of sustainability management and leads a cross-functional Sustainability team of employees from the E.G.O. and BLANCO business groups as well as from the central divisions of Sustainability, Purchasing, and HR. This team pools and coordinates all sustainability activities at Group level. In particular, it has the task of monitoring the impacts of business activities on the environment and society as well as the risks and opportunities for the company (impacts, risks, and opportunities, IROs). In addition, the team defines company-wide structures and processes for sustainability management, defines metrics, and monitors implementation and the achievement of targets. Working groups consisting of experts from various specialist departments are formed for specific topics.

The Head of Corporate Sustainability works closely with the board member responsible for the department and reports to him monthly on targets and progress. In turn, the board member responsible for the department regularly reports to the entire Management Board. As an advisor to the Management Board, the Head of Corporate Sustainability has the right to veto sustainability-related decisions.

1.2.2 Sustainability strategy and sustainability reporting (GOV-2)

Sustainability is one of six Strategic Directions of the BLANC & FISCHER Group. As part of the annual strategy process, the Management Board deals with all Strategic Directions and discusses them with the Supervisory Board.

In the 2024 reporting year, the BLANC & FISCHER Group Management Board adopted a sustainability strategy (see ➔ E5-1 Policies). This is based on the analysis of material sustainability topics in the areas of environment, social, and governance. The sustainability strategy also includes

ambition levels, specific targets, actions for operational implementation, the greenhouse gas calculation methodology, and the legal framework.

In addition, the Management Board was informed about the results of the materiality analysis in the year under review (see ➔ ESRS 2 IRO-1). The material risks and opportunities are linked to the company-wide risk management.

Sustainability reporting to the Management Board includes not only opportunities and risks for the company, but also the company's impact on the environment and society. We are gradually integrating the management of impacts, risks, and opportunities into the operational business of the business groups and monitor this via the existing governance structures (e.g. risk management, internal audit, compliance).

The Supervisory Board also deals with sustainability-related impacts, opportunities, and risks. It takes a holistic view of sustainability within the framework of the CSRD, the EU Taxonomy, and the German Supply Chain Act ("Lieferkettensorgfaltspflichtengesetz"). The Supervisory Board also regularly addresses the further development and implementation of the sustainability strategy as part of the annual strategy development process.

1.2.3 Risk management and internal controls over sustainability reporting (GOV-5)

The biggest challenges in the BLANC & FISCHER Group's sustainability reporting are the availability and quality of the data. Our risk management therefore primarily relates to the reported content in the sustainability statement as well as the raw data and information that are incorporated into the report.

We are striving to close data gaps in the medium to long term and to gradually improve the availability and quality of data. If this is not possible, we will disclose the potential inaccuracies and the reason for them.

📖

Ambition level
Internal level of ambition according to which targets are set and actions planned.

We avoid incomplete, inconsistent, or incorrect information and data as far as possible through internal controls based on the dual control principle.

### 1.2.4 Strategy, business model, and value chain (SBM-1)

The BLANC & FISCHER Group primarily operates in the kitchen and household appliance industry. The operational business groups have individual business models ranging from development, production, and sales of components and equipment for the kitchen water place to industrial goods for commercial kitchens.

The main target groups include original equipment manufacturers, industrial customers, retailers, and commercial kitchen operators as well as railway companies. BLANCO also sells some of its products directly to private customers via digital sales channels. The end users of our products are both private individuals and employees in commercial kitchens and galleys in trains.

- As an original equipment manufacturer, ARPA produces kitchen equipment that bears the manufacturer or brand name of the customer. The portfolio includes customized stoves and built-in hobs featuring various heating systems, as well as baking ovens and extractor hoods.
- B.PRO primarily produces industrial goods for commercial kitchens and industry. The company offers complete systems for professional commercial kitchens with a focus on automation and digitalization. B.PRO also manufactures customized precision parts made of stainless steel, aluminum, or plastic for industry.
- BLANCO is the premium brand for the kitchen water place in residential kitchens. The BLANCO UNIT combines a tap with or without drink system, sink and products for the organization of the base unit into one integrated solution.
- E.G.O. is a supplier to the household appliance industry and produces heating and control elements for cooking and baking, washing and drying clothes, and dishwashing. In addition, E.G.O. also manufactures components, systems, and technologies for other industries.
- The stainless-steel specialist KUGEL is primarily a system supplier for on-board kitchens in high-speed trains.

The BLANC & FISCHER Group operates at 52 sites in 23 countries in Europe, Asia, North and South America, and Australia, and employed 7,656 employees at the end of 2024 (2023: 7,913). E.G.O. is the Group's largest business group in terms of turnover and number of employees, followed by BLANCO.

NUMBER OF EMPLOYEES OF THE BLANC & FISCHER GROUP BY REGION[1]

AMERICAS[4] **688** OCEANIA[5] **12**

ASIA[3] **679** EUROPE[2] **6.277**

TOTAL
7,656
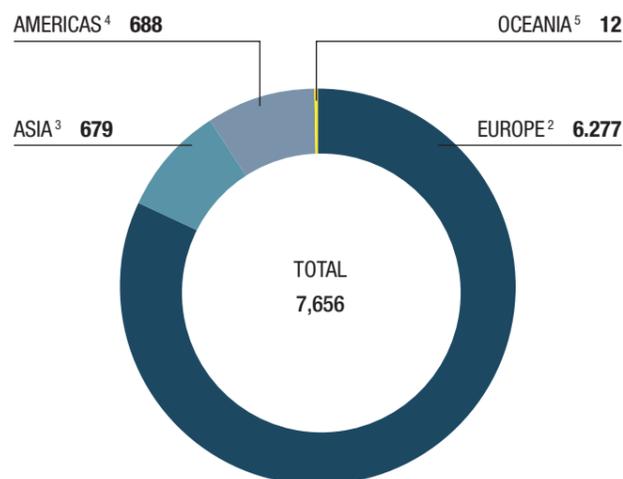
[1] The methods for collecting employee figures are described in section ➔ S1 Metrics.
[2] The region Europe consists of Germany, Slovenia, Austria, Croatia, Switzerland, France, UK, Spain, Poland, Czech Republic, Italy, Belgium, Ukraine, and Turkey.
[3] The region Asia consists of Japan, China, South Korea, and Singapore.
[4] The region Americas consists of the USA, Canada, Mexico, and Brazil.
[5] The region Oceania consists of Australia.

While B.PRO, ARPA, and KUGEL mainly serve the European market, BLANCO is increasingly targeting customers in the Americas and Asia in addition to its core markets in Germany, Austria, and the UK. In addition to the European market, E.G.O. operates in the Asia-Pacific region and in North and South America.

For our business activities, we need production material, indirect material, and packaging:

- Production material includes raw materials and upstream products, such as steel, aluminum, punched and bent parts, tubes, cables, screws, and other mechanical components as well as plastics and plastic parts. We also purchase printed circuit boards, other electronic components, and chemical materials. We have some parts manufactured according to our requirements and purchase them ready for assembly or as trade products, including filter and drink systems, mixer taps, and accessories.
- Indirect material includes all auxiliary and operating materials, tools, and machines as well as office supplies and protective equipment.
- Packaging includes cardboard, plastic, and wood packaging that we use to transport and sell our products.

Further information on resource use can be found in chapter ➔ E5 Resource use and circular economy.

Purchasing selects suppliers, procures the required raw materials, components, trade products, and services, and ensures that suppliers comply with all specifications.

We operate our own distribution warehouses from which transport service providers deliver our products to business customers for assembly or further processing. BLANCO and B.PRO products are sold by retailers to end users and partly assembled on site.

1.3 Stakeholders and materiality

1.3.1 Stakeholder (SBM-2)

Our business activities affect people and, conversely, people's interests affect our business activities. Our key stakeholder groups include our shareholders, customers, end users, employees, suppliers and business partners, banks and insurance companies, local communities (e.g. the local neighborhood), and media, as well as policymakers and authorities (at local, national, and EU level).

We nurture relationships and incorporate the viewpoints and interests of stakeholder groups into our decisions. For example, our Sales department discusses interests, requirements, and goals with our customers. The Works Council in Germany represents the employees of the BLANC & FISCHER Group within the framework of co-determination (see ➔ S1). Works meetings focus on current topics and the exchange of ideas between employees and the Works Council. To determine the interests of the workforce, we use a variety of formats – from contact and communication between the specialist departments in day-to-day work and meetings to trade fairs and town hall events with the Management Board (see also ➔ S1-2 Engaging with own workforce).

Concerns and complaints from internal and external stakeholders can also be expressed anonymously at any time via our whistleblower system (see ➔ G1).

Among other things, the Supplier Code of Conduct governs the requirements we place on the protection of employees in our value chain (see ➔ G1 Policies). There is currently no engagement via dialog formats going beyond this.

As part of our materiality analysis, we involved our stakeholders through credible representatives (see ➔ ESRS 2 IRO-1). The findings have been incorporated into the targets in the material topics of our sustainability strategy.

1.3.2   Materiality analysis (IRO-1)

Based on the materiality analysis, the BLANC & FISCHER Group can focus its resources on those divisions and topics that have the greatest impact on sustainability performance.

In 2024, we reviewed and updated our materiality analysis based on the ESRS, status 2024. In doing so, we assessed the material impacts, risks, and opportunities of our business activities in a multidimensional way according to the principle of "double materiality" and documented the procedure.

Impacts from the BLANC & FISCHER Group's business model or value chain were taken into account, as well as financial opportunities and risks. The analysis included both impact materiality and financial materiality along all Group activities, including the upstream and downstream supply chain.

In addition to the Sustainability team and an external consulting company, employees from other specialist departments were also involved. In 2023, we surveyed representatives of the operational business groups, various central divisions, and countries to gather information on the attitudes of our stakeholders towards the sustainability topics of the BLANC & FISCHER Group.

LIST OF MATERIAL / NON-MATERIAL TOPICS

			material positive impact	material negative impact	material risk	material opportunity
E Environment	E1	Climate change				
		Climate change adaptation	+	−	↓	↑
		Climate change mitigation	+	**−**	↓	↑
		Energy	+	−	↓	↑
	E2	Pollution	+	−	↓	↑
	E3	Water and marine resources	+	−	↓	↑
	E4	Biodiversity and ecosystems	+	−	↓	↑
	E5	Resource use and circular economy	Resource inflows, including resource use	+	**−**	↓	↑
		Resource outflows related to products and services	+	**−**	↓	**↑**
		Waste	+	−	↓	↑
S Social	S1	Own workforce	Working conditions	+	**−**	↓	**↑**
		Equal treatment and opportunities for all	+	−	↓	↑
		Other work-related rights	+	−	↓	↑
	S2	Workers in the value chain	+	−	↓	↑
	S3	Affected communities	+	−	↓	↑
	S4	Consumers and end users	+	−	↓	↑
G Governance	G1	Corporate governance	Corporate culture	+	−	↓	↑
		Protection of whistleblowers	+	−	↓	↑
		Animal welfare	+	−	↓	↑
		Political engagement and lobbying	+	−	↓	↑
		Management of relationships with suppliers, including payment practices	+	−	↓	↑
		Corruption and bribery	+	−	**↓**	↑

Procedures for impact materiality identification and evaluation

To identify the material sustainability topics, we first determined the actual and potential impacts of the BLANC & FISCHER Group's business activities on people and the environment.

For this purpose, we gathered information in several steps and identified the most important topics based on a list of sustainability aspects in accordance with ESRS 1 AR16. This assessment is based on evaluations from previous years, our Risk Management System, and the findings from our stakeholder survey. In addition, we used internal data and analyses as well as publicly available information.

This resulted in a list of possible material sustainability topics and the associated positive and negative, actual and potential impacts. We looked at the short-, medium- and long-term time horizon.

We evaluated actual impacts according to their severity – in terms of scale, scope, and remediability (in the case of negative impacts). In the case of potential impacts (i. e. those that have not yet occurred), we considered the likelihood of occurrence in addition to severity. The three evaluation factors of scale, scope, and remediability are weighed equally. Each of these three characteristics can make a negative impact become serious. We consider potential negative impacts in relation to human rights separately.

We used the existing Risk Management System of the BLANC & FISCHER Group to derive and set the materiality threshold.

Procedures for identifying, evaluating, prioritizing, and monitoring risks and opportunities (financial materiality)

In the next step, we evaluated financial materiality. To this end, we examined the financial risks and opportunities for the BLANC & FISCHER Group's business activities. We describe these financial impacts using the dimensions positive/negative (opportunity/risk), time horizon, and level of the value chain. We assess risks and opportunities according to their financial scope and likelihood of occurrence, using our Risk Management System as a guide. The threshold for 2024 resulted from the existing Risk Management System and was based, where possible, on the gross principle, i. e. looking at the situation before measures already taken or planned take effect.

Decision-making and internal control procedures

To determine materiality, the Sustainability team carried out an evaluation of impacts, risks, and opportunities, taking into account the stakeholder perspective. It checked the results with the specialist departments for plausibility and compared them with the stakeholder analysis.

The final list of material impacts, risks, and opportunities has been validated and approved by the board member responsible for the department.

Changes from the previous reporting period

The BLANC & FISCHER Group first carried out a double materiality analysis based on the ESRS in 2023. The analysis was updated with the publication of the ESRS, status 2024. In future, we will review the material topics with their impacts, opportunities, and risks annually and update them if needed.

1.3.3 Material impacts, risks, and opportunities (SBM-3)

Topic	(Sub or sub-sub) Topic	Material IRO	Category	Upstream value chain	Own business activities	Downstream value chain	Short term	Medium term	Long term
E1	Climate change adaptation	Supply chain disruptions	Risk	●		●	●	●	●
E1	Climate change adaptation	Extreme weather events	Risk		●		●	●	●
E1	Climate change mitigation	GHG emissions in the supply chain	Negative impact	●					●
E1	Climate change mitigation	GHG emissions in production processes and plants	Negative impact		●				●
E1	Climate change mitigation	GHG emissions in the use phase	Negative impact			●			●
E1	Energy	Rising energy prices due to the development of the market for CO_2 certificates – impact primarily on fossil fuels	Risk		●			●	●
E5	Resource inflows incl. resource use	Resource depletion: use of raw materials, use of precious metals	Negative impact	●					●
E5	Resource outflows	Lack of repairability (design and sale of non-repairable products)	Negative impact			●		●	●
E5	Resource outflows	Lack of recyclability (design and sale of non-recyclable products)	Negative impact			●		●	●
E5	Resource outflows	Business models for circular economy or pay-per-use business models	Opportunity		●				●
E5	Resource outflows	Unmet customer requirements regarding circular economy; increasing customer requirements that cannot be met	Risk		●			●	●
S1	Secure employment	Stable working environment	Risk		●			●	●
S1	Working hours	Retention of qualified employees	Opportunity		●			●	●
S1	Fair remuneration	Battle for talent	Risk		●			●	●
S1	Collective bargaining	Loss of qualified employees	Risk		●		●	●	●
S1	Work-life balance	Increase employee engagement to counteract the battle for talent	Opportunity		●			●	●
S1	Work-life balance	Loss of talent and key employees due to lack of attractiveness as an employer	Risk		●		●	●	●
S1	Health and safety	Health and safety hazards	Negative impact		●		●	●	●
S1	Training and skills development	Threat to employability	Risk		●			●	●
G1	Corruption and bribery	Violation of anti-corruption regulations	Risk		●		●		

2 ENVIRONMENT

2 ENVIRONMENT

2.1 Climate change (E1)

2.1.1 Impacts, risks, and opportunities

The business activities of the BLANC & FISCHER Group cause 📖 greenhouse gas emissions. In the upstream supply chain, emissions arise from the extraction of raw materials and the production of purchased goods. In our own production, the energy used causes most emissions. The energy-intensive processes include the processing of stainless steel and composites, the foundry, and other thermal processes, but also the cooling and heating of buildings. In the downstream supply chain, the largest source of emissions lies in the use phase. The electricity consumed when end users use our products accounts for most of the BLANC & FISCHER Group's emissions.

The BLANC & FISCHER Group works to reduce the impact on the environment and climate caused by its business activities. The Sustainability team defines the strategic framework, coordinates actions, and supports their implementation.

We use the Group-wide Integrated Management System (IMS) to control the Environmental Management System (ISO 14001) (see ➔ E5), the Energy Management System (ISO 50001), the Quality Management System (ISO 9001), and the handling of occupational health and safety. In addition, the Compliance Management System helps us to comply with applicable laws and internal requirements.

The Integrated Management System ensures that uniform quality, energy, and environmental standards are used, and that legal requirements, specifications, and standards are met. It comprises all processes and requirements in the BLANC & FISCHER Group that are regulated in the Management Manual, process descriptions, work instructions, and supplementary documents.

2.1.2 Transition plan (E1-1)

As part of the climate strategy, we have defined specific emissions targets for Scopes 1, 2, and 3 for the BLANC & FISCHER Group. In the next step, the reduction potential identified in this context will be summarized in an implementation plan and gradually implemented.

To reduce greenhouse gas emissions by 2030, the following potentials were identified, and corresponding actions were derived (see ➔ E1-3 Actions):

- **Energy efficiency and use of renewable energies at own sites** (Scope 1 and 2):
  e.g. identification of energy efficiency measures, change of fuels, generation of renewable energy, purchase of green electricity

- **Reduction of emissions from purchased goods** (Scope 3, Category 1):
  e.g. reduction of emissions in suppliers' production, use of lower-emission substitute materials, increase in recycled content, reduction of material use

- **Reduction of energy consumption in the use phase** (Scope 3, Category 11):
  further increase in energy efficiency in the use phase of the products sold, portfolio decisions, and assistance with more energy-efficient use of products

📖
Greenhouse gasses
Gasses (such as CO_2 (carbon dioxide), CH_4 (methane), or HFC (hydrofluorocarbons)) that accumulate in the atmosphere and absorb the infrared radiation of the sun. This causes the greenhouse effect.

2.1.3 Climate risks

The BLANC & FISCHER Group considers and evaluates the existing climate change risks according to risk categories:

Physical climate risks are the acute and chronic impacts of climate change. Acute physical climate risks are extreme weather events and their consequences, which occur more frequently and more intensely due to climate change. These include, for example, floods, storms, and droughts. Long-term, i. e. chronic climate change leads to changing precipitation frequency, rising sea levels, and changing ocean and air currents, resulting in ecological changes such as the loss of biodiversity. The physical risks affect not only our sites and employees, but the entire value chain, and can lead to supply bottlenecks and interruptions.

Transitory climate risks arise during the transition to a climate-neutral economy. These include, for example, a changing regulatory framework, changing customer requirements, price increases for fossil fuels, or the promotion of new technologies. These new requirements facing our business model and our products may lead to changes in the sales and procurement markets.

Short-, medium- and long-term climate-related risks and opportunities are of strategic importance for the BLANC & FISCHER Group. Accordingly, climate change mitigation, climate change adaptation, and energy were identified as material topics.

2.1.4 Policies (E1-2)

The topics of climate change mitigation, climate change adaptation, and energy in connection with the above-mentioned impacts are regulated in several policies and other specifications. The policies have been adopted by the Group Management Board and apply to all employees of the BLANC & FISCHER Group. They are made available to employees in the Integrated Management System or on the intranet.

Sustainability strategy

The sustainability strategy contains a roadmap for climate change mitigation and climate change adaptation and sets targets. For example, the sustainability strategy specifies that a climate risk/resilience analysis should be carried out for all BLANC & FISCHER Group sites by 2026.

The implementation of the sustainability strategy concerns the emissions by the company itself as well as those of its upstream and downstream value chain. The specialist departments of the operational business groups report to the Corporate Sustainability department on the implementation of the measures and submit suggestions. The progress of the Strategic Direction sustainability is reported to the Group Management Board every six months in the strategy report. Responsibility for the sustainability strategy lies with the Head of Corporate Sustainability of the BLANC & FISCHER Group.

Energy and Environmental Protection Guideline

The Energy and Environmental Protection Guideline provides an overview of how the BLANC & FISCHER Group deals with environmental and energy topics to ensure minimum standards and establish a framework. Among other things, it governs the energy management procedure and is aimed at both the company itself and the downstream value chain.

The guideline lies within the responsibility of the environmental and energy managers, with overall responsibility lying with the Head of Corporate Energy & Environment, Safety. The implementation of the guideline is monitored within the standard of ISO 50001 and ISO 14001 certifications. Employees are also informed of elements of the Policy during the annual safety briefing.

Energy Management System

The Energy Management System supports the sites in planning and monitoring their energy consumption, identifying energy efficiency potential, and taking appropriate action.

Some production plants of the E.G.O.-Group and the BLANCO-Group are already certified according to ISO 50001. By 2027, we want to certify all BLANC & FISCHER Group production sites according to ISO 50001.

Energy management is coordinated by the Corporate Energy & Environment, Safety central division and the specialist departments of the operational business groups. At the sites, energy managers are responsible for implementing the actions and report to the central division and the local Management Boards.

Transparency concerning energy flows is an essential prerequisite for an effective Energy Management System. The central energy data system at the German sites enables real-time evaluations of energy consumption. To ensure comprehensive, standardized monitoring of energy data, the system will also be implemented step by step at the international sites.

In addition to the Energy Management System, there is also an Environmental Management System, which is described in more detail in chapter ➜ E5 Resource use and circular economy.

Energy Guideline

The Energy Guideline supports employees to use energy and resources responsibly in the working environment as well as to increase energy efficiency in their own business activities. It is available on the intranet and in printed form at the sites. It is based on the ISO 50001 standard and lies within the responsibility of the business groups as part of their energy management system.

2.1.5 Targets (E1-4)

In the year under review, the BLANC & FISCHER Group set targets for reducing greenhouse gas emissions. The targets include Scope 1, 2, and 3 emissions as defined in the 📖 „Greenhouse Gas (GHG) Protocol".

The targets are aligned with the requirements of the "Science Based Targets initiative" (SBTi), but they have not been submitted to the SBTi for validation. The BLANC & FISCHER Group's climate targets were therefore developed using a science-based methodology that contributes to achieving the 1.5-degree target of the Paris Agreement

Scope 1 and 2 emissions

The target is to reduce GHG emissions from our own business activities (Scope 1 and 2) by 42 % (in absolute terms by 28,500 t CO_2e) between 2021 and 2030. In the base year 2021, 67,900 t CO_2e were emitted.

The target formulated covers all production and logistics sites of the E.G.O., BLANCO, B.PRO, ARPA, and KUGEL business groups.

Scope 3 emissions

The Scope 3 emissions in the upstream (Scope 3.1: purchased raw materials, components, and trade products) and downstream value chain (Scope 3.11: use phase of sold products) are to be reduced by 25 % (in absolute terms by 5,846,200 t CO_2e) between 2021 and 2030. In the base year 2021, 23,385,000 t CO_2e were emitted in the upstream and downstream supply chain.

📖

Greenhouse Gas (GHG) Protocol
Global standard for measuring a company's greenhouse gas emissions.

Energy

By 2027, an Energy Management System in accordance with ISO 50001 will be set up and certified at all production sites.

In addition to the 13 sites already certified, four more are planned for 2025. The objective of energy management is a continuous improvement of energy efficiency and therefore a reduction of energy consumption.

Climate resilience

100 % of the sites are to be evaluated by means of a regular climate risk/resilience analysis by 2026. Based on the results, we will develop site-specific actions to increase resilience to climate risks and will take this into account in our medium- and long-term business planning.

	Unit	Base year 2021	2030 target	Reduction, absolute	Reduction, relative
Scope 1 and 2 market-based including biogenic emissions[1]	t CO$_2$e	67,900	39,400	− 28,500	− 42 %
Scope 3 [2, 3]	t CO$_2$e	23,385,000	17,538,800	− 5,846,200	− 25 %

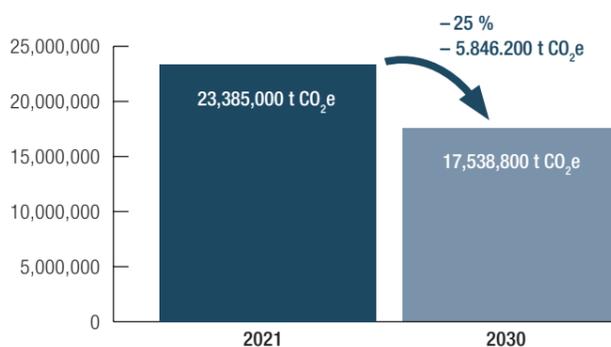[1] Potentials: energy efficiency measures, conversion of fuels, in-house generation, green electricity.
[2] Potentials: Category 3.1, Category 4 and 9, Category 11, Category 12.
[3] Due to the improved data situation, the values for 2021 have been adjusted.

Scope 1 and 2 market-based
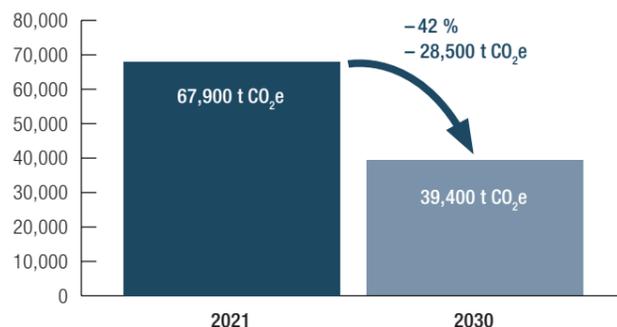
Scope 3

2.1.6 Actions (E1-3)

In 2024, a roadmap based on the sustainability strategy was adopted for the entire BLANC & FISCHER Group. It contains actions for climate change mitigation and climate change adaptation, with which the targets set (see ➔ E1-4 Targets) are to be achieved in the three-year period from 2024 to 2026.

In the year under review, the potential for reducing greenhouse gas emissions was first analyzed and quantified for each company in the BLANC & FISCHER Group. For this purpose, workshops were held with representatives of the business groups. They discussed the general energy savings potential at their production sites and how to reduce the largest sources of emissions in the value chain. The focus was on:

- Quantifying and prioritizing emission reduction potential for S3.1 and S3.11
- Quantifying energy efficiency measures to reduce our own emissions
- Quantifying electrification potential (heat)
- Further quantifying the capacity for own generation of renewable energies (e. g. photovoltaic systems)

The following actions are planned for 2025 and 2026:

- Increasing energy efficiency at all production and logistics sites
- Replacing fossil heating systems in production
- Quantifying and evaluating potential for self-generation of renewable energies (e. g. photovoltaic systems)
- Analysis of physical and regulatory climate risks as well as existing adaptation activities for less affected sites and strategically relevant value chains
- Integration of adaptation measures into corporate planning
- Implementation of portfolio and procurement changes to reduce emissions in S3.1 and S3.11
- Further electrification of the fleet
- Integration of climate risk analysis into the annual risk management process

2.1.7 Metrics

Energy metrics (E1-5)

Energy consumption and energy mix	Unit	2023[1]	2024
Total energy consumption related to own operations [2]	MWh	178,265	173,945
Total energy consumption from fossil sources	MWh	103,681	91,253
Share of fossil sources in total energy consumption	%	58	52
Fuel consumption from coal and coal products	MWh	0	0
Fuel consumption from crude oil and petroleum products[3]	MWh	18,088	15,712
Fuel consumption from natural gas	MWh	39,397	39,761
Fuel consumption from other fossil sources[4]	MWh	640	416
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources[5]	MWh	45,557	35,364
Total energy consumption from nuclear sources[6]	MWh	not specified	not specified
Share of nuclear sources in total energy consumption	%	not specified	not specified
Total energy consumption from renewable sources	MWh	74,585	82,692
Share of renewable sources in total energy consumption	%	42	48
Fuel consumption from renewable sources[7]	MWh	457	773
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	71,687	78,592
Consumption of self-generated non-fuel renewable energy	MWh	2,441	3,327
Generation of energy from renewable sources[8]	MWh	873	853

[1] Due to the improved data situation, the values for 2023 have been adjusted.
[2] Includes the energy consumption of all production and logistics sites of E.G.O., BLANCO, B.PRO, ARPA, and KUGEL.
[3] Includes the following consumptions: heating oil consumption, diesel consumption, and petrol consumption.
[4] Includes LPG consumption.
[5] Includes electricity consumption from fossil sources, additional electricity consumption by electric cars, and purchased energy from heating, cooling energy, and steam from fossil sources.
[6] The proportion of nuclear energy in the total electricity mix is not yet recorded.
[7] Includes purchased biofuels and biomass.
[8] Includes a PV system owned by BLANCO at the Bruchsal site, which generates electricity and feeds it into the grid.

Greenhouse gas emission calculation and metrics (E1-6)

Our greenhouse gas emissions (GHG emissions) are generated directly at our sites (Scope 1), through the procurement of energy (Scope 2), or in our value chain (Scope 3). We can directly influence these emissions and have directed our Integrated Management System, in accordance with ISO 14001 and 50001, towards reducing them.

In the reporting year, we updated the greenhouse gas calculation created in the previous year. It forms the basis for the BLANC & FISCHER Group's climate strategy. The calculation is based on the Greenhouse Gas (GHG) Protocol, which divides emissions into three different categories:

- Scope 1 concerns direct greenhouse gas emissions from activities controlled or owned by the company. This includes, for example, emissions from the combustion of fuels in our own plants or vehicles.
- Scope 2 refers to indirect greenhouse gas emissions caused by the procurement of energy (e.g. electricity or district heating).
- Scope 3 covers all indirect greenhouse gas emissions that occur outside the company in the upstream and downstream value chain.

When calculating greenhouse gas emissions, emissions such as CO_2 (carbon dioxide), CH_4 (methane), N_2O (nitrogen monoxide), HFCs (hydrofluorocarbons), PFC (perfluorocarbons), SF_6 (sulfur hexafluoride) and NF_3 (nitrogen trifluoride) are taken into account and combined into CO_2 equivalents (CO_2e).

The focus in the calculation of Scope 1 and Scope 2 emissions is on the production and logistics sites, as these account for most emissions. Mere sales offices are not included in the calculation at present. We use the financial control approach to set the organizational boundary when calculating the specified Scope 1 and Scope 2 greenhouse gas emissions for the years 2021 to 2024. To calculate the Scope 3 emissions, we have focused on the categories that are material for us. These are Categories 3.1 (purchased goods and services), 3.4 and 3.9 (3.4 includes all upstream and downstream transportation handled by the BLANC & FISCHER Group; 3.9 includes all downstream transportation that our customers pay for), 3.11 (use of sold products), and 3.12 (end of life treatment of products).

We want to fully exploit our opportunities to reduce greenhouse gas emissions and to develop and bring sustainable, long-term solutions to the market in dialog with our customers and suppliers. As part of our commitment to quality and sustainability, we want to bring products to the market that are as durable as possible to minimize the use of resources. At the same time, we want our products to consume as little energy as possible and, as a result, have the lowest possible impact on the greenhouse gas effect. However, the main driver of greenhouse gas emissions is the generation of energy used, for example, for cooking (e.g. from coalfired power plants or hydropower). A longer use phase also results in more emissions per product sold.

The decrease in Scope 1 and Scope 2 emissions (📖 market-based) by a total of 41 % compared to the previous year is due to the switch to green electricity at three sites in 2024. The changeover resulted in a 55 % reduction in Scope 2 emissions. The reduction of Scope 1 and 2 emissions was further impacted by the higher proportion of green electricity in the electricity mix at our site in Slovenia, various efficiency measures, and the declining total production volume.

Most of our total emissions are indirect emissions in Scope 3. The main factor influencing Scope 3 emissions is energy consumption in the use phase of products, for cooking, baking, and washing dishes, for example. A slight increase in sales volumes for some product groups led to 2 % higher emissions in 2024 compared to 2023.

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Financial control approach
The organization reports 100 % of emissions from operations in which it has a say in financial and business policy. Emissions from operations over which the organization has no financial control are not taken into account.

Market-based and location-based emissions
Market-based emissions are calculated on the basis of data from the electricity supplier. Location-based emissions are calculated using average emission factors for a region or country.

GHG emissions (part 1)

		Retrospective		Target
	2021 (base year)	2023	2024	2030
Scope 1 greenhouse gas emissions (t CO_2e)				
Scope 1 gross GHG emissions[1]	–	14,034	12,541	–
Biogenic CO_2 emissions from the combustion or biodegradation of biomass not included in Scope 1 GHG emissions (t CO_2e)[2]	–	17	28	–
Scope 2 greenhouse gas emissions (t CO_2e)				
Scope 2 gross GHG emissions (location-based)[3]	–	35,276	33,608	–
Scope 2 gross GHG emissions (market-based)[4]	–	31,178	14,138	–
Biogenic CO_2 emissions from the combustion or biodegradation of biomass not included in Scope 2 GHG emissions (market-based)	–	485	475	–
Scope 1 and 2 greenhouse gas emissions (t CO_2e)[5]				
Scope 1 and 2 gross GHG emissions (location-based) total incl. biogenic emissions	–	49,326	46,177	–
Scope 1 and Scope 2 gross GHG emissions (market-based) total incl. biogenic emissions	67,900	45,714	27,183	39,400

[1] For 2021 to 2024 minus biogenic emissions. Since 2022, we have been using pellet heating at E.G.O's Austrian site in Heinfels.
[2] Change due to increased use of pellet heating at E.G.O's Austrian site in Heinfels.
[3] The reduction from 2023 to 2024 can be attributed to efficiency measures and a lower production volume
[4] For 2021 to 2024 minus biogenic emissions. Due to the availability of more precise data, the value for 2023 was subsequently corrected.
[5] All production and logistics sites of E.G.O., BLANCO, B.PRO, ARPA, and KUGEL were included in the calculation of Scope 1 and 2 emissions.

GHG emissions (part 2)

	Retrospective			Target
	2021 (base year)	2023	2024	2030
Significant Scope 3 GHG emissions (t CO$_2$e)				
Total indirect (Scope 3) gross GHG emissions[6]	23,385,000	17,686,034	18,125,216	17,538,800
Gross GHG emissions in Category 1 Purchased goods and services (GHG Protocol)[7]	–	483,304	423,646	–
Gross GHG emissions in Category 4 Upstream transport and sales and 9 Downstream transport (GHG Protocol)[8]	–	50,597	45,236	–
Gross GHG emissions in Category 11 Use of sold products (GHG Protocol)[9]	–	17,110,858	17,616,763	–
Gross GHG emissions in Category 12 End-of-life treatment of sold products (GHG Protocol)[10]	–	41,276	39,572	–
Biogenic CO$_2$ emissions from the combustion or biodegradation of biomass generated in the upstream and downstream value chain that are not included in Scope 3 GHG emissions.	–	–	–	–
Total GHG emissions (t CO$_2$e)				
Total GHG emissions (location-based) incl. biogenic emissions	–	17,735,360	18,171,393	–
Total GHG emissions (market-based) incl. biogenic emissions	23,452,900	17,731,748	18,152,399	17,578,200

[6] The Scope 3 calculation includes E.G.O., BLANCO, B.PRO, ARPA, and KUGEL. External databases were used, among other things, for emission factors. The previous year's values from the Scope 3 calculation were adjusted due to an improvement in the database. The percentage of Scope 3 GHG emissions calculated using primary data was 0.018 % in 2024.

[7] Scope 3.1 was calculated using a hybrid approach based on both weights and expenditure. In 2024, primary data from the supplier was used for some electronic components and printed circuit boards. This reduces the inaccuracy with regard to the weights of the individual electronic components and the selection of the correct emission factor.

[8] Scope 3.4 was calculated based on expenditure. In 2022 to 2024, Category 9 emissions were neglected as the proportion of total emissions is so low that it can be considered insignificant. The reduction from 2023 to 2024 was achieved by increasing the use of road transport instead of sea freight

[9] Scope 3.11 is based on assumptions about the use phase of the products sold (energy type, energy consumption over the product's lifetime, products sold per country) and the country-specific electricity mix. According to the requirements of the Science Based Targets initiative, the upstream chain was included in Scope 3.11 for natural gas, but not for electricity.

[10] Scope 3.12 is based on the data of purchased goods and services 3.1. The calculation was based on weight and was evaluated according to waste type and recycling type. The slight reduction from 2023 to 2024 was achieved through a lower total weight of the products. At the same time, the emission factors have also changed compared to the previous year.

GHG intensity (total GHG emissions per net revenue; t CO$_2$e/million €)[1]	2024
GHG intensity (location-based)	16,130
GHG intensity (market based)	16,113

[1] To calculate the GHG intensity, total GHG emissions (market-based or location-based) are divided by net Group turnover in 2024 (€ 1,127 million).

2.2 Resource use and circular economy (E5)

2.2.1 Impacts, risks, and opportunities

The BLANC & FISCHER Group is aware of its obligation to protect the environment, especially with regard to the use of natural resources. We have therefore identified resource inflows, including resource use, and resource outflows as material.

We work to avoid harmful impacts on the environment as much as possible and to reduce our energy and resource consumption. Our Integrated Management System (IMS) and our Environmental Management System form the framework for this.

Environmental Management System

Our Environmental Management System focuses on the processes in our own production as well as on the product life cycle. We take into account all materials and packaging used as well as transport, product use, and disposal.

13 sites are already certified to ISO 14001. Our Environmental Management System will gradually be rolled out at the other sites as well. We want to certify all production sites worldwide to ISO 14001 by 2027.

The Environmental Management System is steered by the central department Corporate Energy & Environment, Safety. Operational implementation is carried out by local environmental managers who are in regular contact with the central department via a working group. They report material environmental issues directly to the local Management Board and work with the departments concerned to develop improvement measures to reduce negative impacts. In cooperation with the specialist departments, they implement these measures and monitor progress.

At all production and logistics sites of the BLANC & FISCHER Group, we record, among other things, the consumption of resources, water, and energy as well as the generation of waste, wastewater, and emissions from the processes. Based on a risk analysis, the degree of environmental impact is evaluated and the need for action is prioritized.

To improve the measurability and comparability of the main waste streams, we have had central waste statistics for all production and logistics sites since the reporting year under review.

Resource inflows and outflows (E5-4, E5-5)

The existing product portfolio was not specifically developed according to 📖 circular economy principles and does not yet contribute to circular business models. We are not yet able to make any statements about the extent to which our products are reused. However, we have set ourselves appropriate targets (see ➔ E5-3 Targets).

Since 2021, we have systematically analyzed the environmental impact of selected products using life cycle assessments (LCAs). We look at the entire life cycle from raw material extraction and production to transport, packaging, use, and disposal. In accordance with DIN EN ISO 14040 and 14044, we quantify these impacts under various aspects, such as the greenhouse effect, summer smog, acidification, and overfertilization of water bodies. We decide for which products to calculate life cycle assessments based on their strategic and economic significance as well as stakeholder interests.

From the results of the life cycle assessments, we derive how we can make the production, use, and disposal of our products more sustainable. In the future, life cycle assessments will form the basis for product certificates and help us to develop further measures to reduce resource consumption and move towards a circular economy.

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Circular economy
Holistic approach to business that contributes to reducing resource consumption, waste generation, and emissions. Existing materials and products are used and kept in circulation for as long as possible. The product life cycle is extended in this way.

Resource inflows (purchased materials) are composed as follows:

- Direct material
- Indirect material
- Packaging

For more information on our purchased material, see chapter ➔ ESRS 2 SBM-1.

At all production and logistics sites of the BLANC & FISCHER Group, water and energy consumption as well as the associated direct and indirect emissions and waste are recorded, consolidated and audited at the business group level, and then included in the BLANC & FISCHER Group reporting described in the IMS.

2.2.2 Policies (E5-1)

We regulate the topics of resource use, waste, and circular economy in various policies and specifications.

Sustainability strategy

The BLANC & FISCHER Group's sustainability strategy adopted in 2024 (see ➔ E1-2 Policies) contains, among other things, an action plan, targets for resource use and circular economy, and responsibilities.

The core content of the sustainability strategy in the field of resource use and circular economy is as follows:

- Create transparency regarding resource inflows and outflows for selected products and packaging
- Reduce resource use for selected products and packaging
- Reduce the use of socially or environmentally critical raw materials as far as possible
- Determine the environmental impact of selected products as the basis for setting specific targets
- Evaluate potential for a circular economy in collaboration with partners
- Embrace circularity in the innovation process
- Develop circular products
- Increase the proportion of recycled and recyclable materials in transport packaging and products
- Design reusable transport packaging

Targets and measures are defined on the basis of the desired resource transparency.

Code of Conduct

The values according to which employees and managers act are anchored in the Code of Conduct (see ➔ G1 Policies) of the BLANC & FISCHER Group. In the Code of Conduct, we expressly refer to our responsibility for environmental protection. We use resources sparingly and strive for a circular economy.

Supplier Code of Conduct

For our direct suppliers and direct business partners in the upstream supply chain, we formulate mandatory requirements for environmental, social, and human rights standards in the Supplier Code of Conduct (see ➔ G1 Policies).

Under the Supplier Code of Conduct, suppliers are obliged to use as few resources as possible and to generate as little waste as possible. They must recycle or reuse materials and label them accordingly. They must also document their energy consumption and dispose of waste properly. Local environmental laws and standards must be complied with, and a suitable environmental management system must be established and verified on request.

Energy and Environmental Policy

The Group Energy and Environmental Policy (see ➔ E1-2 Policies) defines framework conditions and minimum standards and describes the correct handling of waste.

The core content of the Policy with regard to the use of resources is as follows:

- Waste must be disposed of in accordance with local laws and regulations.
- Recyclable materials must be collected separately and recycled wherever possible. We collect hazardous waste (such as batteries) and non-hazardous waste separately. We recycle metals, mixed scrap, glass, paper, and wood separately.
- In addition, the Policy contains requirements for handling hazardous, water-polluting, and combustible waste as well as information on how to proceed in the event of environmental accidents.

The Policy requires regular reviews of how to increase the proportion of waste for recycling. Rules on waste reporting are not included. The environmental managers at the sites are responsible for implementation.

Management Manual

Our Management Manual describes the structure and content of the Integrated Management System (IMS) and defines quality, energy, and environmental standards. It also integrates the topic of sustainability into our corporate strategy and describes the key areas of action in our sustainability strategy: environmental aspects must be taken into account throughout the entire life cycle of our products, from the product idea to the materials used, from the environmental impact of production to transport and disposal.

The Management Manual is available in the IMS and is the responsibility of the Head of Corporate Energy & Environment, Safety. We review compliance with the standards through internal and external audits.

Work instruction for the evaluation of environmental aspects

For the evaluation of the environmental aspects of our production processes and products, we have a Group-wide work instruction in accordance with ISO 14001 in the IMS.

All certified sites must assess the extent to which their activities, products, and services have a material impact on the environment annually and in the event of relevant changes. The work instruction defines responsibilities and specifies the topics and scale for the evaluation. In addition to emissions, discharges into water and soil, consumption of raw materials, water, and energy, and generation of waste and by-products must be evaluated.

Among other things, the evaluation looks at how strong, frequent, and influenceable an environmental impact is. This results in a risk priority number from which the departments concerned derive and implement actions.

Regular site inspections ensure the implementation of the work instruction. Overall responsibility lies with the Head of Corporate Energy & Environment, Safety.

2.2.3 Targets (E5-3)

Our sustainability strategy (see ➔ E5-1 Policies) gives rise to qualitative targets, even if no measurable, result-oriented, and time-bound target has yet been set in terms of resource use and circular economy.

Environmental impact evaluation

In 2025, the BLANC & FISCHER Group will develop a concept to create transparency for selected products about the materials used and their impact on the environment.

Requirements concerning the proportion of recyclable and recycled materials

In 2025, we will develop specific targets for the proportion of recyclable and recycled materials in transport packaging and for the use of reuseable packaging. By 2026, such targets will also be defined for the development of new products. With these targets, we aim to reduce the proportion of primary materials.

Waste reporting

We aimed to have a uniform waste reporting system at all production and logistics sites of the BLANC & FISCHER Group by 2025. We already achieved this target at the end of 2024.

Implementation and certification of an Environmental Management System

By the end of 2027, all production sites are to be ISO 14001 certified in accordance with our Group Energy and Environmental Policy.

In the year under review, 13 E.G.O., BLANCO, and B.PRO sites were already certified according to ISO 14001. Three further site certifications are planned for 2025.

2.2.4   Actions (E5-2)

Methods and criteria for the evaluation of the environmental impacts of products and materials used were defined in a project of the Innovation and Sustainability departments.

In 2024, we systematically recorded the various recyclable and recycled materials in transport packaging and reusable packaging of E.G.O., BLANCO, and B.PRO products for the first time. This creates transparency about the recycling rate in our transport packaging and the proportion of recyclable packaging materials. We want to derive targets from these values in the following year.

In addition, during the year under review, we drew up a list of raw materials that we consider to be critical from an environmental and social perspective. This list also takes into account the upstream and downstream supply chain.

In the year under review, we also developed an action plan to integrate circular economy aspects into the innovation process.

2.2.5   Metrics

Resource inflows (E5-4)

Resource inflows	Unit	2024
Weight of products used in the reporting period as well as technical and biological materials		
Total weight of products used as well as technical and biological materials[1]	kg	126,515,833
Percentage of biological materials (and biofuels used for non-energy purposes) that are sustainably sourced[2]	%	0
Weight of products used as well as technical and biological materials (E.G.O.)	kg	101,377,696
Weight of products used as well as technical and biological materials (BLANCO)	kg	22,822,135
Weight of products used as well as technical and biological materials (B.PRO)	kg	2,316,002
Weight of secondary components, products, and materials used in the reporting period[3]		
Total weight of secondary components, products, and materials used	kg	5,794,079
Proportion of total weight of products used as well as technical and biological materials	%	5
Weight of secondary components, products, and materials used (E.G.O.)	kg	4,809,510
Weight of secondary components, products, and materials used (BLANCO)	kg	769,444
Weight of secondary components, products, and materials used (B.PRO)	kg	215,125
Weight of secondary intermediate products used	kg	932,002
Proportion of total weight of products used as well as technical and biological materials	%	1
Weight of secondary intermediate products used (BLANCO)	kg	932,002
Weight of secondary materials used	kg	10,429,135
Proportion of total weight of products used as well as technical and biological materials	%	8
Weight of secondary materials used (E.G.O.)	kg	9,620,284
Weight of secondary materials used (BLANCO)	kg	706,191
Weight of secondary materials used (B.PRO)	kg	102,660

[1]   Only direct material related to the product is considered
[2]   Material made from renewable raw materials
[3]   Secondary is taken to mean recycled/reused. We specify the proportion of recycled material contained in our materials/products.

Resource outflows (E5-5)

Expected service life of products (years)	2024
Induction Cooking (E.G.O.)	—[1]
Food Preparation (E.G.O.)	—[1]
Laundry, Dish and Cooling (E.G.O.)	—[1]
Sinks (BLANCO)	15
Mixer taps (BLANCO)	15
Catering solutions (B.PRO)	15
Industry (B.PRO)	15

Recycled material	2024
Recycled material in product packaging (%)[1]	47

[1]   Figure based on information from the largest suppliers and the average for the remaining suppliers.

[1]   As a supplier, E.G.O. designs products in such a way that they meet the requirements of the customer specification. The service life of the products thus corresponds to the industry standard.

3 SOCIAL

3.1 Own workforce (S1)

3.1.1 Impacts, risks, and opportunities

Employees are a key success factor for the BLANC & FISCHER Group. As a family business, the BLANC & FISCHER Group takes special responsibility for its employees and invests in a good working environment. Occupational health and safety have a high priority. The Human Resources strategy aims to make the company an attractive employer and to positively shape relevant events along the employee life cycle, such as onboarding. Other factors also play a role, such as good leadership, a modern corporate culture, attractive development opportunities, and equal treatment and equal opportunities.

The central Corporate Human Resources (HR) division is responsible for implementing the HR strategy and reports directly to the CFO. In addition, there are local HR managers in the operational business groups.

The business activities of the BLANC & FISCHER Group have a direct impact on employees as well as on temporary workers and people working in the company under contracts for work and services. The employees of the BLANC & FISCHER Group work at 52 sites in 23 countries. They come from a total of 62 nations. Most are employed in the Europe region, followed by Asia and America.

3.1.2 Working conditions

Employee retention and satisfaction, health promotion, and occupational health and safety are at the heart of the HR strategy.

Employee retention and satisfaction
In view of demographic change and the resulting shortage of skilled workers, we are committed to providing an attractive working environment that offers flexible working time models, comprehensive health management, and development and further training opportunities. In addition, there are a number of site-specific measures and initiatives. These include company restaurants offering healthy food, childcare at some sites, access to discounted services and vouchers, and an extensive sports program at the German sites.

The working conditions are regulated in several Group-wide policies (see ➔ S1-1 Policies).

Health promotion and occupational health and safety
Consistent protection of health in the workplace and the promotion of health are part of the BLANC & FISCHER Group's self-image as a traditional, medium-sized, family-owned company.

Occupational health and safety management aims to help prevent work-related illnesses and accidents at the workplace throughout the Group. The Corporate Safety central division creates the Group-wide framework for this and is responsible for the Occupational Health and Safety Policy (see ➔ S1-1 Policies). This defines requirements for a uniform minimum standard in the BLANC & FISCHER Group.

All incidents that could lead to a health or safety risk are reported immediately to the manager or specialist department responsible. Serious accidents are immediately reported to the site managers, the Management Boards of the business groups, and the CEO of the BLANC & FISCHER Group. Our aim is to further reduce workplace accidents (see ➔ S1-5 Targets).

Group-wide Corporate Health + Balance Management supports BLANC & FISCHER Group employees in staying healthy. The central office, which is part of Corporate Human Resources, ensures the networking between those responsible at the sites through the regular exchange of best practice approaches and experience.

As part of the Integrated Management System, occupational health and safety is regularly reviewed by means of internal audits. Further initiatives and actions in health promotion and occupational health and safety can be found under ➔ S1-4 Actions.

3.1.3   Equal treatment and equal opportunities

The BLANC & FISCHER Group's sites are spread over 23 countries, and its employees come from a large number of nations. We see a great opportunity in this diversity. Employees from various backgrounds with different cultural experience bring with them different skills and talents that have a positive impact on innovative and creative solutions in the organization.

Skills development and training

The adoption of digital technologies is currently one of the biggest challenges for companies. Digitalization is not only about switching to automated processes but also about aligning with future ways of working in a meaningful way. Smart production, innovation, growth and, last but not least, a stable and effective supply chain are declared objectives of the BLANC & FISCHER Group. We offer a wide range of training courses and development measures to empower and develop people for current and future tasks in the digital transformation.

3.1.4   Engaging with own workforce (S1-2)

In Germany, the interests of employees are represented primarily by the Works Council and the employee representatives on the co-determined Supervisory Board. Employees' concerns are communicated directly to the Management Board, which bears overall responsibility for communication with the workforce, via the interface function of the Corporate Human Resources department.

At regular intervals, employees at the German sites are informed about current developments in ordinary works meetings. In addition, town hall events promote direct exchange between employees of individual divisions and management.

Internal communication also takes the form of letters to employees, videos, employee magazines, and, in particular, the Group-wide employee app "my B&F." With dialog formats such as "CEO Coffee" introduced in 2024 or the "Let's Talk BLANCO" format, employees can submit their concerns directly to the Management Board.

Regular communication between employees, managers, and company management takes place under the umbrella of the "listening strategy." This listening occurs, among other things, through institutionalized employee surveys that reveal opportunities for action. This shapes the corporate culture and promotes satisfaction.

The first Group-wide employee survey on the topic of leadership culture took place in February 2024, and its results were evaluated and processed at team level. Employee satisfaction and engagement are the focus of the survey scheduled for 2025.

The surveys measure satisfaction with topics such as corporate strategy, communication, leadership, collaboration, training, and corporate culture. The objective is to achieve improvements, strengthen employee retention, and reduce voluntary employee turnover.

At the German sites of the BLANC & FISCHER Group, the needs of employees with severe disabilities and those equivalent to them are explicitly taken into account by the elected representative body for disabled employees.

Specific actions in the year under review, such as Personal Growth Dialogs for employees of the BLANC & FISCHER Group, are described in section ➜ S1-4 Actions.

3.1.5   Complaints procedure and remedies (S1-3)

Compliance with applicable laws and ethical values is of fundamental importance for the entrepreneurial activities in the BLANC & FISCHER Group.

To address possible compliance violations, the BLANC & FISCHER Group has established a publicly accessible ⬈ *whistleblower system* (see ➜ G1). Employees and external persons can use the whistleblower system to express concerns and report possible compliance violations confidentially and, if they require, anonymously. Employees are informed about the reporting channels via the Code of Conduct, face-to-face training courses, information from the compliance organization, and e-learning courses.

The whistleblower system is provided by an external software provider. Only the Chief Compliance Officer and the Compliance Officer have access to the data. If there are sufficient indications of a compliance violation during processing, an independent and objective internal investigation will be initiated on a case-by-case basis. The central departments Corporate

Legal and Corporate Human Resources then check whether further steps, such as remedial action, need to be taken.

Employees can also always contact their manager, the Compliance Ambassador, the Corporate Compliance department, or the Management Board. Every report is treated confidentially in accordance with legal regulations. The BLANC & FISCHER Group ensures that whistleblowers do not suffer any disadvantages as a result of their report.

3.1.6   Policies (S1-1)

The working conditions for the BLANC & FISCHER Group's own employees are governed by several policies and frameworks, which are based on international standards such as the United Nations Universal Declaration of Human Rights, the Guidelines on Children's Rights and Business Conduct, the United Nations Guiding Principles on Business and Human Rights, the labor standards of the International Labour Organization ("ILO"), and the United Nations Global Compact.

All social policies are available to employees on the intranet.

Code of Conduct

The Code of Conduct (see ➜ G1 Policies) of the BLANC & FISCHER Group defines the principles for legally and ethically acceptable conduct. In addition to health, safety, and fair working conditions, the Code of Conduct also covers the topic of inclusion – providing equal opportunities and preventing discrimination.

The provisions of the Code of Conduct help employees to make ethically correct decisions in their daily work. Within the framework of the applicable legal regulations, it prohibits any form of discrimination, for example on the basis of gender, religion, ethnic origin, age, skin color, disability, marital status, gender or sexual identity, trade union membership, or other differences. Any form of disciplinary action through the application or threat of physical or psychological violence, sexual harassment, verbal insults, and other forms of intimidation is expressly prohibited. Child labor and forced labor are expressly rejected and prohibited.

Corporate Health & Balance Policy

The Corporate Health & Balance Policy aims to maintain health in the workplace and a healthy worklife balance, as well as to motivate and support employees and managers in all matters relating to health and well-being and to raise their awareness of these. The Policy specifies the framework and processes so that activities can be derived.

Responsibility for health and well-being lies with Corporate Human Resources. In addition, individual actions are the responsibility of the individual sites. The activities are regularly reviewed in exchanges between the sites and Corporate Human Resources.

Personal Growth Dialog Policy

The Personal Growth Dialog (PGD) is our approach to staff development for individuals, teams, and departments. The Policy describes in detail how these dialogs are to be conducted. The objective of the instrument is to:

- ensure that all employees receive feedback on their skills,
- ensure a systematic evaluation of organizational risks,
- initiate useful staff development activities on an individual and team level.

We have involved our workforce in the development of the PGD Policy through direct personal exchange with the local and Group-wide Human Resources departments. Information on the PGD is also available on the employee app as needed.

This approach is essential for our talent management. The managers steer and document the dialogs. Corporate Human Resources is responsible for the PGD Policy.

Occupational Health and Safety Policy

We revised the Occupational Health and Safety Policy in 2023, incorporating findings from accidents and site inspections as well as best practice approaches. In addition to the content of the Policy, there are additional instructions at the international sites to take local legal requirements and circumstances into account.

The Policy was developed by the Group Occupational Health and Safety Office together with the Occupational Health and Safety teams at the sites to govern these aspects throughout the Group. The Safety Officers at the sites were informed about the new aspects of the Policy in an online meeting.

Policies on other HR aspects

Internal policies govern other aspects of HR work, such as variable remuneration or mobile working.

3.1.7 Targets (S1-5)

Workplace accidents

We want to prevent workplace accidents. Our overall goal is 0 fatal workplace accidents. We use the internationally standard Lost Time Injury Frequency Rate (LTIFR) to monitor our measures. This takes into account all workplace accidents with time lost due to sick leave (excluding external employees and commuting accidents) and calculates the rate per 1 million hours worked. In the base year 2023, there were still 6.5 workplace accidents per 1 million hours worked throughout the Group. Our target value for the reporting year was 5.85; the value achieved is 5.71.

Employees were indirectly involved in the target-setting process via the Corporate Safety division. In the long term, the BLANC & FISCHER Group has set itself the target of reducing the LTIFR by 10 % per year and achieving a value of below 4 by 2028.

ISO 45001 certification

The content of occupational health and safety management at BLANC & FISCHER is based on the requirements of the ISO 45001 standard but does not fully correspond with these at present. The BLANC & FISCHER Group has therefore set itself the target of achieving ISO 45001 certification capability for all the Group's production sites by the end of 2027.

Equal treatment and equal opportunities

The BLANC & FISCHER Group set itself the target of offering Personal Growth Dialogs to all Group employees in 2024. In the year under review, 73 % of the workforce participated in a Personal Growth Dialog. The Corporate Human Resources division was involved in the target-setting process and indirectly incorporated the perspectives of employees.

Employee Net Promoter Score

Another objective is the continuous improvement of employee satisfaction and engagement. Both will be recorded for the first time in 2025 in a Group-wide survey and measured in the form of an 📖 Employee Net Promoter Score (eNPS) among other things. This value represents a kind of recommendation rate and is calculated from the proportion of satisfied and dissatisfied employees. It serves as an indicator of employee loyalty to the company. The target for 2027 is a value of over 20. The Human Resources division contributed to setting this target.

3.1.8 Actions (S1-4)

In the year under review, the BLANC & FISCHER Group implemented a number of actions and continued existing initiatives to improve working conditions and increase its attractiveness as an employer. Appropriate actions are derived from the general targets of the strategic framework (see ➔ G1-3, G1-4 Actions and targets) and initiated by the Managing Directors of the business groups. They are the responsibility of the Human Resources department.

Actions in the area of working conditions and employee satisfaction

The global employee survey on the topic of leadership culture in the year under review looked at the implementation of the leadership principles introduced in 2022. The feedback should help to further improve leadership, sharpen the range of management development measures, and thus ultimately have a positive influence on employee satisfaction (see ➔ S1-5 Targets).

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Employee Net Promoter Score (eNPS)
The eNPS (Employee Net Promoter Score) measures how likely employees are to recommend their company as an employer – an indicator of satisfaction. It is based on a scale of 0 to 10 and is calculated from the proportion of promoters (9 – 10), the very satisfied employees, minus the proportion of detractors (0 – 6), the rather dissatisfied employees. This means that the higher the eNPS value, the more satisfied the employees.

In the year under review, the BLANC & FISCHER Group also determined how employees perceive their employer at key moments in their working life, such as when they joined the company or were promoted. These key moments are particularly relevant in terms of employees' satisfaction, motivation, and loyalty to the employer. The analysis is used for process improvement and to increase workforce satisfaction. The effectiveness of the measures is evaluated using employee turnover and the Employee Net Promoter Score (eNPS).

We are also working on implementing a strategy to strengthen the employer brand in order to increase our visibility and the perception of us as an attractive employer. As part of this, further key management figures are to be developed and introduced throughout the Group.

Another employee survey will be carried out in 2025. This will include all companies of the BLANC & FISCHER Group (see ➔ S1-2 Engaging with own workforce).

Actions in the area of health promotion and occupational health and safety

In the year under review, the level of implementation of the Occupational Health and Safety Policy was reviewed by means of self-assessments at all Group sites. The evaluation revealed that the minimum standards defined in the Policy had been implemented to a good level. The upcoming evaluations in 2025 will focus on improving the protective measures for work on old machines (see ➔ S1-5 Targets).

In addition, an internal audit for Health, Safety, and Environment (HSE) was drawn up in 2024, which will be carried out in person throughout the Group for the first time in 2025 and will be repeated every three years at each production and logistics site in the future. The audit is part of an action plan to achieve ISO 45001 certification capability for all production sites by the end of 2027. The content of occupational health and safety management at BLANC & FISCHER is based on the requirements of the ISO 45001 standard but does not fully correspond with these at present (see ➔ S1-5 Targets).

In addition, the BLANC & FISCHER Group has implemented further occupational health and safety initiatives. To ensure that occupational health and safety precautions are anchored in everyday work, inspections are carried out by occupational health and safety experts and managers, for example. Mandatory regular safety training for all employees is an important

element in raising awareness. There are also specific, workplace-dependent additional training courses, for example for warehouses and logistics.

Overall, the database for HSE topics is being continuously improved so that even more precise targets and actions can be derived in the future.

At the largest site in Oberderdingen, the medical service offers occupational health care and advice, regular preventive examinations and check-ups relating to occupational health, and internal reentry management. Employees can also contact the medical service if they have any questions about the workplace or occupational health and safety. In addition to emergency management, the medical service offers free preventive measures such as skin and colon cancer screenings, annual flu vaccinations, and travel health services. Managers in Germany receive a health check every two years. Some overseas sites offer annual health checks or provide financial support for medical check-ups or insurance in accordance with local practice.

The BLANC & FISCHER Group promotes a wide range of sporting activities. For example, regular spinal health and self-defense courses as well as an annual competition ("BeActive Challenge") are held at the Group headquarters to encourage more movement in everyday life. Participation in various regional events and activities in over 15 different sports is also promoted.

In addition to physical occupational health and safety, there are site-specific programs to promote mental health. These include free and anonymous consultations at the German sites on all topics relating to job satisfaction, well-being, and mental health in the workplace with a psychologist bound to confidentiality. In cooperation with an external service provider, there is also a free, around-the-clock telephone life coaching service for employees at the German sites to help in personal crisis situations in particular.

Actions in the area of equal treatment and equal opportunities

To identify needs for action, the Corporate HR department assessed the Group-wide status quo in diversity, equal treatment, and inclusion in 2024. An action plan will be derived from the survey in 2025. For this purpose, the additional regulatory requirements arising on the basis of the Corporate Sustainability Reporting Directive (CSRD) were already analyzed in the

year under review. In addition, the collection of suitable metrics and the development of a Diversity Index were examined.

The personal development meetings (see ➔ S1-1 Policies) that were rolled out for the first time throughout the Group in the year under review are aligned with the B&F competence model and the management principles. They have been standardized and further developed in recent years. The aim is to promote the continuous personal growth of all employees.

The programs already established for the promotion of foreign assignments for employees were further expanded. This increases the networking of international sites and employees. Experience abroad is possible in the form of business trips, temporary exchanges, and short- and medium-term assignments as well as longer deployments.

In the year under review, a mentoring program was launched that brings together employees of all BLANC & FISCHER Group companies to promote exchange and thus employee development. Not only do experienced managers pass on their experience to up-and-coming managers, they also benefit in the "reverse mentoring" program from exchanges on topics such as digitalization, technology, or new working methods.

With the Group-wide digital learning platform "B&F Learning Campus," the BLANC & FISCHER Group has been promoting the efficient and sustainable development of knowledge and skills since 2023. On this platform, employees can participate in professional video training courses depending on individual needs and availability, and receive further information on the topic of training and education. The B&F Learning Campus provides an extensive pool of courses on topics such as digitalization, new technologies, leadership, marketing, and soft skills.

The courses are available in up to twelve languages to reach as many employees as possible.

A new international e-learning system was also recently licensed, optimizing the learning infrastructure within the Group and expanding the B&F Learning Campus.

The companies of the BLANC & FISCHER Group in Germany and Austria offer young people a wide range of opportunities to start their careers. A total of 14 apprenticeships and ten work-study programs are offered at the German sites. Most training activities are bundled in the BLANC & FISCHER Training Academy at the Group headquarters. This central facility ensures high-quality training and, at the same time, demonstrates the Group's attractiveness as an employer with a wide range of activities.

The BLANC & FISCHER Group relies on a variety of measures to come into contact with young talent at an early stage and to be recognized as an attractive employer. In Germany, these include participation in job fairs even before students start their training or career, long-standing partnerships with local schools and universities, and sponsorship awards and scholarships. Our activities also include an open-door practice in the form of factory tours, internships, student traineeships and thesis projects, initiatives such as "Girls' Day" or similar getting-to-know-you programs, as well as career information evenings for interested young people and their parents. For trainees, there is a bundle of programs going beyond classic vocational training, such as dialog formats with management, the art project "Azubi-Art," and opportunities to spend time working abroad. The latter are an integral part of the apprenticeship and the work-study program and allow students to see the bigger picture.

3.1.9 Metrics

All of the following employee figures were collected as of December 31, 2024, and are presented per person (headcount). The data includes employees as well as apprentices, students, interns, and trainees.

Characteristics of the workforce (S1-6)

Workforce by gender	2024
Gender	Number of employees
Male	4,292
Female	3,356
Diverse genders	8
No details given	–
Total number of employees	7,656

Workforce in countries where BLANC & FISCHER has at least 50 employees, representing at least 10 % of the company's total workforce.	
Country	Number of employees
Germany	3,043
Turkey	663
China	660
Total	4,366

Other characteristics of the workforce	Unit	2024
Employees who left the BLANC & FISCHER Group during the reporting period	Quantity	837
Employee turnover[1]	%	11

[1] All voluntary and involuntary departures in 2024 are recorded. The figure stated refers to the global average workforce of the BLANC & FISCHER Group in 2024. The calculation of employee turnover is based on the formula of the BDA (Confederation of German Employers' Associations).

2024		Employees by gender	
Female	Male	Other[1]	Total
Number of employees			
3,356	4,292	8	7,656
Number of employees with permanent employment contracts			
3,110	4,008	7	7,125
Number of employees with fixed-term employment contracts			
246	284	1	531

[1] Gender according to the employees' own information.

Characteristics of external workers (S1-7)

Characteristics of external workers	2024
Number of non-employed workers in the BLANC & FISCHER Group[1]	235

[1] Includes direct and indirect temporary workers and freelancers (e.g. consultants). As of December 2024, most temporary workers were assigned to E.G.O. at the Chinese site.

Collective labor agreements (S1-8)

The proportion of all employees covered by collective labor agreements is 84 %.

	Coverage by collective labor agreements	
Coverage rate	Workforce – EEA[1] (for countries with > 50 employees representing > 10% of total)	Workforce – non-EEA[1] countries (estimate for regions with > 50 employees representing > 10% of total)
0–19 %		
20–39 %		
40–59 %		Americas
60–79 %		Europe (not EEA[1])
80–100 %	Germany, Slovenia, Croatia	Asia

[1] European Economic Area

Adequate wages (S1-10)

All employees of the BLANC & FISCHER Group receive fair remuneration.

Social security (S1-11)

All employees of the BLANC & FISCHER Group are adequately protected against loss of earnings due to significant life events (illness, unemployment, occupational accidents and incapacity for work, parental leave, and retirement). In some cases, this protection is already guaranteed by state measures (e.g. pension or health insurance).

Health and safety (S1-14)

Health and safety metrics	Unit	2024
BLANC & FISCHER Group employees covered by the health and safety management system	%	100
Deaths due to work-related injuries and illnesses	Quantity	0
Reportable workplace accidents	Quantity	74
Rate of reportable workplace accidents	Workplace accidents per million working hours	5.71
Days lost due to work-related injuries and illnesses	Quantity	2,079

Reports and complaints (S1-17)

Incidents, complaints, and serious impacts related to human rights	Unit	2024
Cases of discrimination, including harassment	Quantity	3
Complaints (submitted via channels through which employees of the BLANC & FISCHER Group can express concerns)	Quantity	14
Total amount of substantial fines, penalties, and damages related to the incidents and complaints described above	€	0
Number of serious human rights incidents in connection with the BLANC & FISCHER Group's employees	Quantity	0

4 GOVERNANCE   43

4 GOVERNANCE

4.1 Corporate governance (G1)

4.1.1 Impacts, risks, and opportunities

The basis for sustainable business at BLANC & FISCHER is responsible corporate governance. This includes compliance, anti-corruption, and ethical standards. The sustainable orientation of the company is controlled and monitored by the Management Board and Supervisory Board. Our value framework is based on the Family Charter of the shareholders of the BLANC & FISCHER Family Holding.

Compliance – legal and responsible action – is of fundamental importance to the BLANC & FISCHER Group. As part of our corporate governance, we use a Group-wide Compliance Management System. This aims to prevent significant violations of rules and ethical values. The rules to be complied with include regulations on international agreements concerning the handling of hazardous waste and the preservation of natural resources.

We expect both our business partners and our employees to comply with the principles of environmentally, socially, and ethically responsible conduct (see ➔ G1 Policies).

The Compliance Management System is based on the Audit Standard 980 of the Institute of Public Auditors in Germany ("Institut der Wirtschaftsprüfer in Deutschland e. V.") and applies across the Group. A central role of the Chief Compliance Officer is steering the Compliance Management System. He or she reports on an ad hoc basis to the Chief Financial Officer, who is responsible for the Compliance department. The Chief Compliance Officer is supported by Compliance Ambassadors in the operational business groups worldwide.

A regular compliance risk analysis is an essential component of the Compliance Management System. This forms the basis for the compliance program, which aims to minimize the identified risks. In addition to training courses, it also includes internal organizational instructions (see ➔ G1 Policies). If a potential compliance violation is identified, the matter is immediately clarified by the Chief Compliance Officer independently. The ➔ whistleblower system ensures that every employee and third parties can report any compliance violations confidentially and anonymously within the framework of the legal regulations.

As part of the materiality analysis carried out in 2024, the BLANC & FISCHER Group identified material corporate governance risks. These are controlled centrally via policies, targets, and actions, as described in the following sections.

4.1.2 Policies (G1-1, G1-3, G1-4)

The BLANC & FISCHER Group has adopted several policies to manage the material risks relating to governance issues and corporate governance.

Code of Conduct

As a central policy, the Code of Conduct governs a wide range of topics, including environmental topics (see ➔ E1-2 and E5-1 Policies) and those relating to the company's own workforce (see ➔ S1-1 Policies). The key content includes integrity and fair and legally compliant business practices. In addition, clear rules are formulated to prevent money laundering. We reject corruption and bribery. The purpose of the Code of Conduct is to help our employees make the right decisions in their daily work.

The Code of Conduct sets out the fundamental values for conduct within the Group. The comprehensive rules are intended to ensure ethical and fair conduct for all our employees. The Management Board is actively involved in the further development of the Code of Conduct, it is kept regularly informed, and it approves adaptations.

The effectiveness of the Code of Conduct is regularly reviewed with the aid of the internal audit. We also use reports received via the ➔ whistleblower system to draw conclusions about which rules may need to be adapted.

The Code of Conduct applies to all employees of the BLANC & FISCHER Group and is the responsibility of the Management Board. It can be accessed without restriction online on our ⎋ *website* in more than ten languages. Employees also receive regular training on the content (see ➔ G1-3, G1-4 Actions and targets) and can access additional information via the intranet.

Code of Conduct – Anti-Corruption

In addition to the Code of Conduct, the BLANC & FISCHER Group has developed a topic-specific Code of Conduct – Anti-Corruption, which defines principles for combating corruption and bribery (see ➔ G1-3), which our employees are obliged to comply with. Direct corruption as well as indirect forms of corrupt behavior are prohibited. The Code of Conduct – Anti-Corruption is available on our intranet. Responsibility for adaptation and implementation lies with the Chief Compliance Officer, with ultimate responsibility being borne by the Management Board.

A worldwide compliance risk analysis on the topic of corruption has shown that the abstract corruption risks vary. The key relevant factors are the business models of each of the business groups, for example contact with public officials or business activities in countries with a poor ranking in the 📖 *Corruption Perceptions Index*.

The abstract corruption risks identified in this way are counteracted by various measures. For example, employees are regularly trained on the topic of anti-corruption. In addition, rules such as segregation of duties and the dual control principle minimize corruption risks.

Employees in Sales and Purchasing are generally exposed to the greatest risks of corruption. To reduce these risks, specialized e-learning is provided to the employees concerned, and face-to-face training courses and workshops on the topic are also held if needed. The topic of corruption is also covered in general compliance training.

If a suspicion of corruption should arise despite the measures taken, our Compliance department can use various procedures to conduct an independent, prompt, and objective investigation. The Chief Compliance Officer can also initiate direct investigations in cases of suspicion and, for example, engage forensic auditors or lawyers for this purpose. In such cases, we ensure a strict separation of investigators and the management levels involved in the matters.

In 2024, no compliance incidents related to corruption or bribery were reported.

Rules of procedure for the whistleblower system

The rules of procedure for the whistleblower system define the framework of the statutory whistleblower system and thus also meet the requirements of the German Supply Chain Act ("Lieferkettensorgfaltspflichtengesetz"). Responsibility for the Group-wide rules of procedure lies with the Management Board.

The whistleblower system allows internal and external stakeholders to easily and anonymously report concerns about misconduct, whether it relates to human rights and environmental risks in the supply chain or potential violations of the rules in our Code of Conduct. Reports can be submitted ⎋ *online* or by e-mail, telephone, or post. Reports can also be made directly to our Compliance department. All reports are treated confidentially. The Code of Conduct states that no one has to fear disadvantages after reporting.

The Chief Compliance Officer appointed by the Management Board reviews the reports received and initiates appropriate individual measures in justified cases. Violations are reported by the Chief Compliance Officer to the Management Board.

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Corruption Perceptions Index (CPI))
The index published by Transparency International lists countries according to the degree of corruption perceived in politics and administration.

Supplier Code of Conduct

The BLANC & FISCHER Group is committed to environmentally and socially responsible corporate governance. Our responsibility does not end at our own factory gate but extends along the entire supply chain. We are dedicated to preventing, ending, or minimizing as far as possible negative impacts on human rights by our business operations and supply chains.

To ensure successful and forward-looking cooperation, we expect the same understanding and conduct from our suppliers. We also strive to continuously optimize our business activities and our products in terms of sustainability and ask our suppliers to contribute to this in the spirit of a holistic approach.

The expectations we have of our supply chain partners in terms of human rights and the environment are set out in the Supplier Code of Conduct. In addition to working conditions, the focus is on general business practices, such as the requirements for fair competition, the handling of potential conflicts of interest, and the prevention of bribery. Our business partners are prohibited from money laundering and terrorist financing.

The Supplier Code of Conduct is available on our [↗] *website* in German and English. When a new contract is concluded with a supplier, our Purchasing department requests that the supplier confirms the content of the Supplier Code of Conduct. Contractual partners must also agree to pass on all requirements to any third parties it commissions and to put them under obligation to comply with our standards. The Supplier Code of Conduct applies to all suppliers of the entire BLANC & FISCHER Group. The Chief Compliance Officer is responsible for reviewing the Supplier Code of Conduct as needed, but at least once a year.

4.1.3   Actions and targets (G1-3, G1-4)

To build on the existing approaches in connection with the corporate governance of the BLANC & FISCHER Group and to improve their effectiveness, we have launched an action plan as part of our sustainability strategy.

All Group employees with PC access are continuously trained in the content of the Code of Conduct using e-learning formats. No distinction is made here between high-risk and lower-risk positions. All new employees with PC access complete e-learning compliance training as part of the onboarding process. In 2024, the rate of e-learning training completed by employees with PC access was 100 %.

A risk-oriented audit plan will be developed based on the compliance risk analysis. To ensure global coverage, self-assessments on specific compliance topics will first be carried out, followed by internal tests based on the results of these self-assessments. A new training program will be developed for the Compliance Ambassadors at the international sites in the respective national language.

At the same time, we are developing a globally uniform audit approach to compliance and ethical standards. We are also currently preparing a risk-oriented training plan.

The action plan should be completed by the end of 2026. This will enable us to implement the Code of Conduct even more effectively (see ➜ G1-1) and raise awareness of its content within our workforce.

5 APPENDIX

5.1 Disclosure Requirement Index in accordance with ESRS 2 IRO-2

Disclosure requirements		Reference
ESRS 2 – General information		
BP-1	General basis for preparation of the sustainability statement	Page 9
BP-2	Disclosures in relating to specific circumstances	Page 9
GOV-1	The role of administrative, management, and supervisory bodies	Page 10
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies	Page 11
GOV-4	Statement of due diligence	Page 49
GOV-5	Risk management and internal controls over sustainability reporting	Page 11
SBM-1	Strategy, business model, and value chain	Page 12
SBM-2	Interests and views of stakeholders	Page 13
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	Page 18
IRO-1	Description of the procedure to identify and assess of material impacts, risks, and opportunities	Page 14
IRO-2	Disclosure requirements included in ESRS covered by the undertaking's sustainability statement	Page 47
E1 – Climate change		
ESRS 2 SBM-3-E1	Material impacts, risks, and opportunities and their interaction with strategy and business model	Page 21
ESRS 2 IRO-1-E1	Description of the process to identify and assess material climate-related impacts, risks and opportunities	Page 14
E1-2	Policies related to climate change mitigation and adaptation	Page 22
E1-3	Actions and resources in relation to climate change policies	Page 25
E1-4	Targets related to climate change mitigation and adaptation	Page 23
E1-5	Energy consumption and energy mix	Page 25
E1-6	Gross Scope 1, 2, and 3 and total GHG emissions	Page 26
E5 – Resource use and circular economy		
ESRS 2 IRO-1-E5	Description of the process to identify and assess material impacts, risks, and opportunities related to resource use and circular economy	Page 14
E5-1	Policies related to resource use and circular economy	Page 30
E5-2	Actions and resources related to resource use and circular economy	Page 32
E5-3	Targets related to resource use and circular economy	Page 31
E5-4	Resource inflows	Page 29
E5-5	Resource outflows	Page 29

Disclosure requirements		Reference
S1 – Own workforce		
ESRS 2 SBM-2-S1	Interests and views of stakeholders	Page 13
ESRS 2 SBM-3-S1	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 35
S1-1	Policies related to own workforce	Page 37
S1-2	Processes for engaging with the company's workforce and employee representatives about impacts	Page 36
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Page 36
S1-4	Taking action related to material impacts on the company's workforce and approaches to managing material risks and exploiting material opportunities related to the company's workforce and the effectiveness of these actions	Page 38
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 38
S1-6	Characteristics of the undertaking's employees	Page 41
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Page 41
S1-8	Collective bargaining coverage and social dialog	Page 41
S1-10	Adequate wages	Page 42
S1-11	Social protection	Page 42
S1-14	Health and safety metrics	Page 42
S1-17	Complaints and severe human rights impacts	Page 42
G1 – Corporate governance		
ESRS 2 GOV-1-G1	The role of administrative, management, and supervisory bodies	Page 10
ESRS 2 IRO-1-G1	Description of the process to identify and assess material climate-related impacts, risks and opportunities	Page 14
G1-1	Corporate culture and business conduct policies and corporate culture	Page 44
G1-3	Prevention and detection of corruption and bribery	Page 44
G1-4	Confirmed cases of corruption or bribery	Page 44

5.2 Table for an overview of the core elements of the Due Diligence Index in accordance with ESRS 2 GOV-4

Core elements of due diligence related to people and/or the environment

People and environment	People	Environment
a) Embedding due diligence in governance, strategy and business model		
ESRS 2 GOV-2, page 11	ESRS 2 SBM-3-S1, page 35	ESRS 2 SBM-3-E1, page 21
ESRS 2 SBM-3, page 18		ESRS 2 SBM-3-E5, page 29
ESRS 2 SBM-3-G1, page 44		
b) Engaging with affected stakeholders in all key steps of the due diligence		
ESRS 2 GOV-2, page 11	ESRS S1-2, page 36	
ESRS 2 SBM-2, page 13	ESRS S1-3, page 36	
ESRS 2 IRO-1, page 14		
c) Identifying and assessing adverse impacts		
ESRS 2 IRO-1, page 14	ESRS 2 SBM-3-S1, page 35	ESRS 2 SBM-3-E1, page 21
ESRS 2 SBM-3, page 18		ESRS 2 SBM-3-E5, page 29
d) Taking actions to address those adverse impacts		
ESRS 2 MDR-A-G1, page 46	ESRS S1-4, page 38	ESRS E1-3, page 25
		ESRS E5-2, page 32
e) Tracking the effectiveness of these efforts and communicating		
ESRS 2 MDR-T-G1, page 46	ESRS S1-5, page 38	ESRS E1-4, page 23
		ESRS E5-3, page 31
		ESRS E1-5, page 25
		ESRS E1-6, page 26

LEGAL NOTICE

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EDITORIAL NOTE

In this report, we aim to use gender-neutral language. Where this is not possible,
the personal designations used apply equally to all genders. Male and female terms
therefore apply equally to "diverse" genders.

REPORTING PROCEDURE

The Sustainability Report pertains to the BLANC & FISCHER Group and
its companies, which are located all over the globe. Reporting for the Sustainability
Report 2024 was carried out in reference to the European Sustainability Reporting
Standards (ESRS), status 2024.

REPORTING CYCLE

Publication: May 2025

The Sustainability Report is published annually, exclusively digitally, and in German
and English.