



SUSTAINABILITY REPORT 2025



**MOVING IDEAS FOR
SUSTAINABILITY**

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Gender clause

At Blum, people come first. We are a company that embraces diversity and rejects any form of discrimination. Gender-neutral language is therefore important to us. If we have not included a gender in our text or wording, this is due to a lack of alternatives, to maintain readability or unfortunately sometimes due to an inadvertent omission.

Other information

This sustainability report has been prepared with the greatest possible care to guarantee the accuracy and completeness of the information contained in all parts. Typesetting and printing errors cannot be entirely ruled out. Furthermore, the use of automated calculation systems may result in rounding differences that affect amounts and percentages.

Any questions about this report or sustainability at Blum more generally can be directed to info@blum.com.

The sustainability report has not been audited by an external party, but has been approved for publication by the Executive Board.

The English version of this sustainability report is a translation of the original German.

In case of doubt, the German-language version is authoritative. → GRI 2-3, GRI 2-5

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About this report

This report has been compiled for the benefit of all our stakeholders. It contains detailed information about the actions we are taking as a business to make our activities more sustainable. Under the tag line "moving ideas for sustainability", we are working hard to promote sustainability across our company and address all relevant environmental, economic and social factors.

Central to these efforts are two key questions:

1. What are the greatest challenges that we face in working towards sustainability?
2. How can we overcome these challenges?

Standards and frameworks

This report confirms our commitment to sustainability and has been published in preparation for meeting the requirements of the EU's Corporate Sustainability Reporting Directive (CSRD). It has been produced in line with the reporting guidelines of the Global Reporting Initiative (GRI) and in accordance with the GRI Universal Standards 2021. These standards provide us with a foundation for comparisons and increase the credibility and transparency of the information contained in this report. A GRI content index containing a detailed list of all disclosures and references can be found at the end of the report.

Moreover, we believe it is important to understand the wider context for our sustainability responsibilities and reporting. As a global company, we have therefore aligned our sustainability efforts with the UN's Sustainable Development Goals (SDGs), further details of which can be found in the relevant chapter of this report.

Scope of reporting and contents

The information contained in this report covers all production sites operated by the Blum Group, including the company's head office in Austria and its plants in Poland, the USA, Brazil and China. The employees working at these sites make up more than 85% of the entire staff body of the Blum Group. Other sites will be recognised in the future reporting periods. → GRI 2-2

This report also focuses specifically on the sustainability topics (and relevant management strategies) identified in our materiality assessment, as recommended by the GRI. This assessment was updated with the implementation of a double materiality assessment to ensure compliance with the requirements of the upcoming CSRD and also expanded to examine our fields of action in depth. The structure of the report reflects these material topics and addresses each of the ESG categories – environment, social and governance – in turn. Brief overviews are provided, setting out the importance of a particular topic and the action we at Blum are taking to address it.

The data contained in this report covers the 2024/2025 business year, which extends from 1 July 2024 to 30 June 2025.

→ GRI 2-3



Foreword from the Managing Directors

Our understanding of sustainability is based on the fundamental strategic orientation of our company, which is to preserve Blum as a stable employer with a long-term future while maintaining its autonomy and independence at all times. These values date back to our founder, Julius Blum, and have remained unchanged ever since.

As a company with a long-term perspective, we focus not only on the here and now but also look to the future. We consider the impact of our actions and we are keenly aware of the economic, social and environmental responsibility that comes with it. That is why we see sustainability as the overall balance between economic stability, social harmony and environmental awareness. The sustainability measures we implement (and which are described in this report) reflect this mindset. In addition to products, resources, infrastructure, energy supply and logistics, they also address issues such as equality, the working environment and the training of young people.

We are continuously implementing initiatives in all these areas to increase sustainability in line with our principles and economic conditions. The latter currently present us with numerous challenges, be it the volatile geopolitical situation, periodic upheavals in international trade relations or EU regulations such as CBAM and ETS, which, although we consider their original objectives to be reasonable, place us at a massive competitive disadvantage in their current form.

However, economic success is an essential prerequisite for sustainable action. At the end of the day, it is also a matter of safeguarding Europe's long-term future as a business location as well as creating the social structures that enable us all to actively work towards a better future. It is our responsibility today to leave behind an environment worth living in for the generations of tomorrow. This requires a great deal of flexibility, the courage to embrace new ideas and a clear commitment not only from the business community, but also from politicians. Only if we all work together at both regional and national level to pursue common, realistic goals can we achieve something special.

This has been our goal for decades and will remain so in the years to come.

Philipp Blum

Martin Blum

A handwritten signature in black ink, appearing to read 'Philipp Blum'.

A handwritten signature in black ink, appearing to read 'Martin Blum'.

MOVING IDEAS
FOR SUSTAINABILITY

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Company profile

The Blum Group is an international, family-owned business that specialises in the production and distribution of furniture fittings. Our main product groups are lift, hinge, pull-out and pocket systems. In order to make daily life easier for our customers and partners, Blum also offers an extensive range of complementary services to meet their individual requirements needs. These include pre-assembled drawers, logistically optimised packaging solutions and online configuration tools. Furthermore, we offer customised assembly devices and comprehensive digital services for marketing, purchasing, assembly and installation. Our aim is to provide furniture manufacturers with the most comprehensive support possible.

Blum has eight plants in the Vorarlberg region of Austria, along with production sites in Poland, Brazil, China and the USA. The company also has 34 subsidiaries and representative offices around the world, which distribute our products and services to customers in more than 120 markets.

Organisational structure and governance

The Blum Group is an owner-managed family company. Its managing directors Martin Blum and Philipp Blum each have a 26% share in the business and the remaining 48% is held by the Blum Private Foundation. The highest management body within the Blum Group is the Executive Board of Blum Group Holding GmbH, which is the sole shareholder in Julius Blum GmbH, the highest-rank operationally active company within the Group.

Both managing directors of Julius Blum GmbH (hereinafter "the Managing Directors") belong to the owner family, share equal rights with regard to the business and are appointed for an indefinite period. The Executive Board of Julius Blum GmbH is appointed by Blum Group Holding GmbH as the sole shareholder. Both Managing Directors are members of the Executive Board of Julius Blum GmbH.

The Supervisory Board of Julius Blum GmbH has six members, two of whom are selected by the works council to represent the interests of the employees, while the Supervisory Board of Blum Group Holding GmbH has three members.

In accordance with the legislation (Section 22 of the Austrian Act on Limited Liability Companies (GmbHG)), the Managing Directors Martin Blum and Philipp Blum are responsible for establishing the governance structure of Julius Blum GmbH, including the creation of the various segments and interdisciplinary roles. The segments are led by separate steering teams, which in turn answer to the Managing Directors. → GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-15, GRI 2-16

Our values and principles

As a company, we continue to uphold the values and principles first established by our founder Julius Blum. Our value system is underpinned by two fundamental principles that lie at the heart of all our operations:

”

We need to ensure the company has a long-term future for the sake of our employees.

”

We pursue a long-term financial policy in order to maintain financial independence and thus freedom of choice for our company for as long as possible.

By consistently upholding our values and principles in our everyday operations, we demonstrate the type of business that we are and confirm our position as a reliable business partner. Our sustainability agenda is an important part of this. We see no contradiction between economics and the environment. On the contrary, we believe that by pursuing sustainable business practices, we benefit both our bottom line and the planet. For us, preserving our natural resources for future generations is both a necessity and, at the same time, an opportunity, which is why we are working to help build a better future wherever we can.

Our approach and strategy

Stability and reliability are central to our approach to our everyday business operations. Our business strategy reflects this approach and unites it with our values and purpose as a business.

Strategies, trends and innovation

We continually develop our strategies in response to ongoing changes in our everyday business activities. However, it is important that we also look ahead to ensure that our company is ready to tackle future opportunities and challenges. We therefore take the time to develop and implement our strategies as part of a collective process. We have created a network within the business and with some select market organisations that continuously monitors the latest trends (e.g. lifestyle, societal, economic and environmental) and assesses their potential impact for our company, including outside of our current core business. We talk transparently about any relevant trends within the company, and our trend network collaborates closely with our innovation network to ensure that these trends are integrated into our work. For us, innovation is the key to safeguarding our future and the basis for continual improvements across all areas of our business. It also requires us to invest consistently in research and development. Thanks to this investment, over many years, we have cemented our position as a pioneering industry leader. Many of our product developments are considered milestones in furniture manufacture. For example, in May 2013, the hinge variant of our multiple award winning BLUMOTION soft-close system for drawers, doors and lift systems was awarded the European Inventor Award by the European Patent Office (EPO). We also rank consistently among Austria's top innovators year on year and have been granted over 2,100 patents worldwide.



Quality policy

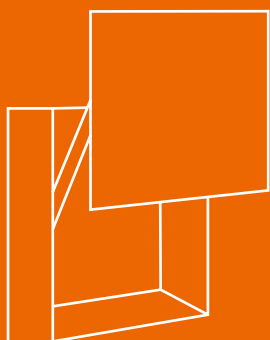
Our comprehensive quality policy underlines our commitment to meeting the requirements of our partners and customers, while also continuing to improve as a company.

The central pillars of our quality policy help guarantee the long-term future of our business and, as such, remain unchanged:

- **Customer focus:** Our mission is to create products, services and processes that deliver real benefits and added value for our customers and partners. We are committed to working together with them to deliver our vision for our high-performance, innovative and high-quality products and services.
- **Innovation:** Our innovation work is based on proactive engagement with our customers and partners so that we have a clear understanding of their requirements with respect to our products, services and processes. The knowledge and experience we gain through the innovation process form the basis of our quality policy.
- **Continual improvement:** We are always looking for ways to improve our existing operations and asking questions of ourselves as a company. It is crucial for us that we maintain open feedback channels with our customers and partners, since this information is key to improving all aspects of our business.
- **Employee focus:** The success of our business depends fundamentally on the dedication of our employees and their sense of identity with the Blum brand. Creating a climate of mutual trust and open dialogue helps us to continually nurture a strong sense of commitment and loyalty among our staff. All employees are expected to uphold Blum's high quality standards through their actions.

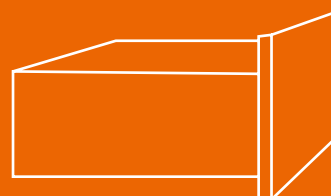
Our products and services

Our business operations focus on the manufacture and distribution of lift, hinge, pull-out and pocket systems and motion technologies, as well as the provision of supplementary assembly devices and other support services. The following product groups lie at the heart of our business:



Lift systems

Our AVENTOS lift systems come in many different variants including our bi-fold lift systems, up & over lift systems, lift ups and stay lifts.



Pull-out systems

We offer box systems (LEGRABOX, MERIVOBX, TANDEMBOX) for metal drawers and also runner systems (MOVENTO, TANDEM) for wooden drawers.

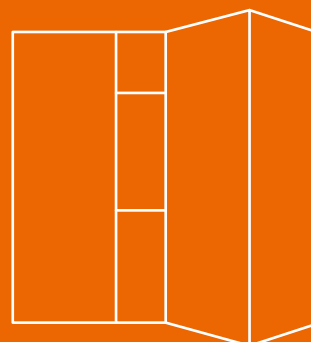


Hinge systems

Our extensive range of hinge systems includes stand-out products such as our latest generation CLIP top BLUMOTION hinge with integrated soft-close mechanism and excellent compatibility with different opening angles.

Pocket systems

Our pocket system, REVEGO, is an integrated slide-in door system that opens up or closes off entire working or living areas.

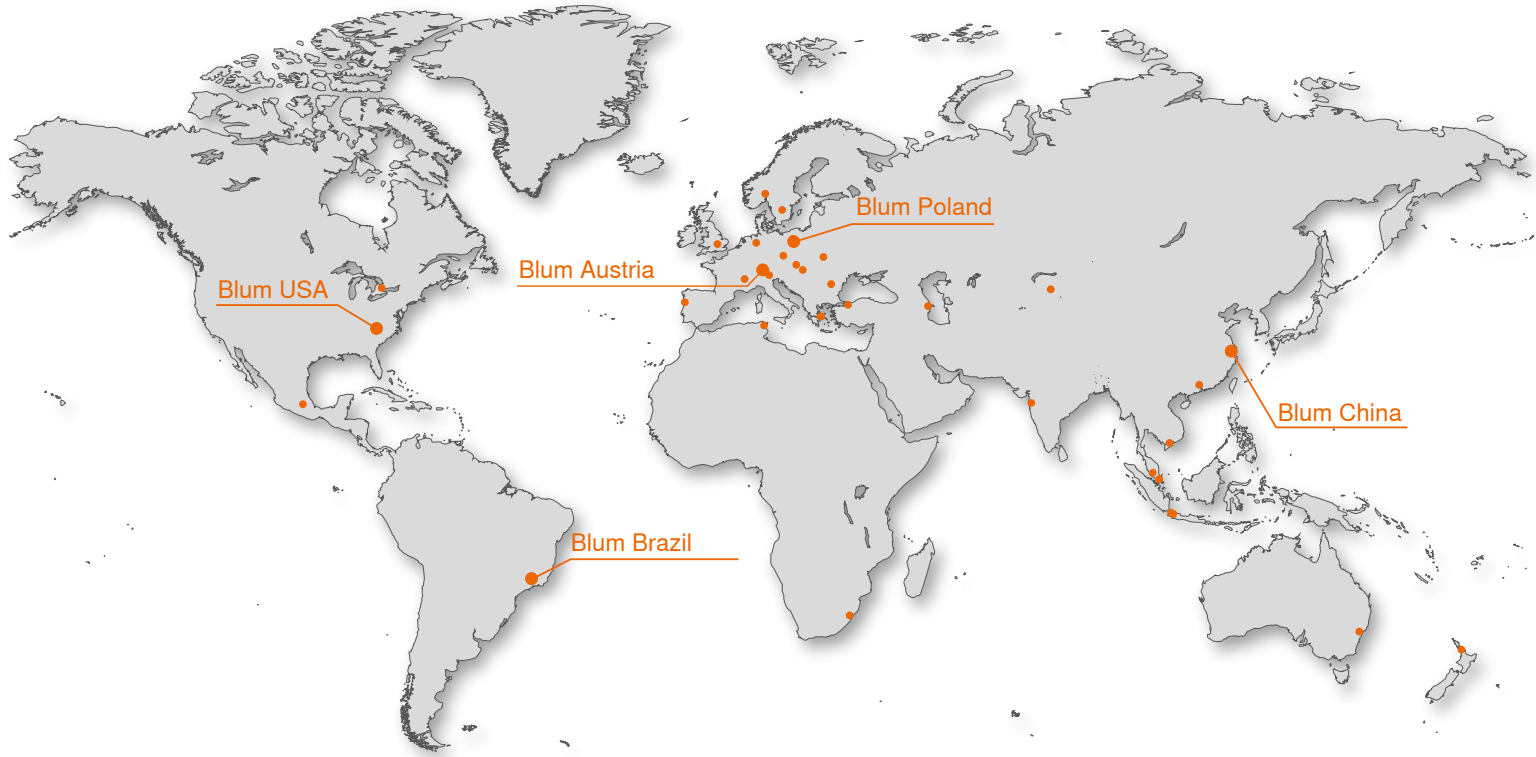


Our mission is to create innovative and high-quality products that make a lasting difference to the way our customers live their lives. We are committed to finding the best possible solutions for our customers' requirements and are therefore continually looking for ways to improve our products. This includes continuously expanding our product and service portfolio while keeping a close eye on more general lifestyle and furniture trends, such as optimised storage solutions, smart furniture and the home of tomorrow. Using these insights we can create new product groups and variants featuring innovative motion technologies like soft-close or electronic opening mechanisms.

We pride ourselves on delivering a comprehensive service for our business customers and manufacturers and on making their lives as easy as we can. That's why we offer additional solutions alongside a large range of services and assembly devices to support our customers in their logistics, purchasing and marketing as well as planning, manufacturing and assembly work. These include our optimised packaging solutions alongside our online Cabinet Configurator and MINIPRESS top processing machine featuring our EASYSTICK automatic ruler system. → GRI 2-6

Our production sites and sales locations

The Blum Group currently employs over 9,850 people (69 % of them in Austria). In addition there are 34 subsidiaries and representative offices serving customers across the globe. We also have eight plants in the Vorarlberg region of Austria and four production sites in Poland, Brazil, China and the USA supplying products for 120 markets around the world. → GRI 2-1



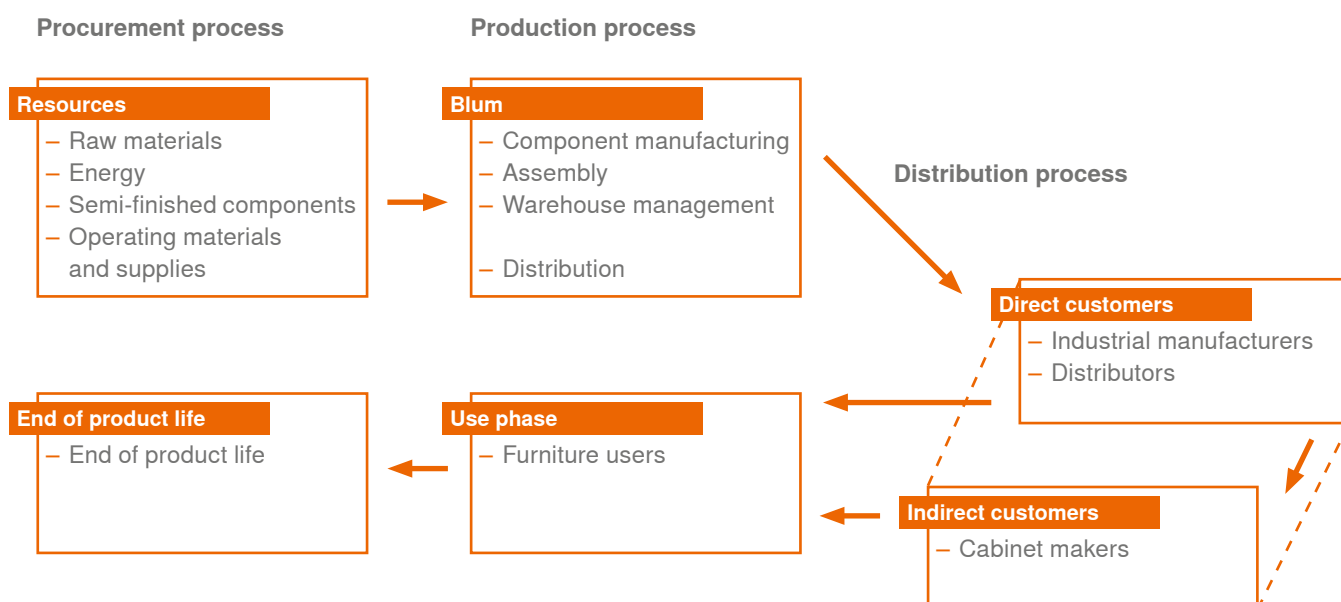
- | | | |
|--------------------|---------------------|---------------------|
| Blum Argentina | Blum Canada | Blum Singapore |
| Blum Azerbaijan | Blum Kazakhstan | Blum Slovakia |
| Blum Australia | Blum Malaysia | Blum South Africa |
| Blum Belgium | Blum Mexico | Blum Czech Republic |
| Blum Brazil | Blum New Zealand | Blum Tunisia |
| Blum China | Blum Norway | Blum Türkiye |
| Blum Germany | Blum Austria | Blum UK |
| Blum France | Blum Poland | Blum Ukraine |
| Blum Greece | Blum Portugal | Blum Hungary |
| Blum Hong Kong | Blum Romania | Blum USA |
| Blum India | Blum Sweden | Blum Vietnam |
| Blum Indonesia | Blum Switzerland | |

Orange lettering denotes production sites

Our value chain

Our core business is the development, manufacture and distribution of functional fittings for the furniture industry. Ultimately, we want to make consumers' lives easier and more comfortable by supplying opening and closing solutions for drawers, cabinet fronts and doors as well as associated motion technologies.

As a manufacturing company, it is vital that we keep the entire value chain in mind – from the procurement of the raw materials right through to the assembly of the finished product. We firmly believe that Blum products and services should benefit everyone involved at each stage of the value chain. For end consumers of the furniture products, this means that their furniture not only looks great but is also highly functional. For cabinet makers, it means that units are easy and convenient to assemble. For salespeople it means that they always have convincing selling points to hand, and for furniture manufacturers it means access to innovative product systems and efficient manufacturing processes. Our aim at every stage is to minimise any negative impacts of our business activities and create long-term added value, be that financial, environmental or social. It is a commitment that we uphold throughout our value chain, a simplified diagram of which can be seen below:



The process up to the point when a product is finally installed in the consumer's home can be divided into several stages. The first is the procurement process, which involves sourcing all the necessary resources, raw materials, semi-finished components, auxiliary materials and supplies (see "Responsible purchasing" chapter). This is followed by the production process, which includes both the manufacturing of individual product components and the assembly of those components to produce the finished product. Once complete, the products are put into storage, at which point efficient logistics and warehouse management come into play, including the provision and management of the relevant infrastructure. Finally, the products enter the distribution process, where they are delivered to our direct customers, retail partners and industrial manufacturers using the most efficient – and environmentally friendly – means possible. We always seek to put our customers' specific requirements centre stage, for example with respect to the product design, the manufacturing possibilities and the range of products (and product variants) that we offer. We also take into account the requirements of the consumers who will use the furniture during the use phase and whose lives we ultimately want to make easier and more comfortable. At the end of its product life, the furniture is ultimately disposed of – ideally using a professional recycling service. → GRI 2-6

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Sustainability at Blum

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Sustainability at Blum

When it comes to sustainability, there is no quick fix – no simple switch that can be flicked or short-term project that can be wrapped up quickly. Sustainable business practices are vital, but they are also a long-term commitment that requires stamina and a fierce determination to succeed.

That being said, determination alone is not enough. If we are to play our part in a sustainable transition, we need to follow a clearly defined roadmap. We must commit to achieving each of the steps along the way and keep finding new and better ways of running our business.

Global challenges

Today's world is full of complex challenges that require immediate solutions – not least the global challenges associated with the climate emergency. Faced with these challenges, numerous businesses and even entire industries are shifting their priorities away from a profit-driven approach, where success is defined solely by their bottom line, and moving towards more responsible business models. Businesses focused purely on financial gain are fundamentally out of step with today's changing world. Instead, companies need to set precisely defined goals and take targeted steps to address the wide-ranging environmental, social and governance challenges we face. At Blum, we understand this and we are responding with tangible sustainability-orientated action across all areas of our business.

Questions and answers

1. Sustainability has always been a core value at Blum. How do your areas of responsibility (quality, purchasing and sustainability) make a targeted contribution to this corporate value?

Additionally: where do you see current challenges in your areas of responsibility when it comes to strengthening and advancing sustainable development within the company?

Alongside timeless design, innovative features and excellent motion, our products are characterised above all by their durability. They are designed to remain in use throughout the entire lifespan of the furniture without compromising on functionality. That is what we understand by product sustainability and have established the conditions to safeguard this commitment by merging the quality, procurement and sustainability departments. Thanks to the resulting synergies, we are not only able to achieve sustainability but also profitability – be it in our own factories or in how we work with external partners.

In my opinion, the greatest challenge currently lies in geopolitical developments. Cautious economic forecasts, wars and changing trade relations are pushing many companies to their economic limits, which unfortunately is forcing the issues of climate change and environmental destruction to take a back seat in many places. That makes it even more important to look for solutions that are both economically viable and ecologically sound.

2. What role does responsible procurement or purchasing play when it comes to product sustainability and do relevant market or customer requirements exist in this area? If so, how is Blum prepared for these?

Given the risks posed by climate change, we have a greater responsibility than ever to largely do away with the use of fossil fuels altogether in the future. This is a view that we share with our customers. Scandinavian clients in particular are among those who have set concrete demands for a reduction in the carbon emissions generated by us and by our products. Customers are also requesting and pushing for the use of low-carbon materials, despite the (sometimes significant) added costs this involves.

Given that we are capable of accurately and transparently calculating the carbon footprint of our products, we already offer this option – for example by sourcing CO₂-reduced steel for our fittings systems.

3. What influence does sustainability have on the design and development of new products? What positive design opportunities does it afford?

Every new Blum product and the corresponding manufacturing processes are subject to an environmental and energy check during the innovation phase. The results highlight potential areas for improvement in relation to material use, energy sources and our environmental performance.

The decisive factor here is which products we use for which application. The kitchen, for example, places the highest demands on our products and we satisfy these over the entire lifetime of the furniture. Conversely, the requirements in the living room and bedroom are significantly lower, meaning material savings are possible – although these must not compromise the quality or durability of our products in any way. After all, we talk about "Sustainable Quality by Blum" with good reason.

Jochen Lubetz, Director Quality, Procurement & Sustainability



Our proactive sustainability strategy

At Blum, we believe it is vital to conserve natural resources for future generations. We also believe that sustainable business practices are only possible if we strike the right balance between economic, environmental and social factors. This holistic approach is central to our sustainability agenda, which forms a core component of our overall business strategy. Our business strategy defines our company's values, business direction and purpose and sets out strategies for each area of our business. In line with this company philosophy, our sustainability strategy defines our long-term vision for how we as a business intend to contribute to the UN's 17 Sustainable Development Goals (SDGs), including in our everyday operations. → GRI 2-22

High quality standards

Our core business is to produce high-quality, highly functional and user-friendly products that are built to last. In doing so, we seek to use resources carefully and avoid any damaging impacts on the Earth's ecosystems.

Innovation for the long-term

By thinking long-term, we can develop innovative ideas for new products, services and business models. If these ideas prove to be feasible and profitable, then we look to incorporate them into our investment decisions.

Trusted partner

We show respect towards the people and organisations with which we are associated. The health and safety of those around us is of utmost importance to us.

Committed to sustainability

We are committed to responsible growth. Environmental and social sustainability is just as important to us as the financial health of our company and this belief is reflected in our investment decisions.

Source: Excerpt from Blum business strategy



Sustainability management structure and monitoring

To manage, monitor and advance Blum's strategic actions and targets on sustainability, the Executive Board of Julius Blum GmbH (see "Company profile" chapter) has established a Sustainability steering team, which provides regular progress reports. One of the members of the Executive Board is also a member of the Sustainability steering team, which means certain strategic interventions can be made directly by the steering team. All sustainability measures, both general and case-specific, are approved by the Executive Board before being implemented by the Sustainability steering team or the relevant specialist team within the company. The company's strategic sustainability targets are defined in advance with input from the Executive Board and in line with the company's values. Based on these company-wide targets, the Executive Board also defines specific strategic targets for implementation within the individual specialist divisions. The operational management of Julius Blum GmbH is the responsibility of the Sales, Marketing, Distribution and Technology, Product Systems (TPM) and Manufacturing Steering Teams and the Executive Board of the Furniture Fittings division. As company owners, both Managing Directors are stakeholders in this process.

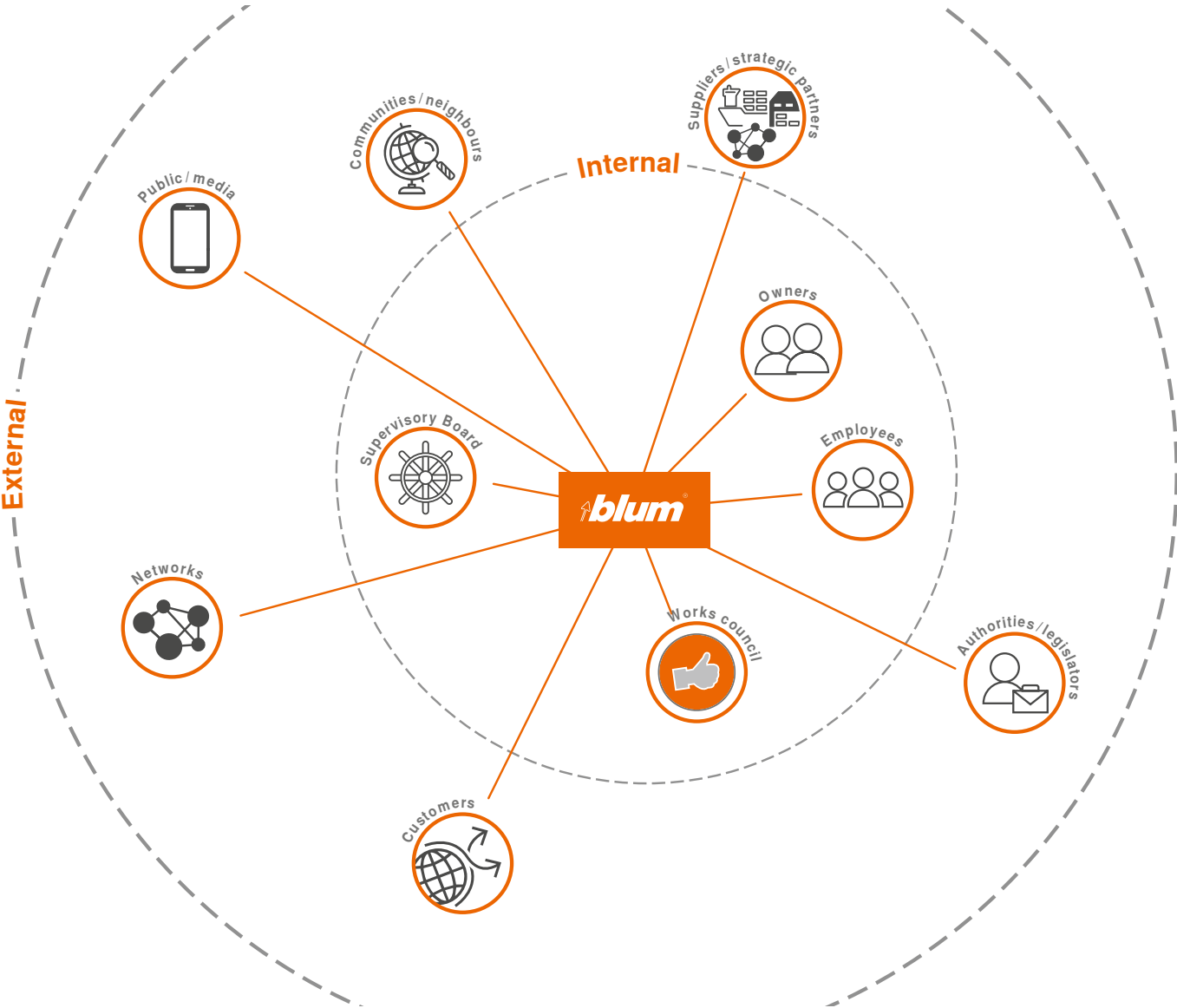
They have created an integrated management system (IMS) committee, which is responsible for establishing, implementing and monitoring the various management systems needed to meet the company's sustainability targets. The IMS committee is headed up by the Director Quality, Procurement & Sustainability (QPS) and includes the heads of the management systems, finance, distribution, procurement and sustainability departments, as well as representatives of the relevant management systems. Its remit includes the following areas: quality, environment, energy, AEO (authorised economic operator), customs duties, sanctions, internal control systems (in line with Section 22 of the Austrian Act on Limited Liability Companies (GmbHG)), risk management, health and safety and information security. The committee consists of a representative of the Executive Board, a representative of the Technology, Product Systems, Manufacturing (TPM) and Sales, Marketing, Distribution (SMD) steering committees, as well as representatives of the management systems from the aforementioned areas. The person responsible for the IMS committee reports directly to the Executive Board of Julius Blum GmbH. The relevant systems and functions are also audited by the Internal Audit and Management Systems Audit units on an ad hoc basis, while external audits are also conducted for certain specialist divisions.

The purpose of networks like the IMS committee is to bring together staff members from different specialist areas, each with primary responsibility and reporting obligations for their own area but with a wider shared responsibility. The Executive Board meets weekly and the steering teams of the segments meet monthly, while other committees and steering teams meet for a specific reason and/or to discuss a particular business need. Committees and steering teams report regularly to the Executive Board (as the mandator) and also usually include at least one member of the Executive Board. → GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-17



In dialogue with our stakeholders

The motivation for our sustainability efforts and actions is twofold: naturally, we want to demonstrate our commitment to sustainable business practices, but we also want to respond to the needs and expectations of our stakeholders – i.e. all parties that have a personal and/or professional interest in our company, are impacted by the actions of our business or have influence over its future development. We therefore need to identify and classify our various stakeholder groups – i.e. whether they are impacted by or have influence over our business – so that we can recognise their needs and requirements and align these with our decision-making, target-setting and sustainability actions. Within the framework of our management review and with the involvement of the specialist departments, the following picture emerges: → GRI 2-29



Internal	External
Owners	Customers
Employees	Suppliers / strategic partners
Works council	Networks
Supervisory Board	Authorities / legislators
	Public / media
	Communities / neighbours

Stakeholders	Description
Customers	With our products and services, we aim to deliver lasting benefits and added value for our customers around the world. We develop sustainable products with a highly functional, durable and aesthetically pleasing design. We therefore maintain personal contact and regular communication with our customers to ensure we are best placed to understand their needs and develop solutions in collaboration with them.
Frequency of interaction: Dialogue format:	Ongoing or ad hoc Customer consultations, real-life kitchen observations, audits, complaints handling
Employees	Our employees are the essential building blocks of our corporate strategy and the driving force behind the sustainable development of our company. We therefore seek to maintain open, honest and equitable lines of communication with all our staff. If we are to achieve our collective goals and, at the same time, promote the personal development of each individual employee, we must create jobs that make sense for us as a business but are also challenging for our employees and give them a certain scope of influence. More detailed information about our approach can be found in the "Spotlight on our people" chapter.
Frequency of interaction: Dialogue format:	Continuous Employee information, employee events, day-to-day operations
Owners	As an international family company, we believe that sound environmental practices are ultimately good for business. We consider it our responsibility to look after both people and the planet and are committed to playing our part, not least because responsible and sustainable business practices are vital to the long-term future and financial independence of our company. The Executive Board regularly informs the company owners of any actions and business developments that relate to sustainability, facilitating the introduction of strategic interventions where necessary.
Frequency of interaction: Dialogue format:	Regularly Discussions, meetings, personal conversations at company premises
Works council	As the mouthpiece for the Blum workforce, the works council is actively involved in the company's sustainability efforts.
Frequency of interaction: Dialogue format:	Ad hoc Employee events, provision of information, advisory support
Suppliers/strategic partners	Our suppliers and strategic partners have an important interest in and major influence over Blum's business activities. We are committed to building long-term commercial partnerships where all partners are considered equal and work together to develop solutions and invest in innovation and research. We expect our partners to share our sustainable approach and commitment to environmental, social and governance (ESG) standards and work together with them to advance these standards across our value chain.
Frequency of interaction: Dialogue format:	Regularly Annual development dialogues, discussions, training, supplier surveys and audits

Stakeholders	Description
Public/media	The way we communicate with the public and the media plays a key role in shaping external perceptions of our company. This also applies to our endeavours, actions and progress in relation to building a sustainable corporate structure.
Frequency of interaction: Dialogue format:	Regularly Press conferences and press releases, trade fair appearances, interviews, one-on-one discussions, media enquiries
Communities/neighbours	With eight sites in Vorarlberg, Austria, our company is firmly rooted in the local region and strongly believes in building good relationships with our surrounding communities and neighbours. We work together with local communities to develop sustainability initiatives that benefit us all, such as green transport solutions and measures to keep emissions from our facilities as low as possible. Plans and solutions for specific company sites are developed in collaboration with the neighbouring communities and play an important role in our sustainability initiatives.
Frequency of interaction: Dialogue format:	Regularly Personal conversations, neighbourhood discussions, press conferences
Supervisory Board	The Supervisory Board is the highest governance body within our company and is kept regularly informed of any sustainability actions and targets and progress towards these.
Frequency of interaction: Dialogue format:	Regularly Regular schedule of Supervisory Board meetings
Networks	By joining partnerships and networks and actively participating in discussion forums dedicated to sustainability topics, we have the opportunity to exchange ideas with other businesses facing the same challenges as us. Industry and trade associations are, for instance, a valuable source of information and also an important platform for developing shared solutions to environmental and business challenges.
Frequency of interaction: Dialogue format:	Ongoing or ad hoc Events and networking opportunities (general and subject-specific)
Authorities/legislators	We are committed to ensuring compliance with legislative requirements, meeting our reporting obligations towards the regulatory authorities and completing any mandatory audits required by law across all areas of our business – and sustainability is no exception. We maintain open, honest and direct lines of communication with all authorities and consider this a fundamental part of running a responsible business.
Frequency of interaction: Dialogue format:	Regularly, as required Governmental reporting systems, interactions with local authorities (site development plans), mandatory audits (emissions)







Our contribution to the UN Sustainable Development Goals

In 2015, the UN published its 2030 Agenda for Sustainable Development. At its heart are 17 Sustainable Development Goals (SDGs) and 169 sub-targets intended to promote sustainable development across three dimensions: social inclusion, economic growth and environmental protection. Overcoming the challenges in all three of these areas requires both new partnerships and innovative approaches.

At Blum, we use the 2030 Agenda as a guideline for our wide-ranging sustainability activities. We are determined to play our part in building a sustainable future and have therefore chosen to focus our efforts on those SDGs where we, as a manufacturer and distributor of furniture fittings, can have the most impact. In order to facilitate their further development and contribute to achieving the sub-targets set out in them, we launched and implemented a range of projects and initiatives at our sites during the reporting period which are geared towards SDG fields of action.

SDGs	Our contribution	Field of action
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> – Protecting the health, wellbeing and social security of employees (workplace ergonomics, occupational health management) – Ensuring products are high-quality, safe and ergonomic to use (focus on customers) 	Spotlight on our people, social dialogue
 <p>4 QUALITY EDUCATION</p>	<ul style="list-style-type: none"> – Pursuing a holistic approach to knowledge and learning across the company – Providing comprehensive training and education (learning and development opportunities, Blum Path, qualifications, personal responsibility and social skills, future prospects) – Delivering exceptional apprentice training (participation in national and international championships) 	Spotlight on our people, social dialogue
 <p>5 GENDER EQUALITY</p>	<ul style="list-style-type: none"> – Creating a working environment with zero tolerance of discrimination and prejudice and with open and equitable lines of communication – Promoting equal opportunities and diversity – Ensuring equal access to a range of career paths for young women and men 	Spotlight on our people, social dialogue
 <p>6 CLEAN WATER AND SANITATION</p>	<ul style="list-style-type: none"> – Conserving resources and improving efficiency of water use (closed-loop water cycles) – Monitoring wastewater management and discharge 	Environment
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> – Energy and resource efficiency increased – Using renewables – Expanding and improving environmental and energy management practices 	Climate protection and energy
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> – Pursuing responsible growth – Establishing humane working conditions and work processes – Implementing proactive health and safety protocols – Providing company healthcare 	Spotlight on our people, governance
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<ul style="list-style-type: none"> – Optimising use of resources right from product development stage – Optimising emissions throughout product life cycle (product carbon footprint) – Incorporating sustainability criteria into innovation and development process – Implementing efficient production processes (modern infrastructure, continuous monitoring) 	Environment



SDGs	Our contribution	Field of action
11 SUSTAINABLE CITIES AND COMMUNITIES 	<ul style="list-style-type: none"> – Acting as a sustainable partner and delivering added value to local region – Implementing mobility plans to reduce use of private transport in local region 	Spotlight on our people, social dialogue
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	<ul style="list-style-type: none"> – Reducing total amount of waste generated (prevent, reuse, recycle) – Using recycled materials – Closing material loops – Increasing usage rate for raw materials 	Environment, material usage and resource efficiency, governance
13 CLIMATE ACTION 	<ul style="list-style-type: none"> – Improving corporate carbon footprint (Scope 1, 2 & 3 emissions) – Optimising and reducing emissions throughout product life cycle (product carbon footprint) – Implementing climate-friendly transport logistics (switching to greener energy sources) 	Environment, energy and climate impact
15 LIFE ON LAND 	<ul style="list-style-type: none"> – Promoting sustainable and responsible procurement of resources – Implementing waste management plans (waste recovery, recycling) – Taking action to improve biodiversity 	Environment, material usage and resource efficiency, responsible procurement
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	<ul style="list-style-type: none"> – Strengthening compliance structures – Upholding Blum Code of Conduct and Supplier Code of Conduct – Providing whistleblower system (Blum Integrity Line) 	Governance
17 PARTNERSHIPS FOR THE GOALS 	<ul style="list-style-type: none"> – Defining sustainability criteria for supplier evaluations – Participating in networks (promoting dialogue around sustainable development) 	Governance, responsible procurement



Materiality process

After conducting our double materiality assessment for the first time in 2022, it was comprehensively updated in the reporting year with the help of external experts. This update was based on the requirements of the upcoming Corporate Sustainability Reporting Directive (CSRD) and served as preparation for this mandatory regulation. The further development and results of the update are set to be published in the upcoming sustainability report.

The materiality assessment provides the focus for our strategic sustainability planning. By applying the structured assessment process, we seek to identify the key impacts, risks and opportunities both for our company and for our stakeholders. It also provides us as a business with the opportunity of managing the identified topics and thus determining and utilising the potential improvements we can make across the various different areas.

Process for determining material sustainability issues

The process of defining those topics that are material for us includes the perspectives of the relevant stakeholders and highlights the environmental, economic and social issues relevant to our long-term corporate success. We derive the focal points for our sustainability activities from this process.

It can be broken down into three phases: Research/analysis – Assessment – Definition of topics → GRI 3-1

Step 1: Research/analysis

Research and analysis

The team of external experts first helped us to analyse the business activities as well as our upstream and downstream value chain to create a provisional list of material topics. This "long list" provided an overview of all the key areas where our operations have a notable impact in terms of the environment, society and aspects of governance (ESG). We then categorised and consolidated our long list based on ESG criteria to create a "consolidated list" of 13 potential material topics.



Step 2: Assessment

Assessment

Next, we analysed our potential material topics to assess how they each impact our business financially (outside-in perspective) and conversely how our activities in each area impact on society and the environment (inside-out perspective). The assessments were completed by the relevant stakeholders during workshops with the help of the external experts.



Step 3: Material topics

Definition of material topics

Finally, we combined our list of potential material topics with the results of our outside-in and inside-out assessments and stakeholder survey, before summarising the findings in a clear and transparent materiality matrix.

In line with the principle of "double materiality", this matrix gives equal weighting to stakeholder views and the inside-out and outside-in perspectives and is based on the three standard components of a double materiality assessment:

- Sustainability impact assessment (inside-out)
- Financial impact assessment (outside-in)
- Stakeholder survey



Focus: Sustainability impact assessment / inside-out

Analysing our environmental, social and governance impacts

In order to assess the environmental, social and governance impacts, a survey of emissions was carried out for each material topic. The material topics were described by experts in terms of their severity (scale, scope and irremediability) and the possible occurrence of negative impacts, and then evaluated using weighting factors of 0 to 5. The higher the factor, the more material a topic is in terms of sustainability impact.

Focus: Financial impact assessment / outside-in

Analysing the financial impacts on our business

The double materiality method takes into account not only the company's environmental, social and governance impacts, but also the potential financial impact on the company's operations.

In a first step, worst-case scenarios were defined for each of the 13 potential material topics based on a roughly ten-year timeline and finalised in consultation with the experts. The assessors were then selected. The assessment was carried out using an online questionnaire sent to 13 members of the management team.

The assessment focused on two areas:

- Financial impacts in terms of capital goods (access to resources, continued use).
- Financial impacts in terms of stakeholder dependencies.

These were evaluated using a weighting factor of 0 to 4 for the different scenarios.

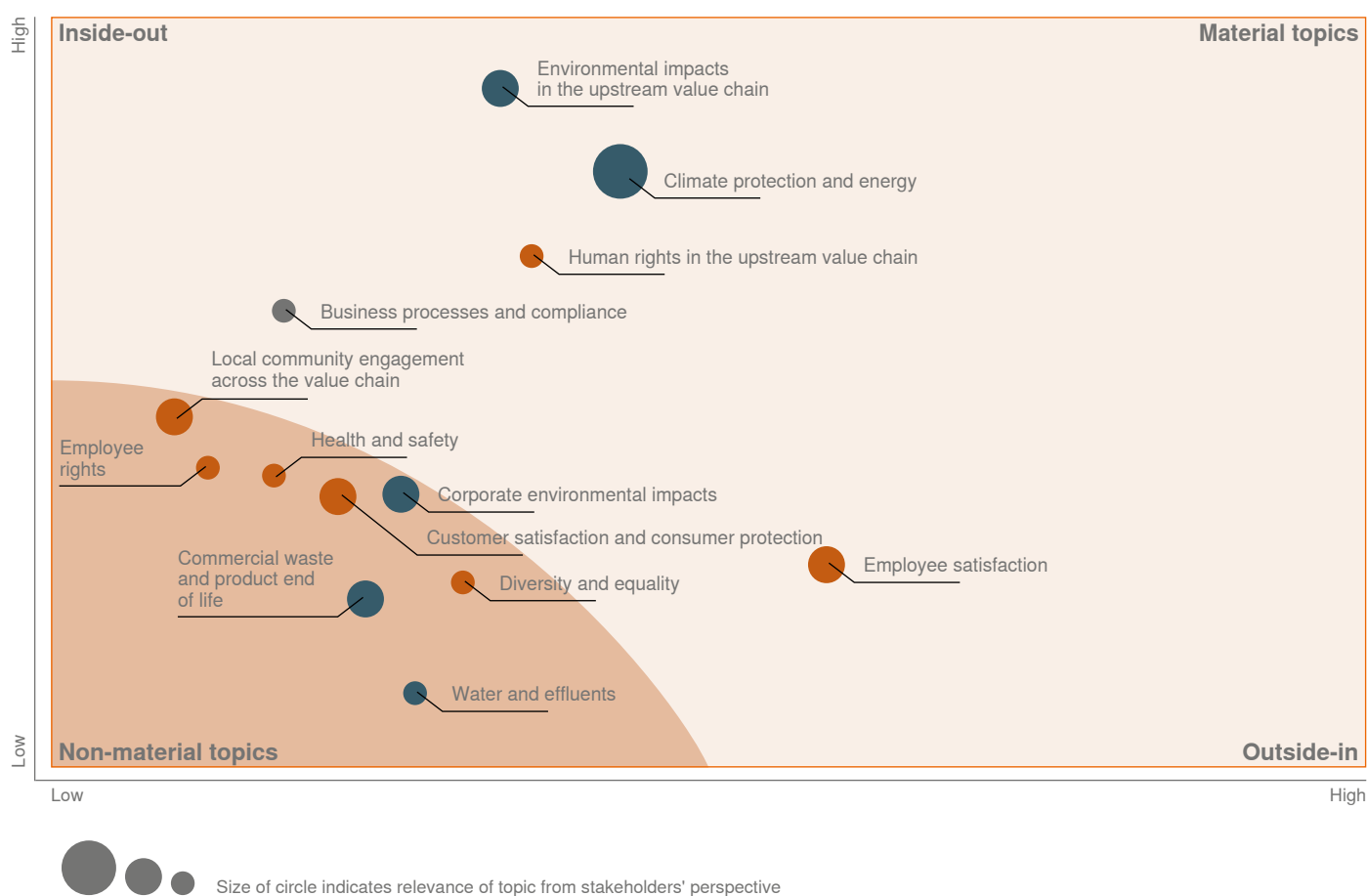
Stakeholder survey

Internal stakeholder survey

Stakeholder input is vital to the process of defining and also prioritising material topics. In our case, based on the results of our 2021 stakeholder survey (which involved both internal and external stakeholders), we decided only to include internal stakeholders in our assessment. Participants were selected from a wide range of areas to ensure that as many different viewpoints as possible were represented and that the results painted a realistic picture of all stakeholder perspectives. Initially, the stakeholders were asked to rate all the material topics on the "long list" from 1 (not important) to 6 (very important). They were then asked to put the five topics considered most important by stakeholders in order of priority.

Illustration of material topics (materiality matrix)

The results of the materiality assessment, as presented by the Sustainability steering team, can be seen below:



The diagram above shows the results of our materiality assessment and the threshold – determined in collaboration with internal and external experts – that we used to define the material topics to be included in our sustainability reporting.

- Y-axis: Impact assessment (inside-out)
- X-axis: Financial assessment (outside-in)
- Size of circle indicates relevance of topic from stakeholders' perspective
- Material: reportable
- Not material: not reportable

List and description of material topics

Material topic	Short description
Climate protection and energy	As an industrial company, we are conscious of our responsibility to protect the environment and we continue to work hard to minimise the environmental impacts of our business. Our actions in this area include promoting more efficient use of resources and reusing resources as part of closed-loop cycles. For example, by pursuing a comprehensive energy management strategy focusing on replacing fossil fuels with renewables (our current energy mix includes 66 % renewables) while at the same time reducing our general energy consumption (e.g. through waste heat recovery in production). Converting our fleet of internal trucks to climate-friendly biogas is another noteworthy step we have taken. Thanks to all these actions, we are gradually reducing our emissions and carbon footprint.
Environmental impacts in the upstream value chain	At Blum, we minimise our potential upstream environmental impacts by selecting responsible suppliers for the procurement of our raw materials. We seek to build long-lasting, committed business partnerships that offer security and stability and enable us to procure consistently high-quality raw materials and consumables from trustworthy sources (more information in "Partnership across the supply chain" chapter).
Employee satisfaction	The satisfaction of our employees is vital to the success of our business, which is why we have a host of company-wide administrative, organisational and structural measures in place to support and motivate our staff. In particular, training, education and personnel development are a top priority at Blum (more information in "Spotlight on our people" chapter).
Human rights in the upstream value chain	The promotion of human rights is one of the core values of our business. Humane practices lie at the heart of all our business partnerships and we keep a close eye on the working conditions across our value chain (more information in "Partnership across the supply chain" chapter).
Business processes and compliance	We understand our responsibilities towards our company and our business partners, as well as towards the environment and wider society. This understanding is reflected in the Blum Code of Conduct, which sets out our values and the fundamental principles that underpin our identity as a company. Our Code of Conduct sets binding standards for our conduct and interactions with other companies and external partners that go beyond the minimum standards required by law. → GRI 3-2




Standards, certifications and partnerships

As part of our wide-ranging sustainability agenda, we invite external organisations to audit and certify the sustainability measures in place across our company. As a global company, we seek to comply with internationally recognised standards wherever possible. We have been certified to ISO 9001 (Quality Management Systems) since 1991, to ISO 14001 (Environmental Management Systems) since 1997 and to ISO 50001 (Energy Management Systems) since 2012. Our site in Brazil has been certified to ISO 45001 (occupational health and safety management system) since 2021.

To maintain compliance with these standards, we have introduced an integrated management system (IMS) with a modular set-up, which gives employees access to the specific management tools they need to ensure compliance with the relevant standards for their particular site and situation.

Furthermore, our wood and packaging products are compliant with the guidelines for environmentally friendly and socially responsible forestry and timber management as set out by the Forest Stewardship Council (FSC®). We have been purchasing FSC-certified chipboard (self-build sets) since 2013, and since 2019 we have been using packaging and printed materials made exclusively from FSC-certified raw materials.

 ISO 9001 Certified Quality System	Blum Austria* (development, manufacture, distribution), Blum USA* (manufacture, distribution), Blum Poland* (manufacture, distribution), Blum Brazil (manufacture, distribution), Blum China (manufacture, distribution)
 ISO 14001 Certified Environmental System	Blum Austria* (development, manufacture, distribution), Blum Poland* (manufacture, distribution), Blum Brazil (manufacture, distribution), Blum China (manufacture, distribution)
 ISO 50001 Certified Energy System	Blum Austria* (development, manufacture, distribution), Blum Poland* (manufacture, distribution), Blum China (manufacture, distribution)
EN ISO 45001	Blum Brazil (manufacture, distribution)

The sites marked with * are matrix-certified.

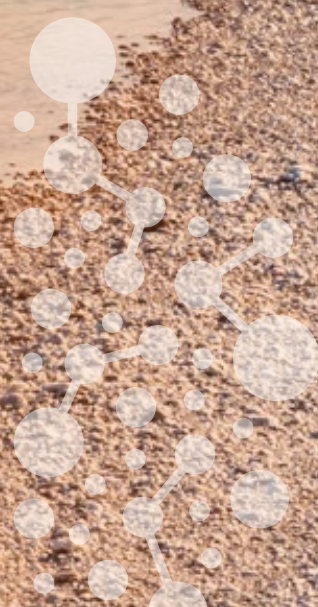
We also engage in carefully selected partnerships in the sustainability space in order to expand our scope of influence and make a valuable contribution to the conversation around a sustainable future. As a member of associations and networks such as Metaltechnology Austria (environmental committee), the Vorarlberg energy efficiency network of the TUN association and the respACT business platform, we are able to play an active role in developing solutions to environmental and social challenges. → GRI 2-28

MOVING IDEAS FOR SUSTAINABILITY

Environment

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Climate protection and energy

Key points

- Relative energy consumption reduced
- Use of renewables increased
- The corresponding monitoring system updated and extended
- Absolute emissions figures reduced

As a global industrial company, we are conscious of our responsibilities towards the environment and society. We therefore seek to minimise any negative impacts from our operations and work hard to keep reducing our carbon footprint, e.g. by improving our energy efficiency, reusing raw materials and introducing closed-loop cycles.

To help us reduce our energy consumption and emissions, we employ an energy management system and planning processes in line with the international ISO 50001 standard. As part of these processes, we develop action plans to optimise our energy consumption, efficiency and usage, and assess the company's energy performance on this basis. We evaluate the improvement in energy performance and the increase in energy efficiency. → GRI 3-3



Energy consumption

As a metalworking company, we have an energy-intensive value chain, therefore we try to use this energy as efficiently as possible. We also seek to make conscious choices around our primary energy sources and any associated dependencies as well as around our energy mix with its resulting greenhouse gas emissions.

The following table breaks down our total energy consumption by energy source. The high level of electricity usage results from the large number of production steps and machines used to manufacture our products, from component manufacturing right through to final assembly. We also use natural gas both for our production processes and for heating. Total energy consumption in the 2024/2025 reporting period came to 235.4 GWh, an increase of 8.9 % compared to the previous year. → GRI 302-1

Energy consumption in GWh	2023/2024	2024/2025
Total energy consumption	216.1	235.4
Fuel consumption from non-renewable sources	47.0	55.1
of which diesel, petrol and heating oil	4.1	7.0
of which natural gas	42.9	48.1
Fuel consumption from renewable sources (biogas)	1.9	4.3
Electricity and heat purchased from external suppliers (electricity + district heating)	165.6	173.8
Self-generated electricity and heat	1.4	2.2
Heat sold externally (district heating)	0	0



Energy usage at our sites

Since the production machines are electric powered, electricity accounts for the largest share of total energy consumption. It also takes a lot of electricity to generate the air pressure needed for our pneumatic processes. In order to minimise emissions in this area, our production sites obtain electricity from renewable energy sources.

To further reduce our reliance on fossil fuels – notably natural gas for heating – we are also using energy-efficient building design to cut our heating requirements and increasing our use of waste heat wherever possible. We are not yet in a position to move away from natural-gas heating entirely, but we are trying to optimise our existing systems to make them more efficient. This includes optimising the heating systems and gas boilers at our plants and also upgrading production processes that consume natural gas, such as epoxy coating. We remain in constant dialogue with our system partners and external experts and are continually looking for ways to reduce our energy consumption or replace fossil-fuel sources entirely.

Sustainability is also a major factor in Blum's transport operations. In 2019, we passed a resolution to convert the fleet of internal trucks (for in-plant transport) at our Austrian sites from diesel to biogas. Since then, each time one of our diesel tractor units has reached the end of its standard lifespan, we have swapped it for a modern gas-powered model. These new trucks run more quietly and also produce significantly fewer nitrogen-oxide and soot emissions than their diesel counterparts. The aforementioned resolution also stipulates that the new trucks must run on biogas. This biogas consumption can be seen in the table above.

In switching to green electricity sources and biogas at our Austrian sites, we have taken some important steps away from fossil fuels. While non-renewables continue to make up a proportion of our energy mix, they are, however, outweighed by renewables, which at 66% account for the majority of overall energy consumption at all of our production sites around the world. As a business, our energy intensity (i.e. our absolute energy consumption in relation to our turnover) stands at 0.095 kWh per euro. → GRI 302-3, GRI 302-4

Greenhouse gas emissions

Steel production and machining are energy-intensive processes. It is therefore impossible for us as a manufacturing business in the metalworking industry to leave no ecological footprint whatsoever. But if we are to help build a sustainable future and develop our energy and environmental policy accordingly, we have a fundamental responsibility to either avoid emissions or keep them as low as possible. At the same time, we are committed to being transparent about our emissions across our value chain.

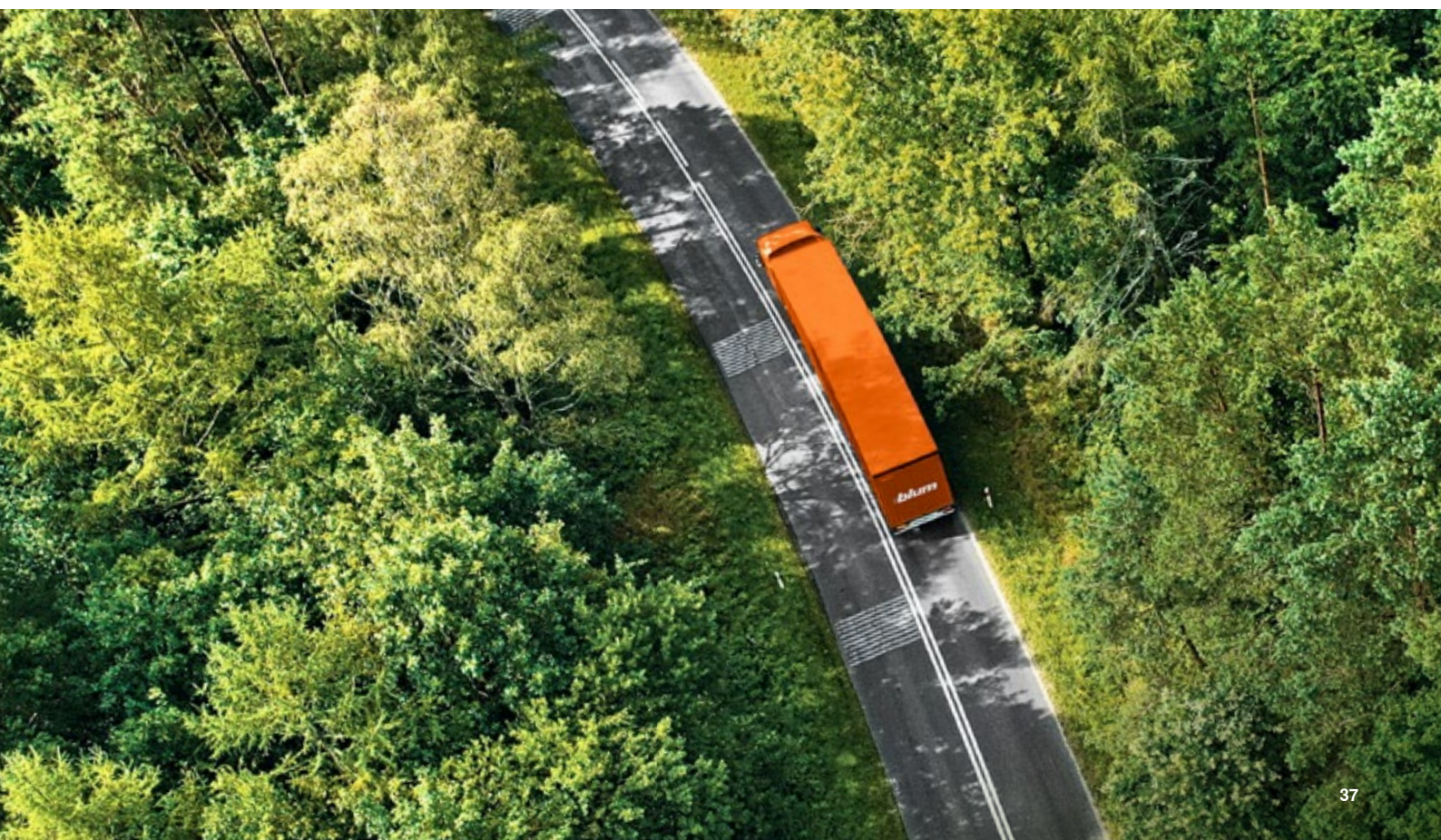
To achieve all these things, we have defined the following priorities:

- Avoiding emissions wherever possible
- Improving our overall energy efficiency
- Reduction and substitution of fossil fuels and energy sources
- Increased transparency through the expansion and development of the monitoring system

In line with the Greenhouse Gas Protocol (GHG Protocol), we distinguish between three different categories of emissions (or scopes) when calculating our CO₂e footprint. The reporting requirements of the Corporate Sustainability Reporting Directive (CSRD) and increased transparency requirements for stakeholders call for defined targets and structured measures to calculate direct and indirect emissions (Scope 1, 2 and 3) in accordance with the GHG Protocol. In order to fulfil these requirements, we will steadily intensify the calculation of our greenhouse gas emissions, increase data quality in the areas of Scope 1 and 2, and gradually flesh out the Scope 3 data. → GRI 305-1, GRI 305-2, GRI 305-5

Greenhouse gas emissions scope 1, 2 and 3 in (t CO ₂ e)	
Direct CO ₂ emissions (Scope 1)	11,061
Indirect CO ₂ emissions (Scope 2, site based)	36,715
Indirect CO ₂ emissions (Scope 3)	*Data still in progress

*Structuring of the data for Scope 3 GHG emissions is currently in progress. At the same time, a process is under way to externally validate the calculation of greenhouse gas emissions at company level (corporate carbon footprint) to ensure the quality and validity of this information.



Our environmental and energy policies

Our environmental and energy policies are two central components of our sustainability strategy that focus on minimising our environmental impacts and consumption of natural resources across our value chain. These policies contain a number of measures to help us protect the environment and save energy and also promote investment in more efficient processes and the necessary technical infrastructure.

The four pillars of our environmental and energy policies are as follows:

Partnership

We expect our partners to uphold the same standards as us. We therefore liaise closely with them regarding sustainability targets. Together we identify areas for action and take steps to protect the environment and conserve resources. In doing so, we fulfil our mission to deliver lasting benefits and added value for everyone involved with our products and services, from our business partners right through to our retail customers and end users.

Innovation

We take an active interest in our customers' individual requirements and are continually looking for ways to improve our products, services and processes. This curiosity inspires our innovation process – including when it comes to sustainability. No stage of the product life cycle escapes our scrutiny, from the procurement of raw materials, through to product development and use and ultimately potential recycling options. Our aim is to minimise our use of resources during the manufacturing and packaging processes and ensure our transport operations are as environmentally friendly as possible, while continuing to deliver high quality products that are built to last.

Continuous improvement

We are firm believers in questioning the status quo and identifying opportunities to improve – and sustainability is no exception. We are always looking for ways to optimise our processes to make more efficient use of our natural resources and, in doing so, minimise the environmental impacts of our operations. These continual improvements represent both an important priority and major commitment for our business.

Employees

The loyalty and dedication of our employees is vital to our business success. Likewise, without their support, we cannot achieve our environmental and energy targets. Both at work and on their commute, all of our employees have a role to play. Only by working together can we promote a culture of mutual trust and open communication and put our policies for the conservation of resources and protection of the environment into practice.



As a family business, we are committed to building long-term partnerships and to working together to develop solutions. For us, sustainability is not just an attitude, but a strategic factor in our success. We work in dialogue with our customers and stakeholders to develop solutions that create ecological and social added value while also making commercial sense.

Johannes Hämmerle, Sustainability Management, Blum Austria

Material usage, resource efficiency and the circular economy

In terms of resource efficiency, too, we try to be as innovative as possible, while at the same time maintaining our high quality standards. To use resources efficiently, we have to consider every stage of the product life cycle, from the product development phase and procurement of materials through to the manufacturing processes and ultimately (wherever possible) recycling. Our aim is to use "as much as is necessary, but as little as possible" and, with this in mind, we are introducing changes in several areas to minimise our consumption of raw materials and mitigate the resulting negative impacts on our planet as far as possible.

Use of steel

As a metalworking company, we use many different raw materials to manufacture our products. The one of which we use by far the most is steel, which accounts for more than 80% of our material usage. Since primary steel production is an extremely resource-intensive process, we are keen to use the raw material we need as efficiently as possible.

There are several approaches that we have adopted to optimise our usage of steel, as detailed below.

Firstly, we source our steel (specifically strip steel and wire) from sustainable and responsible suppliers, with whom we have built long-standing partnerships. We work together with these suppliers to increase the sustainability of their products, e.g. by increasing the proportion of secondary material content or delivering their products by rail to reduce transport emissions. Secondly, we take steps to increase our use of recycled steel. This is an area with enormous potential because steel can be repeatedly recycled, over and over again, without any loss in quality. Currently, recycled steel makes up 20% of our total steel usage. To achieve this, we use a multi-recycling approach which starts with the production process: firstly, we make sure to reduce production waste, for example by reducing the strip thickness or by optimising the tool design, which arranges the punched parts in the strip in such a way that as much raw material as possible is used. Any waste steel (or punching scrap) that cannot be avoided is sorted and sent to our partners for recycling. By putting this waste material back into the system, we actively support the circular economy.

We also source a proportion of our steel from suppliers whose manufacturing routes have significantly lower CO₂ emissions than conventional processes thanks to optimisations along the entire process chain. This enables us to further reduce the carbon footprint of our products and, together with our customers, drive forward the process of decarbonisation.

Other actions to promote sustainability within our production process include switching to lead-free alloys and using chrome-free passivation alternatives for hot-dipped galvanised steel. These steps are again helping us to gradually reduce the environmental footprint of our steel treatment processes.





Use of plastic

Plastic is a versatile and long-lasting material and therefore a useful addition to our raw material mix. We currently produce around 2,500 plastic components using over 150 different granules, all of which are non-toxic. Because they are thinner and more easily recycled than other materials, plastics generally score well in a life cycle analysis. Nevertheless, we are committed to reducing their impact even further. To that end, we have adopted two strategies based on extensive analyses of our material flows.

The first is to reuse the plastic waste from our own processes as a secondary raw material. In this case, any surplus plastic material – known as "sprues" – is fed directly back into our injection moulding system as "regrind" and thus recycled. This in-house recycling system is a very efficient closed-loop system; however, plastic regrind cannot be used in all cases, notably for the production of heavy-duty components. In these cases, the waste plastic sprues are reprocessed by our external partners and then fed back into our production process as "regenerate". This circular system again helps us to reduce waste and, at the same time, conserve resources and cut our emissions.

Our second strategy is to prioritise the use of plastics with a low carbon footprint as part of our product innovation process. This includes selecting low-emission plastics for use in new components and also testing existing components to see if these plastics are suitable for them. By switching to greener plastics, we continue to make our plastic components more sustainable.

Total material consumption

Our total material consumption in the reporting period amounted to 518,174 tonnes. It comprised the categories of raw materials (steel, zinc, aluminium, plastics) totalling 298,349 tonnes, the semi-finished components we need to manufacture our products amounting to 22,916 tonnes, operating materials and supplies which came to 66,438 tonnes and packaging materials at 130,471 tonnes. → GRI 301-1

Materials	Total weight in t
Raw materials (steel, zinc, aluminium, plastic)	298,349
Semi-finished components	22,916
Operating materials and supplies	66,438
Packaging materials	130,471

Proportion of recycled content in our raw materials

In the face of global raw material shortages and rising market prices, it is imperative that we use our primary and secondary materials with utmost care and conserve these resources for the future. The most effective way for us to conserve resources is to use recycled materials wherever possible, for both our products and packaging materials. We therefore work closely with our suppliers to generate reliable data about the recycled content of the raw materials we use. We ask our suppliers to provide information about the post-consumer recycled content of their products and materials on an annual basis. We then combine this information with our annual order volumes to calculate the proportion of recycled content for each of our raw material categories. This figure is calculated as a percentage of the total material volumes processed each year. → GRI 301-2

Raw material group	Relative recycling rate
Steel	20 %
Zinc	53 %
Aluminium	51 %
Plastic	0 %*
Wood	100 %
Packaging	98 %

*By recycling any waste sprues and feeding them back into our full hot runner injection moulding system, we make very efficient use of our plastic raw materials. The share of pre-consumer recycled content averages 20 %, depending on the component and the set-up of the injection moulding tool.

We are taking targeted action across our business – notably in research & development, procurement and production – to improve the efficiency with which we use our resources. This process begins right from the initial product design and our choice of materials. Our aim is to reduce the amount of wastage in production and feed as much waste material as possible back into our own production processes.

The next step is to increase the usage rate in terms of efficiency and environmental sustainability. The current usage rate of our main raw materials is around 80.5% on average.

Raw material	Usage rate*
Steel	79.2 %
Zinc	98.3 %
Cardboard	95.6 %
Plastic (granules, master batches and coating powders)	94.9 %

*The usage rate is calculated as the amount of material used as a percentage of the total purchasing volume.

Zinc cycle in production

Zinc is another key raw material which we need for the production of our components. Given that the production of primary zinc is another very energy and carbon-intensive process, we take great care to use this material as efficiently as possible. Our zinc recycling process is based on three mechanisms:

Melting down zinc sprues: In addition to components for our products, the zinc die-casting process produces sprue material consisting of pure zinc. If the geometry allows, the zinc sprues are remelted directly on the machine in the zinc bath.

Remelting furnace for internal recycling: Sprues whose geometry makes it impossible to melt them down directly, as well as rejects from the production machine, are remelted in our own remelting furnace and cast into new zinc ingots for further processing. We thereby create new raw material which can be used immediately. This process allows us to put an average of 85 % of our waste zinc back into the production process. In-house recycling has the additional advantage that the zinc waste does not have to be transported and is available more quickly.

External recycling: The in-house zinc waste remelting process produces zinc dross, zinc shavings and oily zinc particles. We cannot recycle this material – amounting to around 70 tonnes per year – and it is processed by an external recycling partner in a larger facility. This produces new, high-grade zinc, which we use as a raw material, resulting in an almost closed-loop zinc cycle.

Our steel punching scrap cycle

The raw material we use by far the most of is strip steel, the production of which is also extremely energy and CO₂-intensive. Here too, we have a special responsibility and therefore take particular care to ensure that this raw material is recycled correctly.

Steel can be fully recycled any number of times without any loss of quality. We therefore consider the handling of waste steel generated during our production process to be extremely important.

We follow a multi-recycling approach with respect to steel.

Fully automated material logistics system: Since 2018, our steel cutting centre at our site in Austria has been home to a fully automated material logistics system which sorts our waste steel ready for recycling. This sorting system is vital for the recycling process, because we use a range of steels with different compositions and properties. To enable the system to separate the waste steel into different types automatically, we have defined several categories of steel and assigned an ID number to each. These ID numbers enable the type of steel to be identified at every stage of the production process – from the delivery of the material to the manufacturing process and finally the disposal of any waste steel in separate recycling skips. The recycling skips are located right next to the production machines and are labelled with barcodes corresponding to the relevant ID number to ensure that all waste is deposited in the correct skip. As soon as the skips are full, they are transported to the relevant silo using material handling equipment and emptied. The silos in turn have fill-level sensors which automatically alert our recycling partner via an app when the silos are full and ready for collection.

Thanks to the high quality of our waste steel, it can be returned directly to the foundries without having to repeat the upstream stages of the recycling process. By using this system, we create a closed-loop cycle for our waste steel, which helps increase the recycled content of the steel used in our manufacturing process and, in turn, reduces the CO₂ emissions associated with steel production.

With our closed-loop zinc recycling system and sorting system for steel waste, we have systems in place to extract high-quality waste metals from our production processes and make them ready for recycling and reuse. However, a functioning circular economy and recycling system rely on close collaboration between everyone involved, and manufacturers, waste collectors, sorting facilities and recycling infrastructure providers all have to work together. Only then can we capitalise on the synergies and reap the potential benefits.





Product packaging

First and foremost, our product packaging needs to be functional and provide good protection for our products. Even the best products are of no use if they are damaged before they even reach the customer. That's why we've been developing high-quality packaging solutions for decades – with the aim of finding the perfect balance between conserving resources, protecting products and maintaining efficient processes.

The key to sustainable packaging is not only the material itself, but also how it is used. This relates in particular to reuse – one of the sustainability criteria that we defined in 2020 specifically for our packaging. However, our sustainability efforts in the area of packaging go back much further: 30 years ago we introduced reusable transport packaging, which permanently transformed the automated production, logistics and transport of our products. It consists of nylon containers with standardised dimensions that enable products to be automatically filled and removed while also simplifying production processes – both for us internally and for our customers. The reusable transport packaging is available both as ECO-Boxes without internal elements and as ECO-Packs with product-specific inserts. ECO-Boxes are used for bulk goods components and semi-finished parts, as well as for assembled hinges. ECO-Packs are for products which are mainly automatically inserted or removed and, like box and runner systems, are particularly delicate. We therefore equip some ECO-Packs with reusable foam inserts to protect the product as much as possible.

Reusable transport packaging is mainly used for internal transport as well as for supplying European OEM customers above a certain volume – in other words, wherever we have to deal with high levels of automation. It has a long service life and is (re) used an average of 50 times in 7 years. Each time it is returned, it is checked, washed and – if no longer suitable for transport – recycled. Hence, it plays an important role in meeting our sustainability criteria for packaging.

Proportion of reuse during the reporting period (by product group)

Product group	Single-use	Reused	Change from the previous year
Hinge systems	93.3 %	6.6 %	+ 3.4 %
Lift systems	87.4 %	12.5 %	+ 2 %
Runner systems	94.9 %	5 %	+ 3.5 %
Box systems	88.5 %	11.4 %	+ 2.2 %
Pocket systems	100 %	0.0 %	–
Assembly systems	100 %	0.0 %	–
Other	100 %	0.0 %	–

Sustainable packaging materials

Wherever possible, we use packaging materials that are recyclable, certified or reusable, or made using renewable raw materials or as much post-consumer recycled content as possible. The EU's new Packaging and Packaging Waste Regulation, which came into force in 2025, presents us with new challenges in packaging development.

However, we believe we are well equipped for this in view of the sustainability criteria we have defined for packaging. We are already committed to avoiding packaging materials and conserving resources (principle of avoidance and minimisation).

All the materials we use are technically recyclable and are also largely recycled in practice. Depending on the type of material, our packaging is certified with a sustainability label (e.g. FSC®), comes from renewable raw materials or is made from recycled materials.

In the pulp-based segment (corrugated board, cardboard, paper), our recycling rate was already 80 % in the reporting period. In the case of soft plastic packaging we achieved a recycling rate of around 43 %. By 2026, over 80 % of the total volume purchased will contain at least 50 % recycled materials, and we plan to increase this to 100 % by 2027 in Austria. By the end of the reporting period, stretch wrap for pallet wrapping at all sites will have been converted to 30 % post-consumer recycled content.

Proportion of recycled content in our packaging materials

Packaging material	Proportion of recycled content* (in %)
Wood	0.0 %
Soft plastic	43.2 %
Plastic foam	0 %
Hard plastic	19.1 %
Paper and cardboard	85.1 %
Corrugated board	76.5 %
Total	74.1 %

*Weighted average based on purchasing volumes

We are also working hard to increase the amount of recycled content in our reusable transport packaging. We have had to postpone our goal of introducing an ECO-Pack with an outer container made from 100 % recycled material by 2025. The internal packaging that holds the products in place still has to be made from virgin material to ensure it delivers complete protection for our products.

Overall, Blum purchased a total of 18,717 tonnes of packaging (wood, paper and plastics) during the reporting period compared to 16,289 tonnes in the previous year, of which 98.4 % was made from renewable packaging materials (not including reusable transport packaging).

Renewable and non-renewable packaging materials used during the reporting year

Type of packaging material	Purchasing volume (in %)
Renewable	98.4 %
Non-renewable/fossil-based	1.5 %

The figures quoted in this section relate to our Austrian sites. The proportion of packaging materials used at our international sites can be found in the total material consumption (GRI 301-1). Work is under way to gradually improve the data available for the international sites.

Product sustainability

Our commitment to product sustainability is clear to see in the functional, high-quality and long-lasting design of our products. We aim to inspire our customers with "sustained" enthusiasm and this objective is firmly anchored in our philosophy of global customer benefits, according to which everyone who uses our products should benefit from them. As such, our products should create added value – something that also applies to aspects of sustainability.

Our product sustainability management strategy forms an integral part of the Integrated Management System (IMS) of the Blum Group. Responsibility for product sustainability management falls to our sustainability team, but is also a cross-divisional responsibility involving many different organisational units and specialists who work closely with the other elements of our integrated management system, notably our environmental and energy management systems. Both the organisational structure and management approach are designed to help continuously improve the sustainability performance of products and services throughout their entire life cycle.

Fundamentally, this means developing products that are useful, high-quality, durable, environmentally friendly and as recyclable as possible. To improve our sustainability credentials across the entire product life cycle, we analyse our practices and optimise our processes at every stage, from research and development, procurement and manufacturing through to recycling at the end of the product life. This enables us to derive and introduce targeted actions that, in turn, provide us with further insights for the development of new products. Our certified environmental (ISO 14001), energy (ISO 50001) and FSC® management systems are also useful tools in improving our product sustainability.

Defining sustainable products

At Blum, we define a sustainable product as one that combines exceptionally high quality standards with minimum environmental impacts at each stage of the product life cycle.

Right from the start of product development, our focus is on making efficient use of raw materials and formulating clear energy and environmental standards which we implement throughout the project development phase. We maintain transparent records, in which we set out our goals, areas for improvement and progress achieved. Typical criteria that we use to assess the sustainability of our products include:

- Appropriate material selection
- Material management during the production process
- Product lifespan
- Product safety
- Consumption of resources during the use phase
- Recycling possibilities at the end of the use phase

We monitor product sustainability performance and publish our findings using recognised methods such as product-related environmental impact analyses. We will be introducing these in the form of Environmental Product Declarations (EPDs) and Product Carbon Footprints (PCFs) for various product groups over the next few years. → GRI 302-5

Our action plans and programmes also incorporate many measures to improve the sustainability of our products. These include:

- Environmental impact analyses (see above) during the product development and design stages
- Increased use of recyclable raw materials and packaging materials
- Standardised information about the environmental impacts of our products

We consistently monitor and review our measures to improve the sustainability of our products, notably as part of our regular management system audits.

Through training and in-house initiatives, we also promote a general understanding of the importance of sustainability issues among our staff and provide targeted training for those employees in roles that have a direct influence over the sustainability of our products.

Responsible water usage

Water is one of our planet's most precious resources and access to clean water is a basic human right. We therefore have a duty to use water carefully, particularly against the backdrop of climate change and its impact on the global water supply.

At Blum, we consider it our responsibility to keep water consumption to a minimum by reusing water wherever possible in closed-loop cycles and only releasing non-hazardous wastewater back into the sewerage system.

Our sites primarily use water for basic infrastructure, such as sanitary facilities and drinking water, and for industrial processes, including as a coolant. We maintain documented records for all these water systems and take regular samples for monitoring purposes. Management and monitoring are carried out using our ISO 14001 and ISO 50001-certified environmental and energy management systems.

Water use at all our sites is subject to extensive regulatory standards and requirements at national, regional and local level. Wherever industrial processes at our sites alter the quality of the water used – e.g. surface treatment plants (epoxy coating) and component cleaning systems – we operate internal wastewater treatment plants, which clean up and remove any toxins from the wastewater before it is released into the municipal sewerage system and/or sewage treatment plants. We thereby ensure compliance with relevant local regulations, including the threshold values that must be met before industrial wastewater can be discharged. To verify that our wastewater discharge falls within these thresholds, we conduct internal and external analyses at the required intervals to test for parameters such as PH value, COD value, phosphorus and zinc. We also have company-wide alert systems in place at all our sites so that we can take immediate, structured and systematic action in the event of an environmental incident involving wastewater and the release of hazardous substances. → GRI 303-1, GRI 303-2, GRI 303-4

Total water consumption and water discharge

The total water consumption at all our sites amounted to 193,293 cubic metres in the reporting year, equating to a 4.1 % reduction compared with the previous year. A total of 75,646 cubic metres of water was processed by our wastewater treatment plants and discharged back into the municipal sewerage system as non-hazardous wastewater. This equates to 39.1 % of our total consumption. A large proportion of our water consumption (namely 117,647 cubic metres (60.9 %)) was coolant water that evaporated into the atmosphere during the cooling process. → GRI 303-3, GRI 303-5

Total water consumption and water discharge in m ³	2023/2024	2024/2025
Total water from third parties	201,480	193,293
Water discharge	77,460	75,646

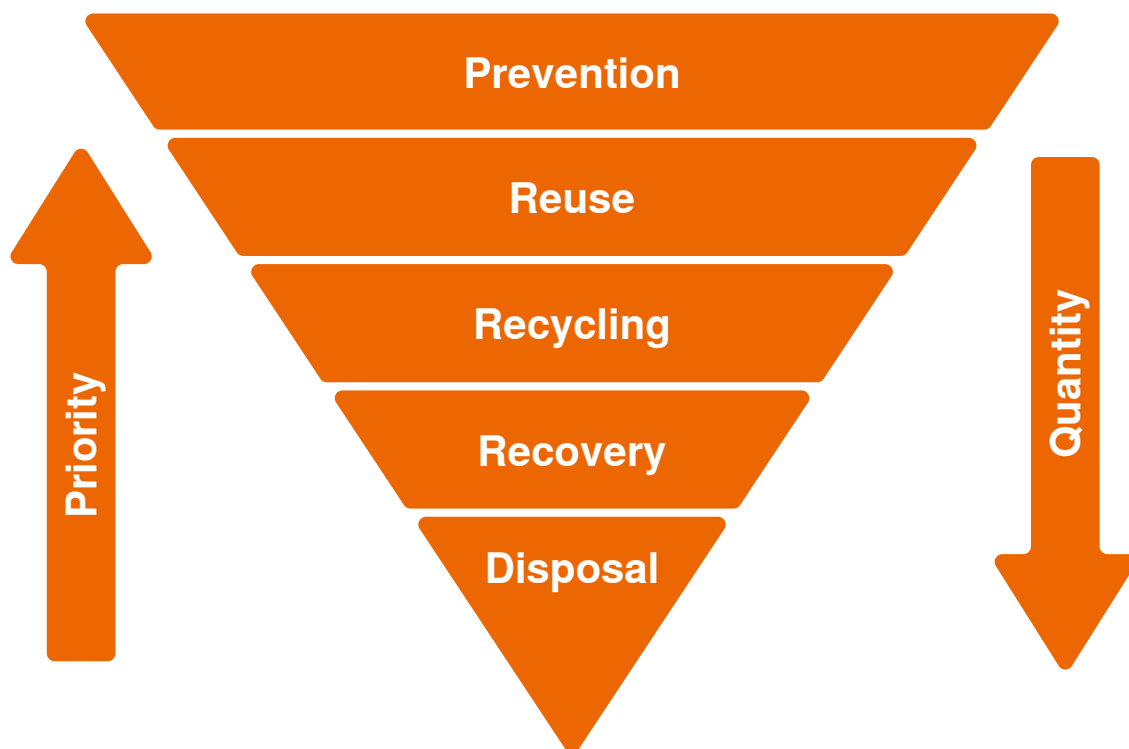


Much like grains of sand that together form a tower or drops of water that combine to create a river, many small, conscious decisions can have a big impact in business. Be it saving paper or optimising logistics, every measure we take contributes to sustainable development.

Xuebin Zhang, Sustainability Management, Blum China

Waste management and recycling

As a company within the metalworking industry, we are conscious of the need to manage our waste responsibly and develop solutions to the challenges in this area. Basically, we try to keep the recyclable portion of our waste in the closed loop for as long as possible. This saves primary resources and shortens transport distances, which in turn reduces energy consumption. All our processes, from product design to production and disposal, are adapted accordingly. Our strategy is based on the waste management hierarchy set out in the EU Waste Framework Directive, which outlines the order in which different waste management options should be applied: Prevent – Reuse – Recycle – Recover – Dispose. This helps to ensure that our business is run along sustainable lines. → GRI 306-1, GRI 306-2





Our waste management officer in Austria is the central point of contact for waste-related issues and coordinates waste management activities across our organisation together with their local counterparts. This includes the planning and development of our waste management system and strategy; monitoring, managing and controlling all waste management data; analysing our waste volumes and types; and liaising with our waste disposal partners. Depending on the country, the relevant facility managers, plant managers and environmental officers are responsible for implementing waste management plans at an operational level in their facility. Wherever possible, we try to keep transport distances short and to recycle materials locally.

Our strategic priorities for our waste management system are as follows:

– **Increasing the level of automation/digitalisation**

By introducing sensor technologies and smart waste management systems, we can simplify our work processes, improve workplace safety standards, increase the amount of waste collected and generally run our operations more efficiently and sustainably.

– **Cutting residual waste volumes**

We are committed to keeping our residual waste volumes low and further reducing them wherever possible. To achieve this goal, we are expanding our facilities for sorting and separating our waste and prioritising careful use of raw materials in production.

– **Maintaining and increasing our recycling rates**

Each year, we team up with our waste disposal partners to evaluate the recycling outcomes for our different waste types. By separating our waste into specific types, we help support recycling and closed-loop cycles. We already have closed-loop material cycles in place in several areas of our business, including our sorting systems for waste steel and plastic, our zinc recycling system and our system of reusable transport containers made from plastic and cardboard.

– **Reducing transport operations**

One of the best ways to reduce waste transport is to select the right waste collection container. We therefore evaluate our waste volumes so that we can select appropriately sized skips and adjust them as necessary. Wherever possible, we also use compactors to reduce the volume of waste and therefore the number of journeys required.

– **Increasing employee awareness**

Our employees play an important role in implementing our waste management system. When they first join the company, all new employees receive commercial waste management training, which promotes a shared understanding of the topic and its many complexities. All staff are also encouraged to exchange information and learn from one another so that we can work together to optimise our company waste management practices.

Material and waste management

In the reporting year, the total waste volume generated at our sites amounted to 57,007 tonnes, of which only 847 tonnes (1.5 %) was hazardous waste such as old varnish and paints, solvent-based products, emulsions and grease. These are processed by certified waste disposal contractors using chemical and physical treatment methods and we endeavour to have them professionally recycled where possible. All hazardous waste is collected and transported in suitable containers. We also provide regular information on waste management. For example, the collection bins for non-commercial waste have QR codes on them that take users to a web page with key pointers for separating waste correctly and details of who to contact in the case of waste management enquiries at the respective site.

Waste collection arrangements differ depending on the type of waste and the disposal partner, with some waste collected at regular intervals and other waste collected on demand. We regularly evaluate and adjust these collection schedules and also the size of the waste collection containers in order to minimise the number of transport journeys in line with our waste management strategy. At our Austrian sites, we also transport waste by rail where possible, especially in the case of large volumes.

→ GRI 306-3

In total, more than 96.5 % of the total waste volume across our sites is recycled and fed back into the circular economy, while only 1.9 % is converted into energy through combustion. → GRI 306-4, GRI 306-5

Total waste volume in tonnes	2023/2024	2024/2025
Total in t	55,626	57,007
of which sent for recycling	96.5 %	96.5 %
of which burnt for thermal energy recovery (waste to energy)	1.9 %	1.9 %
of which chemically / physically treated liquid waste prior to disposal / discharge	1.1 %	1.2 %
of which incinerated	0 %	0 %
of which sent to landfill	0.3 %	0.3 %

Summary: As this data confirms, our waste management system applies the principles of the waste management hierarchy in full.



Although progress may not always be linear, we strive to be better today than we were yesterday. Our strategy is founded on this philosophy of continuous improvement, which helps us shape a better future.

Thomas Hallman, Sustainability Management, Blum USA

MOVING IDEAS
FOR SUSTAINABILITY

Social responsibility

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Our people

Key points

- Training opportunities updated and extended
- Trainers' network (Learning Marketplace) strengthened
- Further development and revision of the process for workplace evaluations
- Further development of evaluations of CMR substances (carcinogenic, mutagenic and reprotoxic substances) with a view to minimising their use
- Conducting evaluations of psychological stress (Austria, Plant 5)

Social dialogue

Social dialogue, i.e. the way we as a company look after our employees, is an important part of our employee and organisational development strategy (the Blum Path). It covers all aspects of personnel development, from comprehensive training to health and safety protocols, knowledge and learning opportunities and all other employee initiatives implemented by Blum in these areas. Our aim is to support our employees in both their personal and professional development while at the same time looking after their physical, mental and social wellbeing – in other words ensuring that they feel satisfied at work. We have chosen to adopt this far-reaching approach for two reasons: firstly, at our Vorarlberg headquarters we are conscious of our social responsibilities as the region's largest employer; and secondly, our employees at all sites around the world are vital to the current and future success of our business. We therefore take our relationship with our employees very seriously and take action on many different fronts, as we explain in more detail in this chapter. → GRI 3-3

Our employees

As of the reporting date of 30 June 2025, we employed a total of 8,379 people at our sites in Austria, Poland, the USA, Brazil and China. Currently, just under 57 % of employees work on the production side of the business (production, logistics, maintenance, process engineering, work practices) and the remaining roughly 43 % work on the administrative side. The term "administrative" covers all areas not directly related to production.

Currently, 8.1 % of employees work part time. The total number of new employees in the reporting year was 707. The most represented groups among these new appointees were women (23.6%) and men (18.2%) aged under 30.

Our company's attractiveness as an employer can be measured based on both the recruitment rate and the staff turnover rate, whereby the latter is encouragingly low at Blum (6.7%) and has been reduced by 1.2 percentage points compared to the previous year. This inspires us to maintain our employee development measures and intensify them where necessary.

With regards to training, there were 395 apprentices employed across ten different professions at all our sites on the reporting date, with almost 90 % of them in Austria. → GRI 2-7, GRI 401-1

Employees were distributed across our sites as follows:

Sites	Proportion in %
Austria	81.1 %
USA	5.9 %
Poland	6.9 %
China	4.9 %
Brazil	1.2 %



Our strength lies in working together – because only by collaborating can we achieve our goals and truly have an impact on environmental protection, reducing greenhouse gas emissions and the sustainable use of resources.

Anna Adamczyk, Sustainability Management, Blum Poland

Employee profile

	2023 / 2024	2024 / 2025
Total number of employees (headcount)*	8,132	8,379
Of whom women	1,394	1,492
Of whom women in %	17.1 %	17.8 %
Of whom men	6,738	6,887
Of whom men in %	82.9 %	82.2 %
Employees by age group (headcount)		
Women under 30	348	351
Women aged 30–50	786	868
Women over 50	260	273
Men under 30	1,490	1,497
Men aged 30–50	3,828	4,015
Men over 50	1,420	1,375
Total new appointments (absolute terms / headcount)**		
Of whom women	164	194
Of whom men	350	513
By age group		
Women under 30	63	83
Women aged 30–50	84	88
Women over 50	17	23
Men under 30	199	272
Men aged 30–50	125	209
Men over 50	26	32
Total new appointments (additions in %)		
Of whom women	31.9 %	27.4 %
Of whom men	68.1 %	72.6 %
By age group		
Women under 30	18.1 %	23.6 %
Women aged 30–50	10.7 %	10.1 %
Women over 50	6.5 %	8.4 %
Men under 30	13.4 %	18.2 %
Men aged 30–50	3.3 %	5.2 %
Men over 50	1.8 %	2.3 %
Total staff turnover (leavers in absolute terms / headcount)***		
Of whom women	116	109
Of whom men	516	453
By age group		
Women under 30	39	35
Women aged 30–50	50	58
Women over 50	27	16
Men under 30	169	169
Men aged 30–50	244	183
Men over 50	103	101

	2023/2024	2024/2025
Total staff turnover (leavers in %)	7.8%	6.7%
Of whom women	18.4%	19.4%
Of whom men	81.6%	80.6%
By age group		
Women under 30	11.2%	10.0%
Women aged 30–50	6.4%	6.7%
Women over 50	10.4%	5.9%
Men under 30	11.3%	11.3%
Men aged 30–50	6.4%	4.6%
Men over 50	7.3%	7.3%

*Not including holiday interns or temporary staff. **The recruitment rate is the number of new appointees as a percentage of the total number of employees in the respective age group. ***The staff turnover rate is the number of company leavers as a percentage of the total number of employees in the respective age group.

The need for flexibility

The composition of our workforce is typical for a manufacturing business: as previously mentioned just under 57% of our employees work in production while around 43% work on the administrative side. The high proportion of full-time staff (91.4%) is also typical for our sector. Only 8.1% of employees work part time; however, these employees are not confined to administrative roles. Where appropriate, part-time roles are also offered and taken up in production. By offering flexible employment contracts, we as a business hope to respond to the new world of work and the changing ways that people live their lives. We aim to approach each employee as an individual and agree on conditions – be it home-working, flexitime or time off for training – that work both for them and us as a business. Ultimately, we believe that part-time staff have just as much to offer our business as full-time staff. → GRI 401-2

Employees by employment status (absolute/headcount)	2023/2024	2024/2025
Women employed full time	1.093	1.157
Women employed full time in production	426	492
Women employed full time in administration	498	665
Men employed full time	6.429	6.547
Men employed full time in production	3.949	4.098
Men employed full time in administration	2.147	2.449
Women employed part time	301	335
Women employed part time in production	50	55
Women employed part time in administration	251	280
Part-time employees	309	340
Men employed part time in production	128	122
Men employed part time in administration	181	218
Total number of employees with permanent contracts	7.943	8.229
Of whom women with permanent contracts	1.369	1.467
Of whom men with permanent contracts	6.574	6.762
Total number of employees in temporary positions	189	150
Of whom women with temporary contracts	25	25
Of whom temporarily employed men	164	125

Work environment

In order to make our company even more attractive as an employer, we support flexible working models such as part-time hours and flexitime. The necessary equipment (laptop, headset and other hardware), which may be needed when working from home, is provided to Blum employees. We also operate a remote office in Vienna that offers another way to work remotely in Austria, meaning we are keeping pace with current trends such as digitalisation, but also demographic changes and the shortage of skilled workers.

We know that employees who are supported as well as possible in the workplace and who are able to strike the right balance between their professional and private lives will perform better, have more motivation and also be healthier and more satisfied at work. Creating this kind of positive working environment is therefore central to our value system and one of the long-term goals that defines us as an employer and underlines just what it means to be part of the Blum team. We created our WORK ORANGE employer branding and START ORANGE apprentice branding precisely because we wanted to showcase what working at Blum is like and underline the values at the heart of the Blum workplace: respectful and equitable collaboration across all company structures and hierarchies. All employees are encouraged and expected to take responsibility for their work, and will be given opportunities to take on tasks in a challenging and exciting professional environment.

Here at Blum we have zero tolerance for any form of unequal treatment or discrimination and for any form of prejudice. We are firmly committed to the equal treatment of all employees, regardless of gender, sexual orientation, world view, nationality or ethnicity.

Our WORK ORANGE and START ORANGE employer branding helps us to position ourselves as an attractive employer and recruit the skilled staff we need. As a business, we want to protect ourselves against the potential risks associated with staff turnover, the emigration of skilled workers and the resulting loss of knowledge. We therefore offer our employees targeted personal development opportunities, including those defined in the Blum Path (see "Our comprehensive employee and organisational development strategy" chapter). Our commitment to training and personnel development has won multiple awards.





Fairness and transparency

As a family business, we understand the importance of remunerating our employees appropriately for their work. For this reason, we have adjusted the salary structure at Blum Austria so that jobs with similar tasks and responsibilities across all specialist divisions are compensated within a uniform framework. Salaries are set in line with market rates, local conditions and regulations. The majority of our employees have permanent employment contracts that continue automatically, once they have passed their one-month probationary period or a six-month fixed-term contract for employees working in production. In the reporting year, 82% of personnel employed at our production sites were covered by generally applicable and/or company collective agreements. → GRI 2-30

Transparent and open communication with our employees is one of our core values as a business, in particular when implementing major operational or organisational changes. Any employees affected by such changes will be informed by their line manager at the earliest opportunity, so that they have the chance to make their views heard. Depending on the issue, changes are communicated through the employee's line manager, the relevant project managers or the Executive Board itself. All employees can make an appointment to view the contents of any works agreements and no time limits are placed on this.

→ GRI 402-1



Establishing a work/life balance

At Blum, we believe it is important to cater for our employees' personal life plans and help them find the right balance between their professional and private lives. This includes how we manage holiday allowance and flexitime, which is possible by our working hours tracking system that logs time worked down to the minute. The system makes it easy for our employees to fit in last-minute appointments with tradespeople or other private commitments into their working day, although they are of course responsible for making sure that any time away does not hinder their duties in the workplace. This naturally also applies to leave for family reasons, which all Blum employees are entitled to take in accordance with legal provisions. The self-assessment process (which forms part of the Blum Path) provides employees with an opportunity to choose when and how they take leave taken for family reasons as well as their subsequent return to work. The figures below are testament to our efforts. This commitment to job security and equal access to professional development opportunities are important components of our family-friendly work culture. → GRI 401-3

Establishing a work/life balance	2024/2025
Percentage of employees entitled to take leave for family reasons	100 %
Female (%)	100 %
Male (%)	100 %
Percentage of eligible employees who have taken leave for family reasons.	3.3 %
Female (%)	10.3 %
Male (%)	2.1 %

The table above shows figures for the Austrian sites. We are currently working on a uniform data collection and presentation system for the other sites.

Onboarding

Right from day one, we want to make a positive impression on our employees and foster a sense of loyalty to our company. Following their job offer, we therefore stay in contact with our soon-to-be colleagues and invite them to company events so that they can get an initial feel for our business. Once they start work with us, we also assign new starters a workplace buddy who is on hand to provide help and support in their first few weeks and months. This removes some of the workload from the employee's line manager and also provides an informal opportunity for new employees to raise matters that may not be directly related to their work. As a result, new starters quickly become part of the team and get up to speed with their day-to-day responsibilities. During their first six months at Blum, new starters also follow the Blum training programme for new employees, which includes mandatory e-learning courses and in-person training sessions that give them a valuable introduction to our business as a whole, as well as the opportunity to network.



Dialogue and participation

Participation and dialogue are extremely important for the long-term retention of employees.

The works council plays a key role by representing employees' interests to the Executive Board. Its members are elected every five years by the workforce. The works council promotes a culture of trust across the business, creates legal clarity and transparency and concludes committed agreements with the employer. The rights and responsibilities of the works council for our Austrian workforce are defined in the Austrian Labour Constitution Act (ArbVG). In line with this legislation, the council has an important decision-making role in many areas, not least working hours (shift plans, break times) and overtime. It also plays an advisory role in matters relating to safety and accident prevention, as well as in dismissal or redundancy cases. By working together with the senior company management to find constructive solutions, the works council helps make Blum a safe and attractive place to work with fair working conditions.

Another important employee representative body for our Austrian sites is the youth council, which provides a link between our apprentices and the company and serves as an intermediary between them and the staff responsible for their training. The youth council is elected every two years. Its members (who are all similar-age peers) are responsible for representing the interests of all apprentices at Blum. The youth council also organises excursions and team-building events and actively helps to shape the way training is delivered. For instance, the youth council developed a set of guidelines for appraisal meetings which have now been adopted as official protocol across our company. However, the youth council's role is not confined to the training that our apprentices receive in-house at Blum: its members are also on hand to assist our young colleagues if problems arise at their vocational college.



Comprehensive vocational training

At Blum, we have been systematically training skilled workers for the last 50 years. In that time, we have continually updated our training methods and content to reflect the latest industry developments and requirements. The range of training courses currently delivered covers ten technical apprenticeships: Electrical Engineering, Industrial Metrology, Design Engineering, Plastics Engineering, Mechanical Engineering, Mechatronics, Process Engineering, Toolmaking Engineering, Machining and Logistics Operations. In addition, the Dual Academy pathway is available for Matura graduates, which offers Application Engineering (Coding) as an eleventh apprenticeship alongside Mechatronics.

All our training programmes are designed to promote trainees' all-round development, providing them not just with specialist professional skills but also opportunities for personal development. To this end, we have expanded our basic training to include environmental and energy topics and made our TIMEout programme a core component of the first year of our apprenticeships. TIMEout gives apprentices three paid hours per week for sporting activities or team games/exercises.

The exceptional quality of Blum's training programme can be seen in the success achieved by Blum's apprentices in various professional competitions. Our apprentices regularly take part in the international WorldSkills and EuroSkills competitions, which are held on alternate years and see apprentices in various fields pitting their skills and talents against one another.

Our apprenticeship training also reflects the increasingly international orientation of our company. At all sites where we train apprentices, we apply the standards that we have defined and continuously developed at Blum over the past decades. As part of the holistic approach that underlies our training concept, this includes general content and aspects as well as company-specific subject matter, from both a professional and personal perspective. The international aspect itself is also an important part of the training: Blum apprentices gain valuable experience at various sites around the world as part of the internal EXCHANGE programme. This not only promotes intercultural skills and the independence of young people, but also strengthens their sense of belonging within our company.

In the reporting period under consideration, we are currently training 395 skilled workers in Austria, Poland, China and the USA. Of these, 106 were taken on in the reporting period (Austria: 89, Poland: 4, USA: 9, China: 4). Currently, just over 20% of them are female.

All of this goes to show that training is a top priority at Blum, with the aim of retaining the next generation of employees within the company for the long term. This being so, we consider the substantial investments we make in this area to be more than justified.

Employee satisfaction

As a value-driven company, we take our responsibilities with regard to our employees very seriously. We believe in maintaining an open dialogue with all staff and supporting them from the very start to the very end of their employment. It matters to us that every one of our employees feels content at work because their satisfaction is what makes us an attractive employer and ultimately determines the success of our business. Employee satisfaction levels depend on a number of interrelated factors across several areas. We have devised and introduced appropriate measures and initiatives across all these areas. For instance, the focus of our apprenticeship programme is on the trainees' all-round development. In addition to successfully completing their training, we want our apprentices to have opportunities for personal development, since we believe this is a key factor in maintaining a sense of satisfaction at work. Likewise, we apply the same all-round approach when devising our internal and external training opportunities and encouraging employees to develop their leadership skills.

In addition to training opportunities, we have also taken steps to improve employee satisfaction in several other areas. We have developed our own employee app which makes it easy to access everyday services. For example, employees can access their digital payslip, apply for holiday via the intranet, and so on. → GRI 3-3

Key measures and initiatives:

- Personal development plan (Blum Path)
- Comprehensive vocational training
- Extensive HR services
- Attractive benefits package
- Permanent employment contracts
- Open internal communication (including from the Executive Board)

Staff turnover and retention are both key indicators of employee satisfaction. Blum's performance under both these metrics demonstrates that it is considered a reliable and desirable employer that people can rely on for job security, including in times of uncertainty and crisis. Likewise, average length of service for permanent employees is another good indicator of employee satisfaction. Many Blum staff have worked for us for years and their long service is testament to the strength of our company values in promoting loyalty, team spirit and a strong sense of identity with the Blum brand.

Length of service	10 – < 15 years	15 – < 20 years	20 – < 25 years	≥ 25 years
Average employee retention rate in %	15 %	11 %	10 %	11 %

Our position as an attractive employer and ability to offer job security are both key factors in overcoming the current challenges facing the employment market and, for example, responding to the impacts of demographic change and the shortage of skilled workers. That is why, in line with our values as family business, we consider the satisfaction of our employees to be one of our top priorities.



Personal development

To continue to grow as a company, we must prioritise the further development of our employees. This means maintaining our internal training management system as a platform for the professional and personal development of every individual staff member; but more importantly, focusing on our knowledge management strategy, since this underpins the way we organise, create, use and share knowledge within our organisation. In order to continually improve our knowledge management, we ask ourselves the following questions:

- How do I identify existing knowledge?
- How can I build on and expand this knowledge?
- How can I secure, share, analyse and organise this knowledge?
- How can we use this knowledge to benefit our business?
- How do we best use this knowledge in practice in our everyday activities?

The fundamental aim of effective knowledge management is to have "the right information in the right place at the right time". If we can achieve this, we go a long way to keeping our business competitive and maintaining our position as an attractive employer.

Just as important as knowledge management is having an effective learning strategy in place. The Blum approach to learning can be summarised as follows:

"I learn while working and work while learning."

This motto underlines both our vision for the learning process and our expectation that our employees take responsibility for their own learning. For us, learning and personal development are part of the same process. In our everyday work, we all have opportunities to learn and, in doing so, we continue to develop both as people and professionals. Often this learning happens without us even noticing through our interactions with others; at other times we may choose to take formal training to develop skills.

The benefits of learning on the job are often underestimated, but in fact this approach has a much greater impact than formal training. If employees are willing to take responsibility for their own development and seek out opportunities to exchange knowledge with others – either in person or through digital channels – then learning and working go hand in hand. All these on-the-job interactions help employees to identify their strengths and weaknesses and develop their individual skills, which ultimately benefits our business. In fact, as the following diagram shows, around 70 % of learning occurs through practical application (i.e. on the job), while dialogue and interactions with colleagues account for another 20 %. Only around 10 % can be attributed to formal training.



**Sustainability comes from consistent action.
Even small steps in everyday life contribute
to long-term change.**

Marlon Fernandes, Sustainability Management, Blum Brazil



Training opportunities and organisation

All Blum employees have access to a wide range of training opportunities. Some specialist training is organised and delivered by our own internal experts; however we also take advantage of external courses for certain specialist topics. Continuing professional development is vital to the long-term success of our business. We need to develop both talented managers and specialist staff with specific expertise and skills. We therefore encourage staff to pursue both of these pathways and support them in their chosen career direction through internal training opportunities. It is important to us that our employees focus on their strengths and take on tasks that are a good fit for their talents; however we also want them to gain new skills and qualifications. To achieve this, we have invested in an extensive internal training programme and online training management platform, which gives all staff access to a comprehensive selection of online, blended and in-person training opportunities. Approximately 3000 courses are currently available on the platform, offering a wide range of personal and professional development opportunities across all different areas of our business.

The idea of our learning management system is to empower employees to take responsibility for organising their own training and to register themselves for courses relevant to them in consultation with their managers.

Each employee can manage their own individual learning programme and register themselves for relevant courses. We also have designated training coordinators for each area of the business who are on hand to help employees shape their learning programme in certain subject areas. These training coordinators are responsible for organising and administering courses and training sessions as well as for helping managers identify training opportunities for their team members. They are well connected across the business and therefore ideally placed to provide assistance with all topics relating to training, learning and knowledge-sharing. Coordination of these topics takes place within the framework of our personnel development strategy, from which we derive targeted measures.

Our Learning Marketplace also provides our trainers – i.e. Blum staff members who deliver internal training courses – with a platform where they can network, share experiences and gain new insights around learning and training. → GRI 404-1, GRI 404-2

Continuing professional development (CPD) hours completed during the reporting period*	2024/2025
Average number of hours' CPD per employee (male)	13 hrs
Average number of hours' CPD per employee (female)	20 hrs
Average number of hours' CPD per employee (for staff working standard office hours)	22 hrs
Average number of hours' CPD per employee (for shift workers)	6 hrs

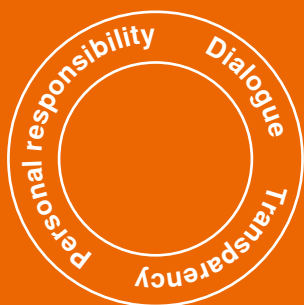
*CPD includes any professional training, paid training sabbaticals or other internal or external training. Workplace inductions are not counted as CPD. The table shows figures for Austria. We only record those training hours that can be evaluated by means of the digital learning management system. Data from our other sites will be added over the next few years.



The Blum Path: our comprehensive employee and organisational development strategy

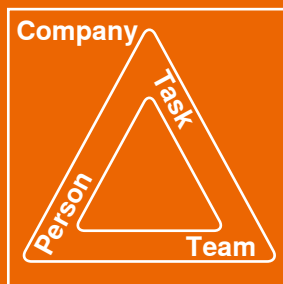
The Blum Path is a roadmap that starts from employees' first contact with our company and continues right through to the end of their employment and beyond. Along the way, there are several different phases – familiarisation phase, introduction phase, active phase, transition phase and passive phase – each with a different focus in terms of training and development. The purpose of the Blum Path is to provide both us as a business and our employees with a committed framework and collective roadmap for our development activities that puts employees' personal strengths centre stage. Just like our corporate strategy, the Blum Path is a long-term strategy that sets out the wider purpose of our business to deliver added value, not just for our customers, but also for our employees in terms of wide-ranging personal development opportunities. Responsibility for achieving this lies with both Blum and our employees. The Blum Path shows us how. It provides our employees with a host of tools to help them develop their skills and in doing so make an active contribution to the future development of our business. → GRI 404-2

The Blum Path is based on six principles:



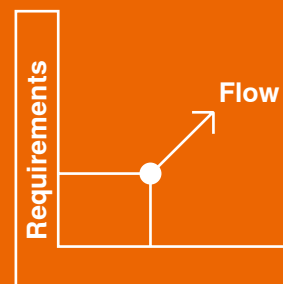
Personal responsibility - Dialogue - Transparency

Our employees take responsibility for their performance at work and for their own personal and professional development. They are supported in this by both their managers and colleagues thanks to a culture of open dialogue that promotes transparency and mutual understanding.



Task – Person – Team – Company

Whether we are looking to develop individuals, teams or an entire organisation, we must first consider our collective goals. Employees' personal needs must be aligned with operational requirements and any potential impacts on the team must be discussed. Moreover, the company as a whole must always be kept front of mind. The Task – Person – Team triangle forms the basis for our collective approach to achieving our business aims.



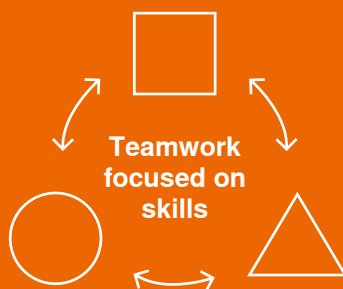
Flow

Employees are best placed to fulfil their role and deliver their best work when they have the right skills for the job. Likewise, personal and professional development is at its most successful and fulfilling when there is a natural "flow" between an employee's job and the skills that they are developing.



Feedback and feedforward

Feedback and feedforward mechanisms promote clarity and transparency in employees' everyday work and are a helpful addition to annual and peer reviews. By listening to others' feedback (response to past events) and feedforward (vision for the future), employees can improve their own self-awareness, identify potential areas for development and resolve misunderstandings as soon as they occur.



Teamwork focused on skills

In our large network, we all take on different tasks and roles every day, be it management, technical expertise, content creation, leadership or liaison. To ensure that all the different cogs work smoothly together, we spread the management load between different people, trust in our experts to make decisions and take collective responsibility for our actions.



Development phases

Continuous development along the Blum Path is essential for every employee and team and for the company as whole. Our development roadmap begins right from the very first contact – before a prospective employee even begins work – and continues even after they have left the company. We support our employees throughout this time and seek to cater for their different needs in each phase of their career and personal life.

Health and safety

With regard to health and safety, we take our responsibility to our employees and to all those who carry out work on our behalf at our sites very seriously.

That is why all Blum sites have an occupational health and safety management system that complies with relevant local laws and the international standard ISO 45001. Our site in Brazil has been certified to ISO 45001 since 2021.

The health and safety management systems at our sites enable the structured and systematic monitoring of occupational health and safety in all areas of work. We conduct regular assessments, particularly in production, in order to identify potential risks or hazards at an early stage. These reviews take place periodically and/or on an ad-hoc basis following workplace accidents and near misses. Measures derived from these reviews generally follow a standardised procedure, whereby we first attempt to eliminate the root cause of the hazard itself before taking technical measures followed by organisational measures. Only as a final step do we introduce personal protective measures.

S	Substitution (elimination of hazard's root cause)
T	Technical protective measures (safety devices and equipment)
O	Organisational protective measures (restricted access to hazardous zones, safety instructions)
P	Personal protective measures

At Blum, health and safety is considered a collective responsibility. Health and safety assessments are therefore conducted by designated safety officers together with employees and, where appropriate, with internal company doctors. All employees are expected to take personal responsibility for maintaining health and standards by reporting any failings and safety risks to their managers. Likewise, all workplace accidents and near-misses must be reported. In the event of an accident or near-miss, managers must document the sequence of events in as much detail as possible and conduct an accident analysis once the person affected has returned from sick leave. The responsible safety officer can also be called upon to help compile this information.

The aim of the accident analysis is to determine the cause of accident, so that the findings can be used to prevent the same or similar accidents from happening in future. In the event of a serious accident – or any incident where the manager or safety manager deems it necessary – the responsible safety manager must also complete an extended accident analysis.

Our safety officers are employees with additional responsibilities around health and safety and accident prevention. They play an important role in our health and safety system and network because they work on the ground and are therefore able to identify problems and risks on-site and help devise appropriate solutions. Factors such as the numbers of safety officers required, as well as their duties, rights and responsibilities all depend on the local laws and regulations at the different sites. In Austria, for example, the provisions of the Austrian Health and Safety at Work Act (ASchG) and the Austrian ordinance governing safety officers (SVP-VO) are decisive.

At Blum, we require there to be at least one safety officer employed in every department where there are increased health and safety risks, e.g. production, workshops, warehouses and dispatch. Our Austrian sites currently have 92 safety officers who conduct inspections of their departments at regular intervals and also attend an annual meeting of all safety officers held at each plant in order to share experiences and ensure everyone is up to date with the latest information. This applies not only to our Austrian sites but also to our international sites. → GRI 403-1, 403-2, 403-7



Instructions and training

Instructions are an important part of a proactive safety culture. They equip employees with the knowledge they need to perform their work safely, promote a general awareness of safety issues and provide a realistic assessment of any risks. In short, they set out how all employees can promote safe practices and prevent accidents. Instructions highlight the potential risks, describe how employees should conduct themselves safely in the workplace, explain the safety devices and equipment in place and specify what personal protective equipment must be worn. As well as instructions, we also offer other relevant training that addresses specific areas of the company with an elevated safety risk, for example in the production department, where topics such as machine safety, fire safety and health and safety for managers are covered.

In Austria, for example, nearly 30,000 instructions were given in-person and online during the reporting year. All of our employees (100%) are covered by the occupational health and safety management system. Moreover, in line with our Supplier Code of Conduct, we expect all our suppliers and partner companies to put the necessary measures in place to protect the health and safety of their workers. → GRI 403-4, GRI 403-5, GRI 403-8

Accidents and ill health

It is our responsibility as a company to provide a safe and hazard-free working environment across all areas our business; however every one of our employees must also play their part. In companies like ours with a strong manufacturing focus, the health and safety of our employees is a top priority that we must all keep front of mind in our day-to-day operations. Unfortunately, even with our proactive efforts to protect the health of our employees and keep them safe, it is impossible to prevent every accident and (work-related) illness. Statistically speaking, if something can happen, it will happen sooner or later – especially if unsafe working practices are allowed to become routine. To ensure we continually improve our health and safety standards, we therefore analyse every workplace accident, work-related illness and hazardous situation that arises in our day-to-day operations. The table below shows the work-related injuries that occurred in the reporting year. The number of documented work-related injuries rose slightly against the preceding period, increasing by 3.7 % compared to the previous year. This equates a small percentage rise of just 0.8 %. The number of days lost due to work-related injuries was cited for the first time in the reporting year. → GRI 403-9

Work-related injuries sustained in the reporting year	Number	Rate*
Fatalities resulting from work-related injuries	0	0
Documented work-related injuries	194	29
Days lost due to work-related injuries and illnesses as well as lost time injury (LTI) rate**	3,035	21.1
Number of hours worked (including business trips)	11 million	

*Calculation method: number of documented work-related injuries x 1,000 divided by number of employees (headcount)

**Lost time injury (LTI) rate: number of work accidents with an absence of more than one working day x 1,000,000 divided by the number of hours worked.
The average time lost due to a work-related accident was 15.6 days.

The above table shows the key figures for our Austrian sites. Accident rates at the other sites are significantly lower. Eleven documented work-related injuries occurred at the US site, four at each of the sites in Poland and China, and one documented work-related injury was reported at the site in Brazil. No documented illnesses were recorded in the reporting year. The most common types of accidents logged in the reporting period were open wounds (cuts, lacerations, penetrating wounds), contusions/swelling/bruising, abrasions/crushing injuries, sprains/strains/whiplash injuries, fractures (including hairline fractures, bone avulsions), ligament/tendon/capsule tears (including tears) and foreign body injuries. → GRI 403-10

Occupational health management

The health of our employees is of utmost importance to us. Alongside our health and safety management system, we therefore offer additional support and advisory services to help our employees at all sites look after every aspect of their physical and mental health.

Occupational health service

Company physicians at all our sites keep our employees healthy and fit for work. They implement a wide range of preventative measures to promote a healthy and safe working environment; inspect and evaluate our work processes; and investigate any physical complaints that arise in connection with our employees' work. Furthermore, they offer additional medical support services such as personal consultations for employees looking for advice around pregnancy, vaccination information, support with returning to work after a long illness or answers to any other general health-related questions. "Focus weeks" and "health weeks" are also held at our international sites. → GRI 403-3

Blum employee service

The Blum employee service at the company headquarters in Austria provides advice and support for employees whose mental health is suffering as a result of their work or personal circumstances. Employees can take advantage of confidential discussions with internal professionals who are there to provide them with a safety net and help them regain a sense of control over their lives. The employee service also supports employees who are returning to work after a long absence or entering retirement. Moreover, it is on hand to support employees following a bereavement, provide advice if they feel overwhelmed or under-challenged at work and answer any general questions around work, health and family life. → GRI 403-6



MOVING IDEAS FOR SUSTAINABILITY

Governance

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Partnership across the supply chain

Key points

- Introducing an ESG risk management tool for the supply chain
- Ongoing training programme on topics such as sustainability and compliance in procurement

Responsible purchasing

We procure a wide range of materials, products and services from many different suppliers. We want to keep the environmental impact of these purchasing activities as low as possible and therefore work hard to select suppliers that share our commitment to environmental protection and social responsibility. Our aim is to establish long-term partnerships with suppliers so that we can work together to promote sustainable practices across the supply chain and bring about collective improvements.

Our procurement organisation comprises a team of buyers who are responsible for different goods and services. Procurement decisions are made based on the relevant product and supplier specifications, which are defined in consultation with the purchasing, quality assurance and engineering departments. Checks are conducted as part of our supplier management and purchasing processes to ensure compliance with these specifications, especially in product quality and safety, employment conditions and the working environment and environmental standards.

Just like our products and services, our environmental and energy policy is designed with longevity firmly in mind. We understand the importance of environmental actions and energy decisions for the future of our planet and believe it is our responsibility to monitor practices in both these areas across our value chain. It is essential that environmental legislation and standards are upheld and that suitable environmental management systems are put in place wherever possible. We expect our supply chain partners to act responsibly with respect to natural resources and the environment and to take action to minimise their consumption of raw materials, water and energy. To that end, we look to establish long-term partnerships in all procurement areas and to prioritise partnerships with local suppliers so that we can reap the benefits of more direct – and therefore efficient – working relationships and shorter transport routes. → GRI 3-3, GRI 407-1, GRI 408-1, GRI 409-1, GRI 411-1



Governance

Supplier Code of Conduct

Our Supplier Code of Conduct supplements the Blum Code of Conduct and defines the specific human rights and environmental requirements that we place on all our partners within the supply chain for our products and services. It sets out the fundamental principles of our business and our conscious commitment to uphold these and to contribute to the United Nations' Sustainable Development Goals. In line with this commitment, we seek to work with partners around the world that share the principles outlined in our Supplier Code of Conduct, raise awareness of human rights and environmental topics among their employees and demand the same of their own business partners.

We expect our suppliers to comply with all applicable legislation as well as the regulations set out in our Supplier Code of Conduct at every stage in the supply chain. To underline this message, a note to this effect is included in every order. A central whistleblower system – the Integrity Line – is now also available on the Blum website so that suppliers can report any infringements of the Supplier Code of Conduct or other relevant misconduct. → GRI 2-23

Supplier Code of Conduct

Environment	Social responsibility	Governance
Careful use of natural resources; no pollution of soil, water or air; no harmful noise emissions	Ban on all forms of child labour, slavery, forced labour or comparable practices	Compliance with national and international human rights standards and environmental regulations
Re-use and recycling of resources wherever possible; environmentally friendly waste management	Protection of freedoms of association and assembly, fair working conditions and the right to collective bargaining	Establishment of fair and humane working conditions
No illegal use of land, forests or bodies of water	Guarantee of safe and healthy working environment; prohibition of any form of discrimination	Firm commitment to sustainable company goals and their implementation through suitable measures
Compliance with all requirements for and restrictions on the use of harmful substances, conflict minerals and chemicals	Respect for the rights of indigenous populations	Implementation of and compliance with ethical principles in the supply chain

The Supplier Code of Conduct is available on our website at www.blum.com.



Taking responsibility

The vast majority of our procurement contracts are with suppliers based in Europe. In addition to complying with all applicable legislation, we expect them and all our other suppliers to share our values and adhere to the standards stipulated by us. To verify compliance, we conduct regular supplier evaluations and audits and these form a key component of our supplier management system. As part of our risk-based audit planning, all suppliers are evaluated in terms of their scope for improvement and against other pre-defined criteria. As part of our site-based supplier selection process, all suppliers are required to complete a self-declaration in this regard. Environmental and occupational safety issues are also evaluated as part of our standard supplier audit process. In addition, the first time a supplier is audited, we examine the supplier's own code of conduct or any other mandatory rules of conduct they use to ensure compliance with ethical, environmental and labour law standards. At the company headquarters in Austria, we also conduct regular sanction pre-screening. If this screening shows up areas of concern, we will commission a more detailed audit. Depending on their audit result and categorisation, suppliers are audited either at regular intervals or on a needs basis.

Our fundamental goal is always to maintain a dialogue with our partners so that we can define actions for improvement together, discuss potential measures and implement changes. However, if suppliers are repeatedly in breach of the agreed standards or are unwilling to cooperate with us, we reserve the right to terminate our business relationship with them.

Since autumn 2022, Blum has been a member of the Supplier Ethical Data Exchange (SEDEX), a global data platform for sharing detailed information about sustainable production and compliance with ethical principles across the supply chain.

→ GRI 414-1, GRI 414-2, GRI 409-1

Business processes and compliance

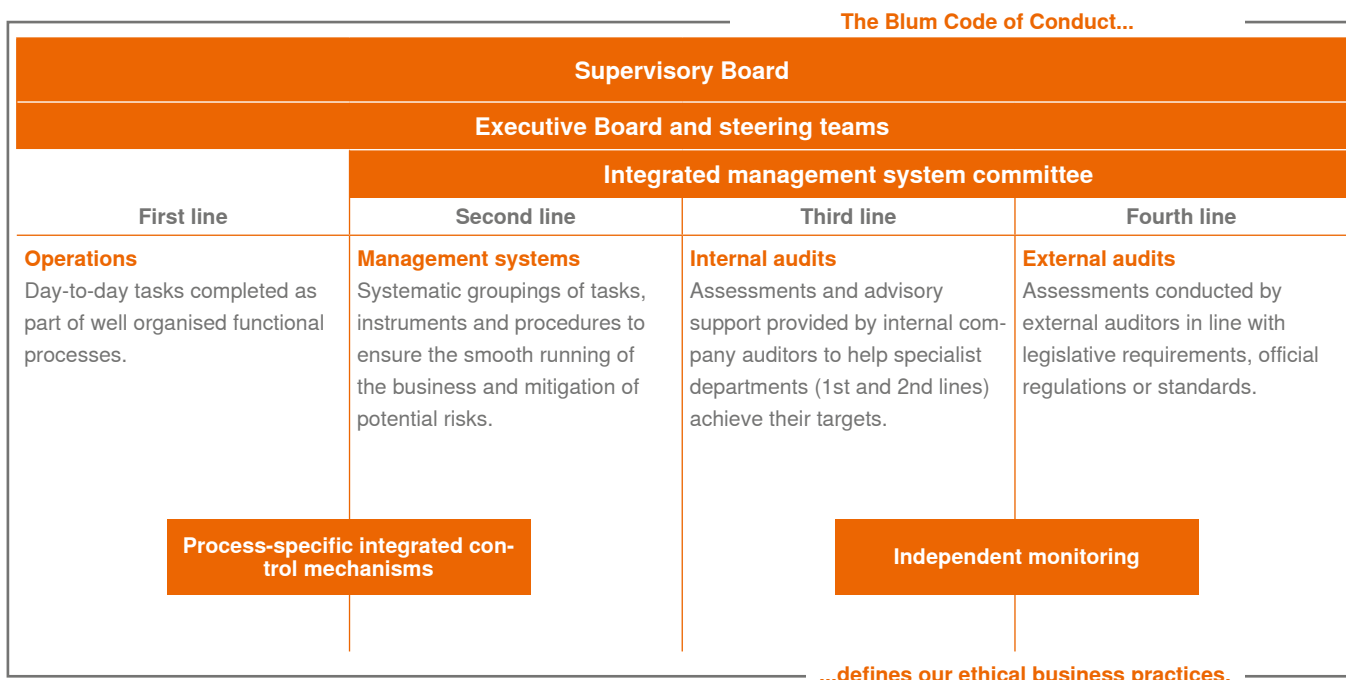
Key points

- Introduction of the Blum Integrity Line at two additional production sites
- Expansion of the compliance management system throughout the entire Blum Group
- Currently in work are detailed guidelines on corruption prevention to supplement the Code of Conduct

It is of great importance and an incentive to us to preserve our company for our employees and future generations. To ensure that we can go on doing so in the future, in order to remain a good partner to our business partners and maintain the continuity of our business, we make a conscious commitment to act in accordance with our principles as well as complying with applicable laws and regulations.

Stability and reliability are central to our everyday business operations, as are legislative compliance, fair competition and the complete rejection of any form of corruption. Due to the size and international orientation of our business, we have expanded our Internal Control System and compliance structures going forwards. → GRI 2-24, GRI 2-27

Internal Control System: 4-line model



Compliance strategy and policy

At Blum, compliance means ensuring that both the company as a whole and each individual employee adheres to relevant laws and regulations. Our compliance processes are designed to ensure that compliance is not just a top-level concern for the Executive Board, but rather something every employee must be aware of. They enable us to monitor and manage the warning signs and early detection flags for cases of law infringement, corruption, improper business conduct and financial crime. Moreover, they play a key role in our efforts to actively identify and manage the risks facing our company, which is why it is so important that all the different areas of our business are involved. To that end, we develop our compliance processes in consultation with all the different teams and networks across our national and international sites. → GRI 3-3, GRI 2-27

We abide by the following principles

Laws and regulations

We are committed to complying with all relevant laws and regulations that apply to our company and industry. We deliberately go beyond the legal requirements sometimes, providing that doing so benefits our company.

Integrity and ethical awareness

We are committed to conducting our business with integrity and ethical awareness and to ensuring that our employees share these values. We do not tolerate corruption, fraud or unethical behaviour, whether internal or external, for example in our supply chain. We have drawn up our Blum Code of Conduct and our Supplier Code of Conduct accordingly.

Protection and security of data

We are committed to respecting the data protection rights of our customers and employees and to ensuring that all the personal data we collect, as well as the intellectual property of our partners, is stored and processed securely.

Conflicts of interest

We are committed to avoiding conflicts of interest and refrain from taking any actions that could harm our customers, partners or our company.

Transparency and disclosure

We are committed to transparency and to disclosing all relevant information about our business and business practices, including our finances and our compliance practices.

Training and development

We are committed to providing our employees with regular training and development so that they can understand and implement our company's compliance policies. In doing so, we always take care to consider the needs of various groups of people and offer different learning opportunities.

Reporting violations

We ensure that our employees have the opportunity to report violations of our compliance policy through a variety of channels. These include both personal contact and our digital whistleblower system. Employees can choose between reporting in person or anonymously. In either case, we ensure fair and impartial treatment of the reports received.

The strategic goals we want to achieve with our compliance policy are:

- Prevent or detect criminal offences
- Improve internal processes
- Increase trust in our organisation
- Strengthen our international reputation

ISO 37301 and internationally recognised best practices form the basis of our compliance policy and the achievement of the goals it sets out.



Compliance organisation

All Blum employees are required to maintain high ethical standards and to guarantee the integrity of our business dealings with our partners. Responsibility for implementing our compliance processes is therefore company wide.

In our international compliance network, which is made up of various experts from different companies, we regularly discuss different projects and define the approach to be taken. The different areas of the business discuss important topics on a daily basis at both local and international level with experts from other companies. This strengthens corporate responsibility and at the same time increases awareness of compliance issues in our corporate group.

Strategies for combating corruption and bribery

Our strategy for combating corruption comprises a range of preventive and organisational measures. Key elements include our Blum Code of Conduct, specific guidelines, measures to raise awareness in the form of training courses and our internal whistleblower system: → GRI 2-23, GRI 2-25

Blum Code of Conduct

Stability and reliability in our day-to-day business operations are key prerequisites for our international success. The principles and values that we uphold and live by as a company are central to our understanding of what it means to conduct our business with integrity. This value system and our identity as a company are defined in the Blum Code of Conduct, which sets out guidelines for the conduct both of Blum employees worldwide and of any contractual partners acting in Blum's name. Regardless of their job title, all are personally responsible for upholding the legal, professional and ethical standards associated with our business activities. Employees in roles where a high risk of bribery and corruption exists are also given tailored awareness training. We use various channels and methods to communicate the Code of Conduct internally, so as to provide all employees with targeted information. Alongside our Blum Code of Conduct, we are currently developing further guidelines which will set out the content in greater detail (covering topics such as conflicts of interest, gifts and invitations, procurement, etc.). The policies and procedure for dealing with donations and sponsorship were rolled out at Blum Austria during this reporting period. The international roll-out is in preparation and is scheduled for the 2025/2026 financial year.

Code of Conduct training

We offer mandatory training aimed at specific target groups that gives employees the necessary understanding of compliance topics and increases awareness of compliance in their day-to-day work. In offering this training, it is important to us that we cater for our employees' different needs and work set-ups. We are therefore offering in-person training sessions and training videos in addition to an online e-learning course, which we hope will help prevent breaches of our Code of Conduct and strengthen the compliance culture across our business.

The various training programmes were employed at all our international production sites during this reporting period and employees were trained on this basis: → GRI 205-2

Site	Learning opportunities taken up in the reporting year
Austria	E-learning course and learning video
USA	E-learning course
Brazil	Local presentations
Poland	E-learning course and learning video
China	E-learning course and learning video

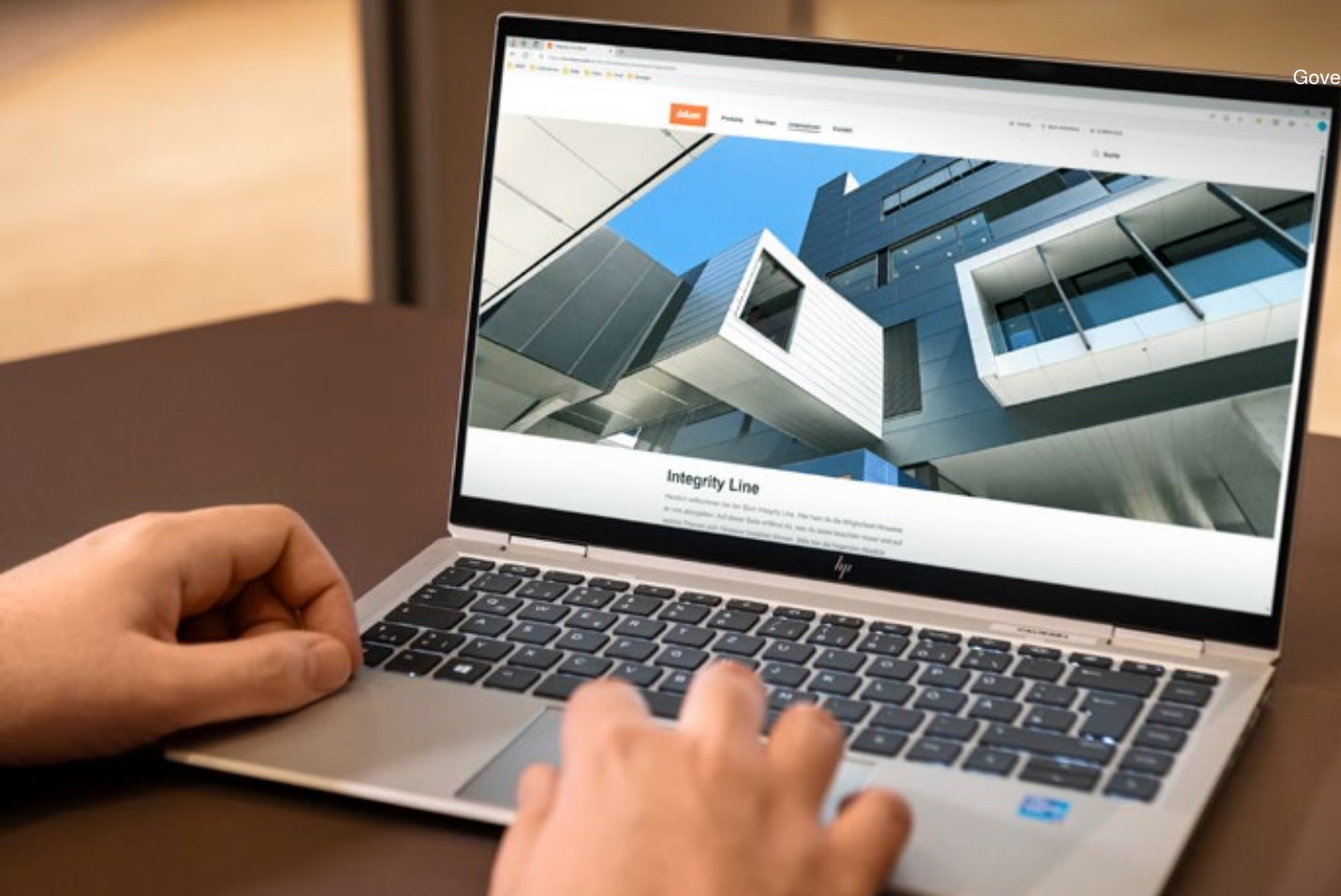
We are presently developing further training courses that focus in detail on our policies.

Our whistleblower system

Our whistleblower system has multiple levels. At the most basic level, we expect any potential breaches of our internal policies and applicable laws to be raised directly with those concerned as part of a personal conversation. This means that any accidental or unintentional misconduct can be quickly stopped and prevented from happening in future. In cases where a personal conversation is not appropriate, our employees and external parties have several other channels available to them for reporting potential misconduct.

At all our sites, employees can approach local managers or the local Executive Board, but also competent bodies established for that purpose. For employees facing difficulty in their lives or with their work situation, our HR team is on hand to assist. If an employee wishes to report breaches to a higher authority, all employees and external third parties can also contact the Executive Board or the compliance department in Austria.

Those who do not wish to report a situation in person can also make use of our online reporting system – the Blum Integrity Line. The Blum Integrity Line is our digital whistleblower system, which is publicly accessible via our European and Austrian websites. During this reporting period, we also rolled out the Integrity Line for our locations in Poland and the USA and it can now also be accessed via the local websites. The Integrity Line provides a simple, anonymous and confidential mechanism for reporting actual or suspected misconduct and is intended to help increase awareness of the importance of upholding legal standards and acting with integrity in our day-to-day work. As a socially responsible business, we believe it is important to open up this reporting channel and investigate any reports received so that we can instigate the necessary internal processes and implement improvements. The whistleblower system gives us confidence that we are acting in line with the law and the opportunity to continually audit, question and improve our operations, policies and processes. → GRI 2-25, GRI 2-26



Information security, data protection and confidentiality

As a responsible company, we take the confidentiality of information, the protection of personal data and the protection of operational and business secrets very seriously. Information security is therefore extremely important to us. We have an Information Security Management System (ISMS) in place that guarantees the confidentiality, availability and integrity of our company-relevant data and systems, ensures that the necessary information security measures are implemented throughout the company and enables us to make ongoing improvements to our information security processes. Our ISMS is based on the requirements of ISO/IEC 27001.

All data generated in the course of our business activities is processed with utmost care, and we implement strict security mechanisms in line with data protection legislation. Our data security processes are monitored via our data security platform, which is responsible for protecting data across the company and the first port of call in the event of a data security breach or similar.

In addition to prioritising information security and data protection, we also believe that it is vitally important to protect operational and business confidentiality. We have a number of technical, legal and organisational mechanisms in place to protect the confidential information of both of the Blum Group and of its brands as well as our interests and reputation more generally. For instance, we place restrictions on the content and the type and volume of information that we share internally, with third parties and with the public. We also make our employees aware that operational and business confidential information must be treated with the utmost care and only shared with third parties once a confidentiality agreement has been signed. Where operational and business confidential information needs to be shared internally or externally – whether digitally, in person on paper – this is done on a strictly "need-to-know" basis in line with our central precept for the handling of sensitive information.

Security and data protection incidents are reported immediately, reviewed and handled in accordance with defined processes. We initiate measures immediately to mitigate the damage, carry out root cause analyses and take preventive steps to avoid future incidents.

In order to permanently raise awareness in relation to the protection of sensitive information, we conduct regular training and implement measures to educate all employees. In doing so, we ensure that information security as well as data and confidentiality protection are firmly anchored in all areas of our company.

GRI index

Statement of use

This sustainability report for Julius Blum GmbH was produced in line with the GRI Universal Standards 2021 and covers the 2024/2025 business year (1 July 2024 to 30 June 2025).

GRI 1	GRI 1: Foundation 2021
Applicable GRI Sector Standard	No applicable Sector Standard available.

GRI Standards	Description	Comment/Reasons for omission	Page
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GRI 2: General Disclosures 2021

The organisation and its reporting practices

GRI 2-1	Organisational details		12
GRI 2-2	Entities included in the organisation's sustainability reporting		4
GRI 2-3	Reporting period, frequency and contact point		2, 4
GRI 2-4	Restatements of information		
GRI 2-5	External assurance		2

Activities and workers

GRI 2-6	Activities, value chain and other business relationships		11, 13
GRI 2-7	Employees		53
GRI 2-8	Workers who are not employees	Complete information not available. If available, data to be published in the coming reporting year.	

Governance

GRI 2-9	Governance structure and composition		8
GRI 2-10	Nomination and selection of the highest governance body		8
GRI 2-11	Chair of the highest governance body		8
GRI 2-12	Role of the highest governance body in overseeing the management of impacts		19
GRI 2-13	Delegation of responsibility for managing impacts		19
GRI 2-14	Role of the highest governance body in sustainability reporting		19
GRI 2-15	Conflicts of interest		8
GRI 2-16	Communication of critical concerns		8

GRI Standards	Description	Comment/Reasons for omission	Page
GRI 2-17	Collective knowledge of the highest governance body		19
GRI 2-18	Evaluation of the performance of the highest governance body	Data not recorded.	
GRI 2-19	Remuneration policies	No data	
GRI 2-20	Process to determine remuneration	No data	
GRI 2-21	Annual total compensation ratio	No data	

Strategy, policies and practices

GRI 2-22	Statement on sustainable development strategy		18
GRI 2-23	Policy commitments		73
GRI 2-24	Embedding policy commitments		75
GRI 2-25	Processes to remediate negative impacts		77
GRI 2-26	Mechanisms for seeking advice and raising concerns		78
GRI 2-27	Compliance with laws and regulations		75
GRI 2-28	Membership associations		31

Stakeholder engagement

GRI 2-29	Approach to stakeholder engagement		20
GRI 2-30	Collective bargaining agreements		57

GRI 3: Material Topics

GRI 3-1	Process to determine material topics		26
GRI 3-2	List of material topics		30

Climate protection and energy (material topic)

Chapter in report titled "Climate protection and energy"

GRI 3-3	Management of material topics		34
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GRI 302: Energy 2016

GRI 302-1	Energy consumption within the organisation		35
GRI 302-2	Energy consumption outside of the organisation	No data	
GRI 302-3	Energy intensity		36
GRI 302-4	Reduction of energy consumption		36

GRI Standards	Description	Comment/ Reasons for omission	Page
GRI 302-5	Reductions in energy requirements of products and services		45

GRI 305: Emissions 2016

GRI 305-1	Direct (Scope 1) GHG emissions		37
GRI 305-2	Energy indirect (Scope 2) GHG emissions		37
GRI 305-3	Other indirect (Scope 3) GHG emissions	Complete information not available. If available, data to be published in the coming reporting year.	
GRI 305-4	GHG emissions intensity	Complete information not available. If available, data to be published in the coming reporting year.	
GRI 305-5	Reduction of GHG emissions		37
GRI 305-6	Emissions of ozone-depleting substances (ODS)	Complete information not available. If available, data to be published in the coming reporting year.	

GRI 301: Materials 2016

GRI 301-1	Materials used by weight or volume		40
GRI 301-2	Recycled input materials used		41
GRI 301-3	Reclaimed products and their packaging materials	Complete information not available. If available, data to be published in the coming reporting year.	

GRI 303: Water and Effluents 2018

GRI 303-1	Interactions with water as a shared resource		46
GRI 303-2	Management of water discharge-related impacts		46
GRI 303-3	Water withdrawal		46
GRI 303-4	Water discharge		46
GRI 303-5	Water consumption		46

GRI 306: Waste 2020

GRI 306-1	Waste generation and significant waste-related impacts		47
GRI 306-2	Management of significant waste-related impacts		47
GRI 306-3	Waste generated		49
GRI 306-4	Waste diverted from disposal		49
GRI 306-5	Waste directed to disposal		49

GRI Standards	Description	Comment/Reasons for omission	Page
Employee satisfaction (material topic)			
Chapter in report titled "Spotlight on our people"			
GRI 3-3	Management of material topics		52
GRI 401: Employment 2016			
GRI 401-1	New employee hires and employee turnover		53
GRI 401-2	Benefits provided to full-time employees which are not provided to temporary or part-time employees		55
GRI 401-3	Parental leave/establishing a work/life balance		58
GRI 402: Labour/Management Relations 2016			
GRI 402-1	Minimum notice periods regarding operational changes		57
GRI 403: Occupational Health and Safety 2018			
GRI 403-1	Occupational health and safety management system		66
GRI 403-2	Hazard identification, risk assessment, and incident investigation		66
GRI 403-3	Occupational health services		69
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety		67
GRI 403-5	Worker training on occupational health and safety		67
GRI 403-6	Promotion of worker health		69
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		66
GRI 403-8	Workers covered by an occupational health and safety management system		67
GRI 403-9	Work-related injuries		68
GRI 403-10	Work-related ill health		68
GRI 404: Training and Education 2016			
GRI 404-1	Average hours of training per year per employee		63
GRI 404-2	Programmes for upgrading employee skills and transition assistance programmes		63, 64
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Data incomplete. No central records of employee development dialogues.	

GRI Standards	Description	Comment/ Reasons for omission	Page
GRI 406: Non-discrimination 2016			
GRI 406-1	Incidents of discrimination and corrective actions taken	No incidents during the reporting period.	
Human rights and environmental impacts in the upstream value chain (material topics)			
Chapter in report titled "Partnership across the supply chain"			
GRI 3-3	Management of material topics		72
GRI 407: Freedom of Association and Collective Bargaining 2016			
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		72
GRI 408: Child Labour 2016			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labour		72
GRI 409: Forced or Compulsory Labour 2016			
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		72, 74
GRI 411: Rights of Indigenous Peoples 2016			
GRI 411-1	Incidents of violations involving rights of indigenous peoples		72
GRI 414: Supplier Social Assessment 2016			
GRI 414-1	New suppliers that were screened using social criteria		74
GRI 414-2	Negative social impacts in the supply chain and actions taken		74
Business processes and compliance (material topic)			
Chapter in report titled "Business processes and compliance"			
GRI 3-3	Management of material topics		76
GRI 205: Anti-corruption 2016			
GRI 205-2	Communication and training about anti-corruption policies and procedures		78
GRI 417: Marketing and Labelling 2016			
GRI 417-2	Incidents of non-compliance concerning product and service information and labelling	No incidents of non-compliance during the reporting period.	
GRI 417-3	Incidents of non-compliance concerning marketing communications	No incidents of non-compliance during the reporting period.	

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Our sites in Austria, Poland and China are certified to the international standards mentioned below.
Our site in the USA is certified to ISO 9001.
Our site in Brazil is certified to ISO 9001, ISO 14001 and ISO 45001.



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