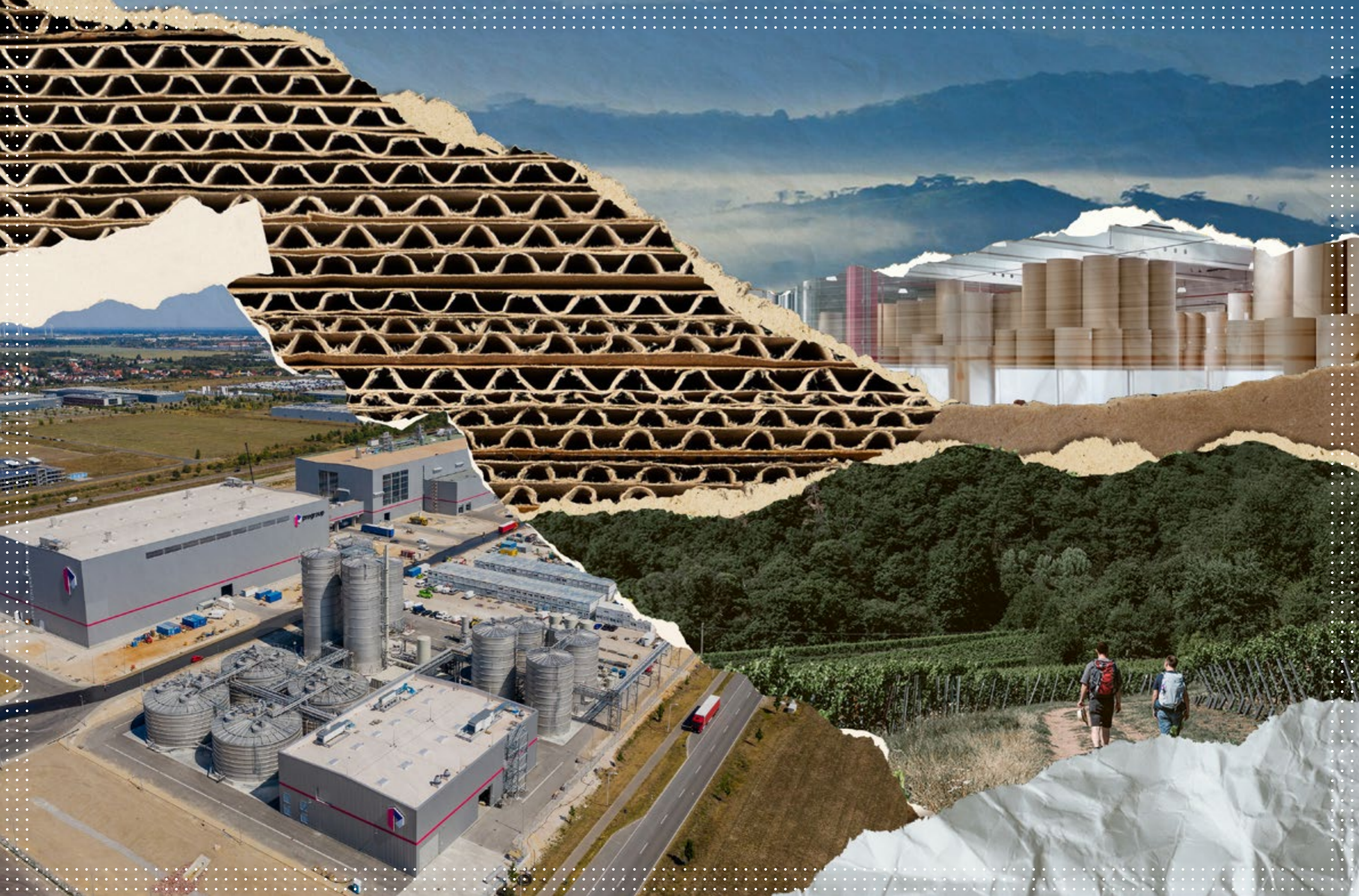


SUS TAIN ABI LITY RE PORT





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General Information

This sustainability report from Progroup AG focuses on the 2024 financial year and covers all the business units that were operating in the reporting period. Any variations are highlighted. The report makes reference to GRI standards. The key figures have been externally audited by GUTcert – GUT Zertifizierungsgesellschaft für Managementsysteme mbH, Berlin (see page 58).



FORWARD

Dear readers,

2024 – just like 2023 before it – was a year that presented us with many challenges from an economic perspective. As a company whose fortunes are closely linked to the situation in the economy as a whole, we really felt the economic headwind. In addition, significant additional capacities have been built up in our industry since the pandemic. We are doing everything we can to react proactively, intelligently and flexibly to this changing environment. We have already managed to achieve some initial success in the reporting period and we intend to continue to expand our measures significantly in 2025. I am very confident that we will emerge from this phase even stronger.

It is all the more positive and valuable that, despite all the economic adversities we have faced, we have remained clearly on track when it comes to sustainability. We have made significant progress in some areas, but we have to admit: There is still plenty of work for us to do in others.

In relation to specific fresh water consumption, we are 39 per cent below the level of the base year 2012. This means that by last year we had almost achieved the ambitious target we set ourselves for 2030. We are also on the right track when it comes to CO₂ emissions – mainly thanks to the increasingly greener mix of electricity that we purchase from our partners. It is a good example of the fact that success in sustainability often requires a joint effort. Finally, we are making progress in delivering equal opportunities and diversity, for example by appointing more female managers. The ratio of salaried employees increased by 3 per cent. We also achieved successes in occupational safety during the reporting period. Sustainability is and remains a constant challenge for Progroup. This is why we also strive constantly to evolve our strategy. In 2024, as part of this process and in preparation for the upcoming CSRD reporting obligations, we began reviewing our sustainability strategy. At the beginning of 2025, we then also conducted a double materiality analysis with this in mind. We will use this as the basis for evaluating our sustainability goals and develop them further.

The Executive Board shares responsibility for sustainability. I am delighted that we have had Beate Flamm serving on the Board since April 2024. She provides fresh ideas, in particular in relation to the company's commitment to social causes and sustainability reporting. Along with the other members of the Executive Board, she is making sure that sustainability is made visible by adopting very specific measures.

Together with all employees, we will continue to pursue the path we have embarked upon in 2025. As we do this, we will also bring you, our customers, partners, suppliers and other stakeholders, along with us. This is because we firmly believe that sustainable business is the future – and this ultimately affects every single one of us.

Yours



Maximilian Heindl
Chief Executive Officer, Progroup AG

OUR COMPANY

An expanding family company

Progroup AG, which is based in Landau in the German state of Rhineland-Palatinate, is a family-run company that has been working for many

decades with its selection of medium-sized customers both in Germany and abroad. We are proud to be one of the biggest manufacturers of container-board and corrugated board sheets in Europe. Sustainability is part of our company's philosophy. Ever since our

company was founded back in 1991, we have pursued a consistent growth strategy that is based on technological leadership and an innovative business model which successfully combines profitability, close links to customers and ecological aspects.

An expanding family company

- Business model
- Digital transformation

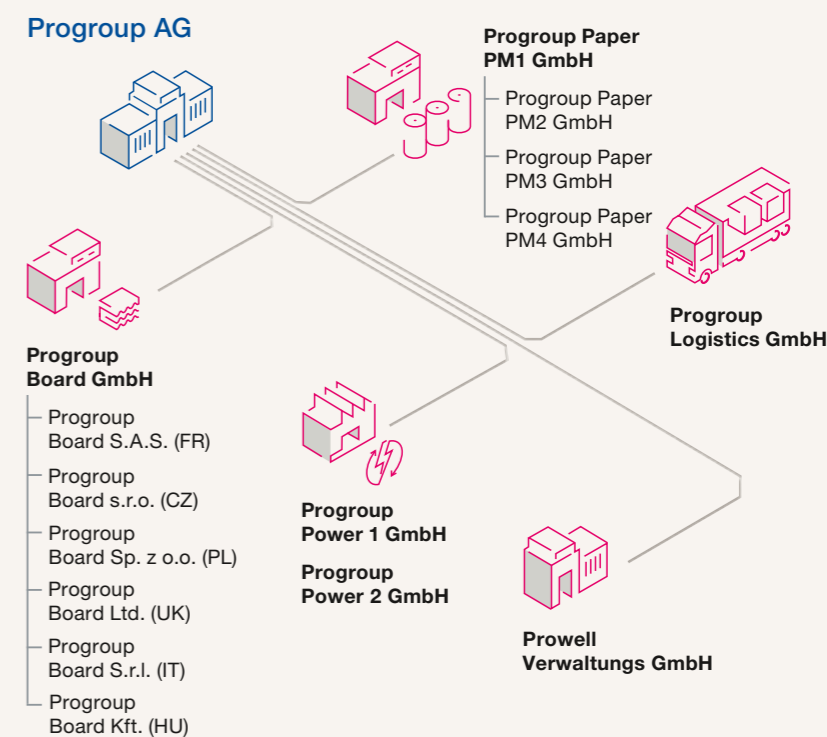
Our sustainable products

- Part of the circular economy
- Green Hightech
- Adding value in Europe
- Corrugated board instead of plastic

Business ethics

- Compliance structure
- Whistleblower system
- Code and policies
- Management
- Sustainable procurement

Progroup's corporate structure

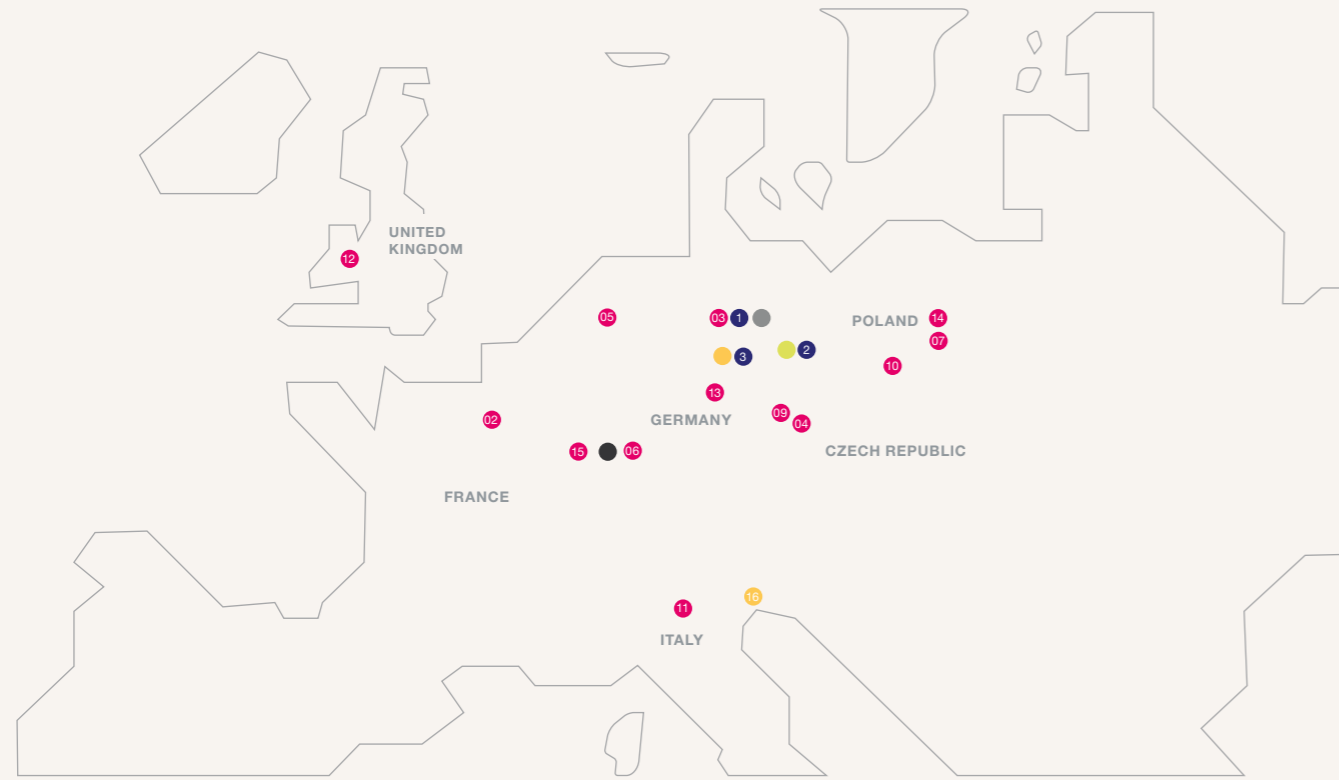


The scope of this sustainability report encompasses all the business units of Progroup AG that were operating in the reporting period. This includes the companies shown here, with the following exceptions:

For Progroup Power 2 GmbH, which was undergoing construction during the reporting period, only the personnel figures and the relevant Scope 3 emissions are recorded.

Companies that are fully excluded are Prowell Verwaltungen GmbH, which does not have any relevant assets, and the companies Progroup Paper PM4 GmbH and Progroup Board Kft, which are still in the planning phase.

Our locations



Progroup manufactures containerboard and corrugated board sheets of different grades. We produce containerboard at three locations in Germany, and corrugated board sheets at 14 sites in six different European countries.

- Board
- Paper
- Logistics
- Power
- Group Office
- Under planning/construction

What makes Progroup special



Our vision

Our visionary business strategy and the unique business model are what make us the company with the biggest organic growth in the industry.



Our mission

Our partners are independent packaging manufacturers. We follow our mission in helping them to grow – with reliability, expertise and the outstanding structures of a highly specialised provider.



Our culture & values

The culture in our family company is unique and gives us a key competitive advantage that cannot be copied.

Business model

Our business model is unique in many different ways. Our target customers are family-run small and medium-sized enterprises that manufacture packaging but do not have their own corrugated board production capacities. We have often been working with them for many decades. We do not compete with them because we only produce containerboard and corrugated board sheets, but do not make packaging. We grow alongside our

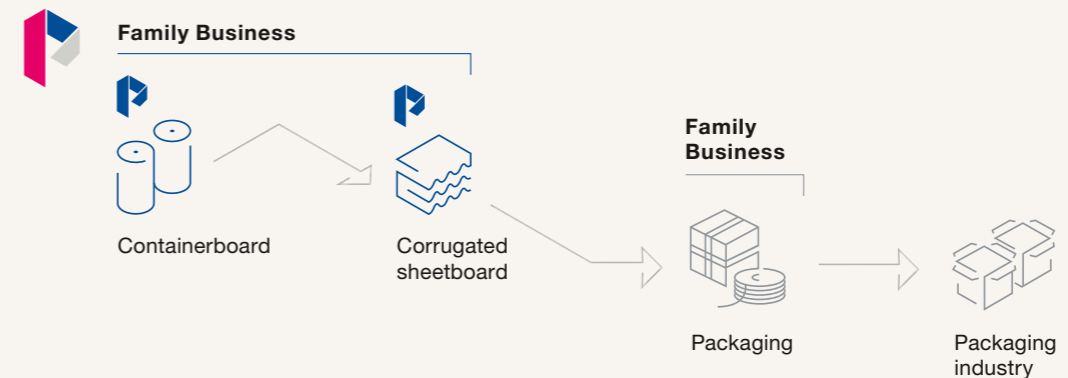
customers thanks to our closely linked production. With some of our biggest customers, the cooperation goes one step further.

The packaging park I model involves a customer establishing themselves right next to one of our corrugated sheetfeeder plants. With the packaging park II model, we do the reverse and construct a corrugated sheetfeeder plant next to our customer.

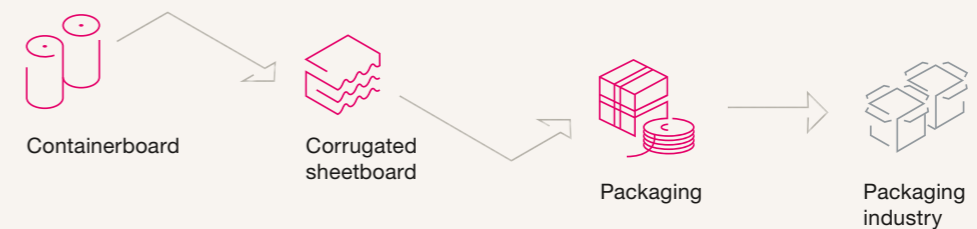
What both models have in common is the principle that both partners retain their entrepreneurial independence, but produce together in a virtual integration, gate to gate and hand in hand. When we link up with a customer in this way, we also build highly efficient corrugated board plants that are very much state-of-the-art when it comes to technology. A plant like this will operate for at least 25 years.

In both cases, we link together the manufacture of the corrugated board and packaging. The ecological advantages are also significant: Our corrugated board does not have to be transported by truck over long distances but instead travels via conveyor belts from the Progroup plant to our customer's plant. This allows us to take traffic off the roads, reduce CO₂ emissions and lower logistics costs.

Packaging manufacturers as target customers



Integrated Groups



Progroup's business model (top) differs from that of integrated groups (bottom). Instead of producing packaging ourselves, we deliver corrugated board sheets particularly to small and medium-sized packaging manufacturers. They are mostly family businesses just like us.



OUR BUSINESS MODEL IS A SHINING EXAMPLE OF A CIRCULAR ECONOMY THAT WORKS REALLY WELL

However, the majority of our business is done outside of packaging parks, with our approximately 500 small and medium-sized customers in Central Europe. Cooperating with Progroup also offers them a number of advantages: As we produce our own containerboard, we are able to manufacture reliably and also cater for requests at very short notice. We can give our customers an assurance they will receive their deliveries within 48 hours and meet a very high proportion of delivery deadlines. The combination of smaller and medium-sized orders and the centralised management of our plants allows our facilities

to operate with an excellent workload, efficient production with a low level of rejects and great efficiency as a result. This is the basis on which we are able to offer even smaller and medium-sized series of orders with attractive conditions. We therefore view the way we work together in partnership in win/win collaborations as a vital component of our unique business model.

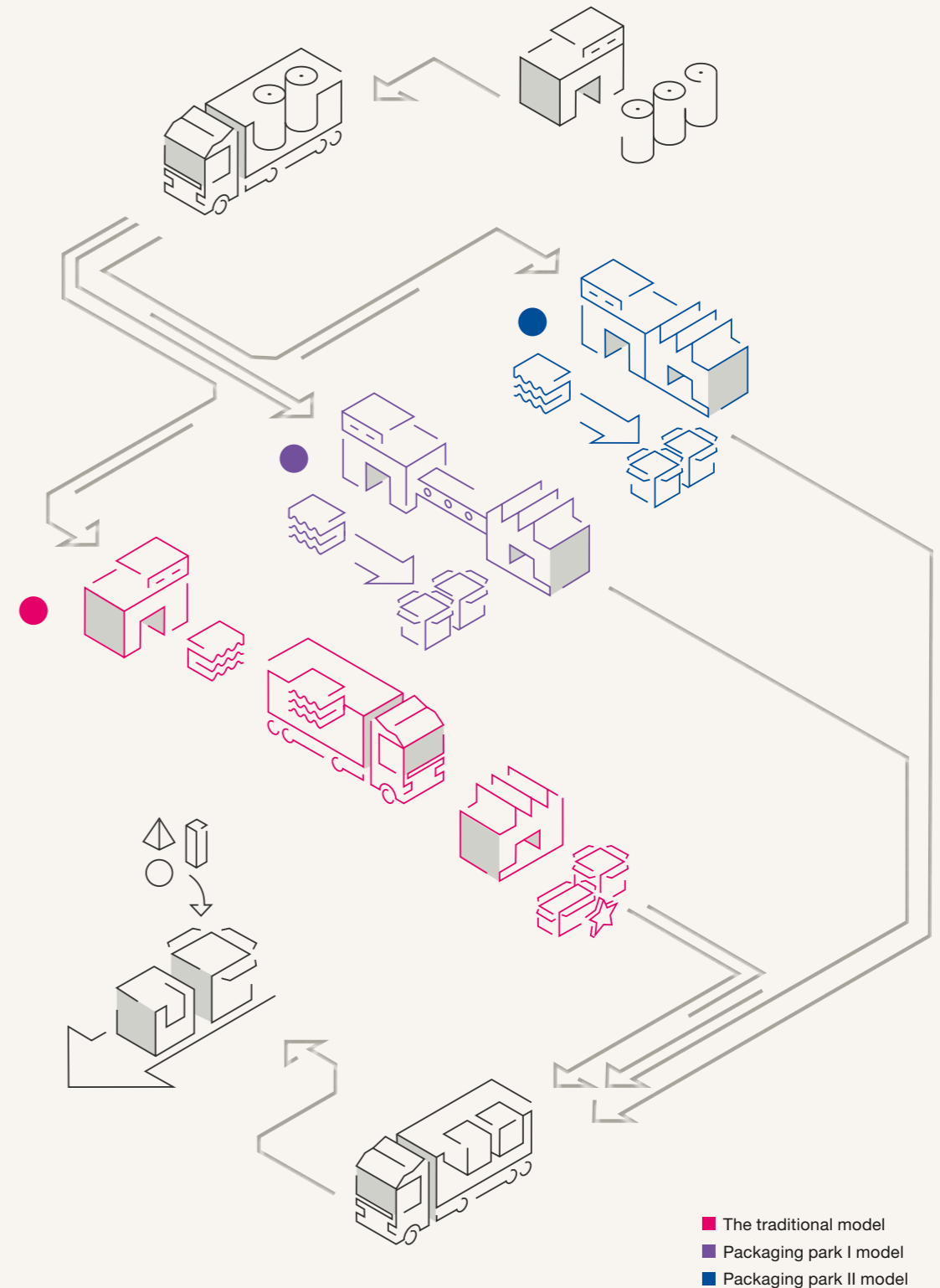
Digital transformation

It is part of our strategy to be one of the pioneers of digital transformation in the paper industry. We rely on a high degree of automation, maximum stand-

ardisation of workflows and the production of large quantities – otherwise the high levels of investment that we make would not be worth it for a commodity product like corrugated board. Our customers also benefit from our innovative strength: They grow alongside us by up to 20 per cent each year.

We have networked all our sites and all processes that link us to our customers. This enables us to achieve a high degree of transparency and flexibility. On the one hand this enables us to optimally balance out the capacities of our plants, and on the other to deliver to our customers just in time.

Our packaging park models



Our sustainable products

Part of the circular economy

Progroup's products are shining examples of the circular economy. We only ever use recovered paper as the raw material for our containerboard. The end product is also a recyclable product because at the end of its life the corrugated board is largely processed through waste separation and reused – throughout Europe. Progroup is FSC®-certified at its production sites and complies with either the “FSC® Recycled” or “FSC® Mix” standard.

Our production processes also follow the concept of a cycle: We produce energy from production residues and waste materials in our waste-to-energy plant in Eisenhüttenstadt (Brandenburg). A second waste-to-energy plant started commercial operations at our site in Sandersdorf-Brehna in mid-2025. Our water loops are closed on two of the three paper machines, and we recycle corrugated board waste materials back into the production cycle as a raw material used for papermaking.

Green Hightech

Our machines are not just highly efficient when it comes to energy and water consumption, but they also enable us to produce paper and corrugated board sheets that are particularly lightweight. Despite less material being used, they are just as stable as conventional products. With **nextboard®** we have developed a corrugated board on which we have significantly reduced the grammage while maintaining consistent quality. What this means for our customers is a lower transport weight and volume. In addition, the products save raw materials, water and energy during production and also cause lower CO₂

emissions in use than similar products with a higher grammage. We call them **nextgeneration®**.

Highly robust corrugated boards are normally manufactured using fresh fibre paper because it has better technical values. But we have an alternative to this too. As is the case with all our containerboard, it is made entirely from recovered paper.

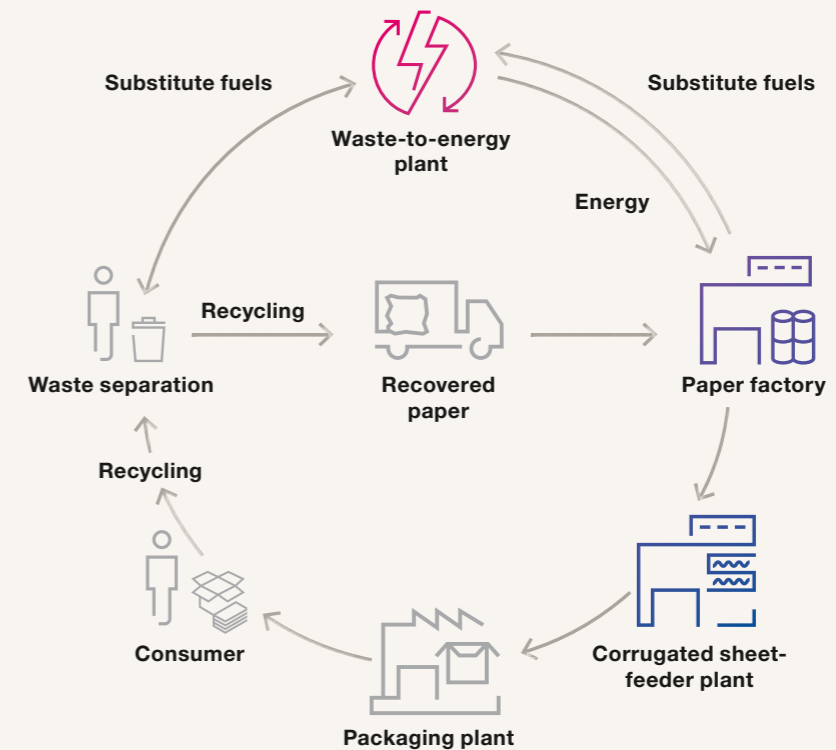
Adding value in Europe

Many companies are currently engaged in the painstaking process of bringing their production sites and global supply chains back to Europe. Progroup does not have to contend with this challenge. We only manufacture our corrugated board sheets in Central Europe, at sites which are very close to our customers. We cover most of our paper production, which is the most environmentally relevant part of the upstream value-adding process, with our own paper factories. We only buy in small quantities of the containerboard that we use in our corrugated sheetfeeder plants from external sources. This means that quality and a reliable supply are safeguarded. Our recovered paper raw material also comes almost entirely from European sources – the overwhelming majority of it actually originates from the local region. This all has huge logistical advantages which are reflected in the price, but in particular also in the life-cycle assessment of our corrugated board sheets.

Corrugated board instead of plastic

With the Green Deal, the European Union has set out the framework for sustainable development: Economic growth and resource use need to be decoupled from one another. The driving force behind this transforma-

Progroup as part of the circular economy



A **circular economy** is defined as a regenerative system in which the use of resources and waste production, emissions and energy wastage are minimised by slowing down, reducing and closing energy and material cycles. With our paper factories, our corrugated sheetfeeder plants and our waste-to-energy plants, we are part of a successful circular economy.

tion will be renewable energies and renewable raw materials, but it is all based on switching to a circular economy. We are already embracing the circular economy with our containerboard and corrugated board sheets made from recycled fibres. Corrugated board is also an excellent alternative

to plastic packaging which is gradually being removed from circulation by the European Union. This presents a great opportunity for our products. At the same time, embracing the circular economy represents one of their most important contributions to conserving resources.

Digital integration of processes



Digital linking of all participants in the supply chain



General **balancing** of needs and capacities to achieve the overall optimum



Reliable **just-in-time deliveries** to customers within 24 to 48 hours

Versatile substitute for plastics

Corrugated board is a variable material that is used in many different areas. It consists of at least two smooth cover papers and at least one corrugated middle layer, so in this case we describe the product as single-wall corrugated board. Double-wall materials are the standard for shipping boxes, while three-wall corrugated board can protect heavy and sensitive goods just as well as stable wooden or plastic crates.

It is not just the number, but also the type of flutes that is adapted to suit different purposes. The high A-flute, for example, offers a particularly big cushioning effect, the medium B- and C-flutes are very versatile, and low flutes such as E-flutes take up a small volume. In multi-corrugated types of cardboard, different flutes are often combined with each other to create the perfect fit.

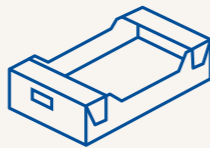
Paper-based packaging is already replacing materials such as plastic in many cases – and for good reason. Corrugated board is very easy to recycle and has a much better carbon footprint than plastic. According to a study by the University of Freiburg, for example, a fruit basket made of cardboard saves around 34 per cent CO₂ compared to one made of plastic. There are even advantages compared to reusable plastic packaging: The CO₂ emissions produced by reusable plastic would only be on a par with corrugated board after around 200 uses.

Corrugated board therefore offers plenty of opportunities for ecologically beneficial packaging: A study published by Gesellschaft für Verpackungsmarktforschung (GVM), Germany’s market research institute specialising in packaging, reckons that corrugated board is capable of replacing around 21 per cent of all plastic packaging. This would enable more than 800,000 tonnes of plastic to be saved every year in Germany, Austria and Switzerland alone.

Three examples of smart packaging innovations made from corrugated board:



The “**Bag-in-Box**” is a form of packaging for liquid and paste-like products such as liquid detergents, juices or oils. It is made from corrugated board with an inner bag made from plastic film. Once the product has been used up, the different component parts of the packaging can be separated from each other and returned to the respective recycling loop.



According to a study by GVM, 64 per cent of the plastic used in packaging for fruit and vegetables is capable of being replaced with corrugated board. And this does not entail any drawbacks: Corrugated board is not only just as hygienic, but is also softer than plastic, which means there are fewer pressure points on sensitive fruit and vegetables such as tomatoes when they are transported.

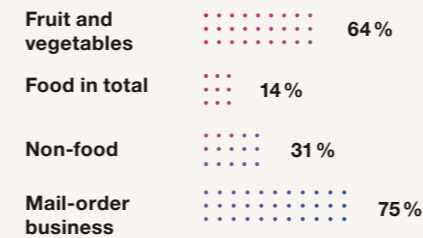


Filler and padding materials help to keep the goods nice and secure inside the box, protect them from any jolts and vibrations and cushion them. This works really well with paper cushions made from **kraftliner paper or with continuous corrugated board** that can replace plastic bubble wrap in many cases.

21%

of all plastic packaging can be replaced by corrugated board.

Percentage in selected product ranges:



Source: GVM

Business ethics

We are a family business that has worked together with its customers and suppliers over many decades in a partnership based on trust. We consider fairness, commitments and integrity to be the foundation of our corporate culture.

We safeguard and bolster ethical practices in the way we do business in particular through our compliance system and our purchasing principles. Since 2024, Progroup has had to comply with the German Supply Chain Due Diligence Act. This act prescribes certain duties of care (due diligence) that must be undertaken to identify and prevent any negative impacts on human rights and environmental concerns all along supply chains. An element that really matters to us here is that we are resolutely opposed to any form of forced labour or child labour all along our value chain.

Compliance structure

We have embedded the issue of compliance in the structure of our business. The Board member responsible for this is Dr. Volker Metz. The Chief Compliance Officer Dr. Stefan Schmidt reports to him each month. Possible breaches of laws or regulations are reported to the Executive Board either by the Chief Compliance Officer or by the legal department.

All employees complete general compliance training on a regular basis and the level of participation is reviewed. In addition, we provide other mandatory training, for example in antitrust law or data protection. This is assigned to the relevant employees based on the level of risk depending on which area they work in.

To comply with compliance-relevant regulations, we carry out risk-based random checks, in particular in relation to antitrust law, money laundering and data protection.

Neither in this reporting year nor in previous years did Progroup violate any significant laws or regulations and no significant fines were imposed on our company. The total amount of all fines in 2024 was in the four-digit euro range.

Whistleblower system

Progroup has operated an electronic [whistleblower system](#) for many years. Employees or external parties can use a communication platform on our homepage to report wrongdoing or submit documents, including anonymously. This can also be done by e-mail or post. Any tip-offs go to our Chief Compliance Officer, who looks into the issues and discusses any relevant questions with the Executive Board.

The whistleblower system is not just an important component for complying with the German Whistleblower Protection Act, which came into force in 2023, but also gives our company the opportunity to find out about any irregularities at an early stage, whether they apply to us or our supply chain.

In 2024, three reports of possible breaches of the rules were submitted via the whistleblower channels (human resources: 2; data protection: 0; purchasing: 0; other: 1). All the cases were investigated by the Chief Compliance Officer. Specific grounds for suspicion were not found to exist in any of the cases. The incidents have now been closed. No incident ended up with legal action being taken.

Code and policies

We have set out Progroup’s values in our [compliance code](#). The code is at the heart of our compliance programme and provides guidance for employees. It helps people to identify cases of corruption or bribery and explains how to handle gifts or conflicts of interest. In addition, it formulates our demands when it comes to environmental protection, employee and human rights and occupational safety.

All our employees are made aware of the code during their compliance training. We explain specific aspects in more detail on the intranet, particularly if any content has been updated or needs to be expanded on. The code of compliance and all the company’s other policies apply through a clause in the employment contract.

Apart from the code of compliance, Progroup has a large number of internal policies and work instructions that guide the way we operate. These rules and regulations can be accessed by all employees on the intranet. They are not relevant to external stakeholders and are therefore also not communicated externally.

Policies of overarching relevance are approved by the Executive Board, others are approved by the relevant departments or sites, depending on their scope, significance and the circumstances.

It is extremely important that our policies on data protection (based on the General Data Protection Regulation) and data security are complied with, because the risks posed by

cybercrime are growing. As well as a data protection officer in all plants and at our administrative site, we also have data protection coordinators that receive briefings on data protection law. Our purchasing organisations are also given training on the requirements under data protection law.

Management

Progroup is a joint stock corporation under German law. This means the company is managed by two bodies, the Supervisory Board and the Executive Board. The Supervisory Board supervises the way the Executive Board runs the business; the Executive Board has responsibility for running the business. Both bodies together act as the ultimate control body.

Progroup AG is family-owned. More than 91 per cent of shares are held by the founding family through JH Holding GmbH, with the remaining 9 per cent held by a few other shareholders. The annual general meeting, which all shareholders are invited to attend, makes decisions on tasks such as appointing the Supervisory Board or allocating profits.

The Supervisory Board appoints the members of the Executive Board. These leadership positions have previously been filled by people who have particular experience of working with medium-sized family companies and can be entrusted to make sure that the company continues to thrive and exist over the long term. There is a close working relationship between the owners, Supervisory Board and Executive Board.

Group policies

- [Code of compliance](#)
- Antitrust law policy
- Gifts policy
- IT use policy
- Privacy incident policy incl. reporting form
- External personnel employment policy
- Funds policy



The Progroup Executive Board since 15 April 2024 (left to right): Dr. Marc Sesterhenn (Chief Operating Officer), Beate Flamm (Chief Culture and Communication Officer), Maximilian Heindl (Chief Executive Officer), Dr. Volker Metz (Chief Financial Officer).

Boards

At the turn of 2022/2023, Maximilian Heindl succeeded Jürgen Heindl as Chief Executive Officer of Progroup, with Jürgen Heindl moving to the Supervisory Board at the same time. Alongside Vinzenz Heindl, Jürgen and Maximilian Heindl are Progroup’s majority shareholders. They are also represented on the decision-making bodies. This does not result in a conflict of interest.

In 2024, the Supervisory Board consisted of:

- **Rainer Dietmann**, lawyer, Chairman of the Supervisory Board, member since 28.08.2007

- **Jürgen Heindl**, founder of Progroup AG, member and Deputy Chairman of the Supervisory Board since 01.01.2023
- **Prof. Dr. Rudolf Wimmer**, Professor of Leadership and Organisation at the Witten Institute for Family Businesses at Witten/Herdecke University, member since 06.02.2008
- **Christian Buchel**, President of Union Francaise de l’Électricité (UFE), member of the Progroup Supervisory Board since 24.01.2019

Up until 15 April 2024, Progroup’s Executive Board had three members, but since this date there have been four members.

Its members in 2024 were:

- **Maximilian Heindl**, Chief Executive Officer since 01.01.2023, member of the Executive Board since 01.08.2017
- **Dr. Volker Metz**, Chief Financial Officer since 01.11.2016
- **Dr. Marc Sesterhenn**, Chief Operating Officer since 01.10.2023
- **Beate Flamm**, Chief Culture & Communications Officer since 15.04.2024

The members of the Executive Board are contractually obliged to avoid any conflicts of interest. For example, they are prohibited from having any stake in competitors in the market or

secondary roles, unless they are disclosed to the Supervisory Board or the annual general meeting. Outside of the stated bodies, there is no disclosure of possible conflicts of interest.

Memberships

Progroup is a member of DIE PAPIER-INDUSTRIE e.V. association. It brings together 100 companies that represent over 95 per cent of the industry in terms of their sales. Maximilian Heindl was a member of the association’s executive committee during the reporting period.

Remuneration policy

Since 2023, Progroup has had bonus arrangements relating to the attainment of sustainability goals. The sustainability goals for 2024 comprise:

- Expansion of the sources of CO₂ emissions to include key Scope 3 categories.
- Introduction of reporting during the year in relation to the key sustainability indicators.

- Implementation of the requirements of the German Supply Chain Due Diligence Act.

The goals are broken down by way of cascading to the management teams of the various divisions.

The Executive Board and managers receive a basic salary and variable, performance-related payments.

The variable remuneration paid to the Executive Board depends on various key indicators. These include achieving



Sustainability: Joint responsibility of the Executive Board

Sustainability is a central task that encompasses all divisions at Progroup. The Executive Board is jointly responsible for implementing and evolving the company’s sustainability strategy. Specifically anchoring ESG (Environment, Social, Governance) in the responsibilities of each of the members of the Executive Board ensures that sustainability is firmly established in all relevant divisions of the company.

Dr. Volker Metz, Chief Financial Officer (CFO), has developed the company’s sustainability reporting and is responsible in particular for the topics of governance, compliance and risk management. In addition, his work focuses on reducing CO₂ emissions and on optimising the way energy is used throughout the company. His work creates transparency and ensures that sustainable corporate decisions are made on the basis of solid data.

Dr. Marc Sesterhenn, Chief Operating Officer (COO), has operational responsibility in driving environmental sustainability especially in production. This involves making investments in resource-saving technologies, continuing to

develop environmentally friendly production processes and continuously improving energy efficiency at the company’s sites. By doing this, he is making a decisive contribution to Progroup’s sustainable development.

Beate Flamm, Chief Culture & Communication Officer (CCO), is responsible for the company’s commitment to social causes and sustainability reporting. She focuses on communicating the sustainability strategy both internally and externally and on implementing initiatives that promote social responsibility and social sustainability. Her commitment to this ensures that sustainability is not just visible in figures, but is also evident for the public through concrete measures.

Commercial success can only be reconciled with environmental and social responsibility through cross-divisional cooperation and clear responsibility in the management of the company. Progroup pursues this approach consistently, sending a strong signal in favour of running a sustainable business.

a defined EBITDA margin in relation to the peer group and an absolute minimum EBITDA figure. In addition, defined volume growth targets must be achieved. Severance payments are assessed in each individual case. Board contracts include provisions relating to repayments.

The remuneration of the Supervisory Board is set by the annual general meeting; the remuneration of the Executive Board is set by the Supervisory Board in consultation with the owners. The elements of the Executive Board remuneration are reviewed annually. This is based on the provisions in the German Stock Corporation Act.

Sustainable procurement

Progroup has a central purchasing division and separate purchasing organisations for procuring recovered paper, containerboard, substitute fuels and freight volumes.

In our general purchasing conditions, we have outlined the requirements of our business partners to show awareness of the environment and not waste resources when they manufacture their products, as well as to comply absolutely with laws and international standards. This includes in particular protection of health and the environment, employee and human rights, and preventing corruption. If a supplier behaves unlawfully, Progroup reserves the right to withdraw from contracts or dismiss them without notice. In 2024, Progroup adopted stricter internal guidelines which stipulate that Central Purchasing will actively engage in dialogue with suppliers at an even earlier stage in order to address any outstanding issues when it comes to sustainability.

In all of this, we rely on partnerships with our suppliers and a working relationship that is defined by shared values and objectives and the willingness to take responsibility together. We have set this out in our purchasing guidelines.

Risk management as part of the Supply Chain Due Diligence Act

Since 01.01.2024, Progroup has had to comply with the specifications of the German Act on Corporate Due Diligence to Prevent Human Rights Violations in Supply Chains (Supply Chain Due Diligence Act – SCDDA). To make sure the company is as well prepared for this as possible, we implemented a project relating to it in 2023. As part of this, processes have been implemented to take sufficient account of risks within the company’s own business, but also within the supply chain. The overall risk management system is monitored by Progroup AG’s various risk owners and the Executive Board. The SCDDA risk management system fits into this overall system and is monitored by the SCDDA officer. In addition, this officer is the point of contact for the respective internal business units and ensures that the company meets its obligation to report to the Federal Office for Economic Affairs and Export Control.

In specific detail, the supplier risk management in relation to human rights and environmental risks is based on the following content:

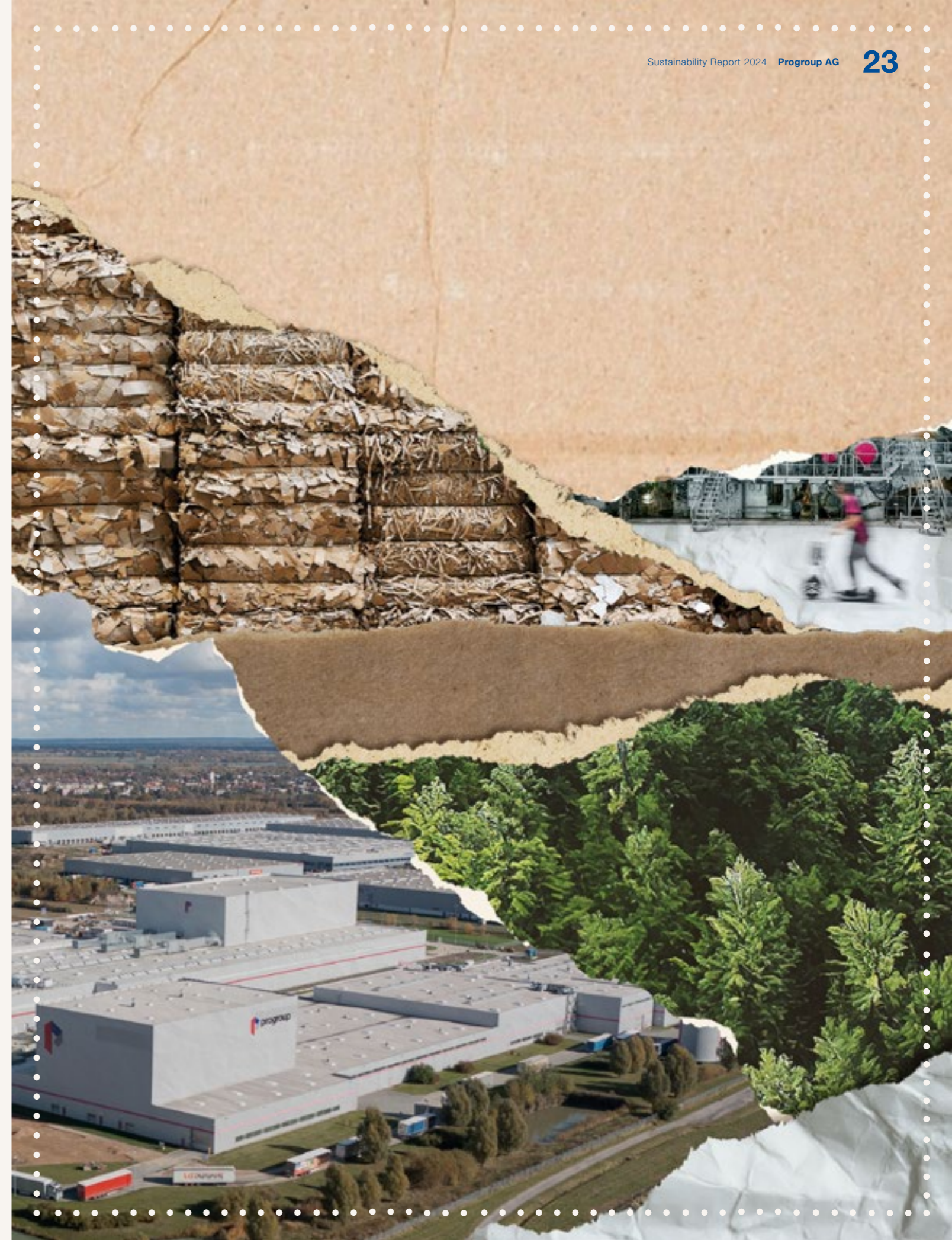
- Carrying out annual and event-related risk analyses based on set criteria. The risk analyses are carried out in several phases. First of all, location risks and industry risks are considered comprehensively. In a second step, a specific risk analysis is carried out when an updated threshold value is exceeded. The analysis is carried out using software.
- Stipulating and implementing appropriate preventive measures, such as clear communication channels, comprehensive training measures, a compliance code, supplier qualification and tool-based research to identify any anomalies in the supply chain to prevent risks from arising in the first place.
- Defining and implementing remedial measures when risks become known in the company's own business or within the supply chain.
- Introducing a confidential and freely accessible complaints procedure, which can be used within and outside the corporate group and allows anonymous tip-offs to be submitted to draw attention to human rights and environmental risks as well as violations of human rights-related or environmental obligations. Ensuring communication with relevant stakeholders and providing the scheduled annual report to the relevant authority.

The risk management requirements are summarised for our employees in an SCDDA risk management manual and reflect the interfaces with the existing business processes. All employees in the purchasing organisations receive training on the SCDDA risk management system annually or if any anomalies arise. Special focus is given to implementing the risk analysis and selecting suppliers. New suppliers can only be created once they have been checked.

We also communicate what we expect from our suppliers in the general purchasing conditions. A corresponding extension of the purchasing conditions took place as part of the project. The appropriateness and relevance of risk management is reviewed annually and when circumstances require this.

Priority risks

In general, our business activities do not entail a high level of human rights or environmental risk. We are confident that our guidelines and principles and the fact we operate primarily in Central Europe and Great Britain mean we are able to ensure reliable compliance with human rights and environmental requirements. Although our risks are at a low level, given the nature of our business, we consider it to be a particular priority to protect employees from discrimination and exclusion as well as to minimise any harmful pollution of the soil, water or air.



STAKE HOLDERS AND MATERIALITY

Identification of key issues

Dialogue with our stakeholders

Sustainability organisation

Identification of key issues

Papermaking as a whole is resource-intensive. Even though Progroup uses recovered paper as a raw material, the demand for energy and water remains high, which is typical of the industry. Consistently reducing this level of consumption will benefit both the company and wider society. This is why we continue to develop our Green Hightech strategy. It enables us to make use of the very latest technology to reduce consumption and optimise products.

We last reviewed and expanded our sustainability strategy in 2021. We did this by linking our existing ecological and social activities to other aspects of sustainable business and developing a cohesive overall strategy which focuses on the long term.

It is an integral part of the corporate strategy, has been devised by a core internal team with scientific support and approved by the Executive Board of Progroup AG. The members of the Executive Board responsible for sustainability in 2024 were Dr. Volker Metz, CFO, Marc Sesterhenn, COO, and Beate Flamm, CCO.

In developing the sustainability strategy, we looked at which economic, ecological and social issues are having an impact on our business today and will do so in the future, and also at what impacts our own activities are having on economic, ecological and

social concerns. We incorporated the viewpoint of our internal and external stakeholders and also consulted the United Nations Sustainable Development Goals (SDGs).

In total, we came up with around 40 topics which we have examined and prioritised by looking at two aspects:

- With which topics do we make a relevant contribution to sustainable development?
- Which topics have a decisive influence on the way our company is perceived by the stakeholders?

The topics recognised as being essential were the three to four topics in each sustainability dimension which were judged to be of the highest relevance from both perspectives. In the economic sphere, growth, innovation and cost efficiency were regarded as being particularly important. They were not given their own measured sustainability variables, but defined as a requirement for doing business sustainably over the long term.








For the dimensions of ecology and social aspects, there were six essential topics which we have set out with detailed action strategies and specified targets for the period through to 2030 and in some cases beyond.

We developed all the strategies for action derived from the key topics on the basis of scientific scenarios (KS95 and KS80 from the Fraunhofer

Our key sustainability topics

Development of the sustainability goals

We strive constantly to keep developing our sustainability strategy. In 2024, as part of this process and in preparation for the upcoming CSRD reporting obligations, we began reviewing our defined sustainability goals. At the beginning of 2025, we then also conducted a double materiality analysis with this in mind. Based on the results of this analysis, we will also reassess our sustainability goals and will adjust them if necessary.

| SDG | Key topic | Measured variable | 2012 | 2022 | 2023 | 2024 | Target for 2025 | Target for 2030 |
|--|--|--|---------------------------------------|---|--|--|--|---|
|  | Reduction in CO ₂ emissions (Scope 1 and 2 ^[1]) | Specific CO ₂ e emissions (t of CO ₂ e / t of total output ^[2]) | 0.32 | 0.23 (-28 %) | 0.23 (-28 %) | 0.21 (-33 %) | -35 % | -40 % |
| | | Specific CO ₂ e emissions for corrugated board (t of CO ₂ e / 1000m ²) | 0.245 | 0.182 (-26 %) | 0.175 (-29 %) | 0.160 (-34 %) | -35 % | -40 % |
| | | CO ₂ e emissions in total (t of CO ₂ e) | 527,821 | 694,457 | 702,751 | 654,689 | Constant emissions with further growth of the company | Constant emissions with further growth of the company |
|  | Reduction in water consumption | Specific fresh water quantity (m ³ /t of total output ^[2]) | 3.27 | 2.15 (-34 %) | 2.18 (-33 %) | 1.98 (-39 %) | -35 % | -40 % |
|  | Reduction in the use of raw materials | Use of kraftliner (proportion of the amount of paper used in total) | 14 % | 12 % (-19 %) | 11 % (-20 %) | 11 % (-20 %) | -25 % | -30 % |
|  | | Grammage (g/m ²) | 497 | 489 (-1.7 %) | 488 (-1.8 %) | 489 (-1.7 %) | -3 % | -5 % |
|  | Boosting our employees' level of satisfaction | Rate from the "Engagement" and "Attractiveness" indicators | Not recorded | 68 % | 65 % | Not recorded | Average for manufacturing sector ^[3] | Best-in-class ^[4] |
|  | Improvement in occupational safety | Notifiable workplace accidents per 1 mill. hours worked | No direct comparable figure available | Paper machines: 23.7 ^[5] Corrugated sheetfeeder plants: 24.4 CHP plant: 10.1 | Paper machines: 10.6 Corrugated sheetfeeder plants: 11.9 CHP plant: 10.1 | Paper machines: 13.0 Corrugated sheetfeeder plants: 13.1 CHP plant: 0 ^[6] | Paper machines: 18.3 Corrugated sheetfeeder plants: 11.7 CHP plants: 11.1 ^{[6] [7]} | <5 |
|  | Boosting equal opportunities | Percentage of women among salaried employees | Not recorded | 33 % | 33 % | 36 % | 40 % | 50 % |
| | | Percentage of women in management positions | Not recorded | 9 % | 9 % | 10 % | 12 % | 20 % |

[1] Owing to a lack of availability, in some cases emissions factors from previous years were used to calculate the emissions.

[2] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.

[3] Average for manufacturing sector: engagement 68%; attractiveness 66%, correspond to the values from the year when the goals were set.

[4] Best-in-class: engagement: 93%; attractiveness: 94%, correspond to the values from the year when the goals were set.

[5] Correction for the previous reporting period in which the key indicator specified for our paper machines initially included external service providers. Since 2022, in line with the rest of the business divisions, internal values have been specified here too.

[6] The data used as the basis is amended from 2024 owing to the uniform digital recording of time.

[7] Corresponds to the industry average at the time the goal was set. Source: BG ETEM.

Institute for Systems and Innovation Research and the Öko-Institut) which cover the period up to 2050. As a result, this includes elements of the European Green Deal: Emissions into the air and water, energy efficiency and the circular economy.

In the first quarter of 2022, we applied the targets that have been defined for the company together with the divisional managers to the individual divisions of the company.

Dialogue with our stakeholders

To ensure that Progroup's strategy is as focused as possible, we conducted more than 30 interviews with stakeholders in the process of developing our strategy in 2021. They included internal stakeholders such as the family that owns the business, the management and other employees, but also external stakeholders such as suppliers, investors and associations.

The dialogue with stakeholders was split into two stages. A survey of the employees and initial discussions with external stakeholders were conducted as part of a master's thesis. An online questionnaire was created internally to try to appeal to as broad a range of employees as possible. Based on these results, the second stage of the dialogue involved a more in-depth discussion which the whole sustainability team took part in.

There were then discussions with selected experts from different fields.

We held direct talks with external stakeholders, structured according to previously defined content. They were tailored to reflect the areas in which the other party worked. For example, the team spoke to representatives of a machine manufacturer about modifications to boost the energy efficiency of future generations of machines, while financial institutions were asked about their requirements in relation to disclosing sustainability indicators.

In addition, we incorporated and evaluated requests from investors.

In conclusion, it can be stated that our external stakeholders are increasingly striving to integrate sustainability measures into the way they do business, especially when it comes to CO₂ reduction and compensation.

As far as the expectations placed on Progroup are concerned, the stakeholder survey revealed that in particular the family that owns the company and the management as well as the capital market expect Progroup to address issues of sustainability.

It also became clear that in general large B2B customers and end customers tended to be more interested in sustainability aspects of our products, whereas there were different levels of interest among smaller customers and suppliers.

In relation to our employees, it can be stated in summary that they consider Progroup to be sustainable and identify with the ecological issues that the company is pursuing. In terms of specific employee issues, many would like to see a greater commitment from the company.

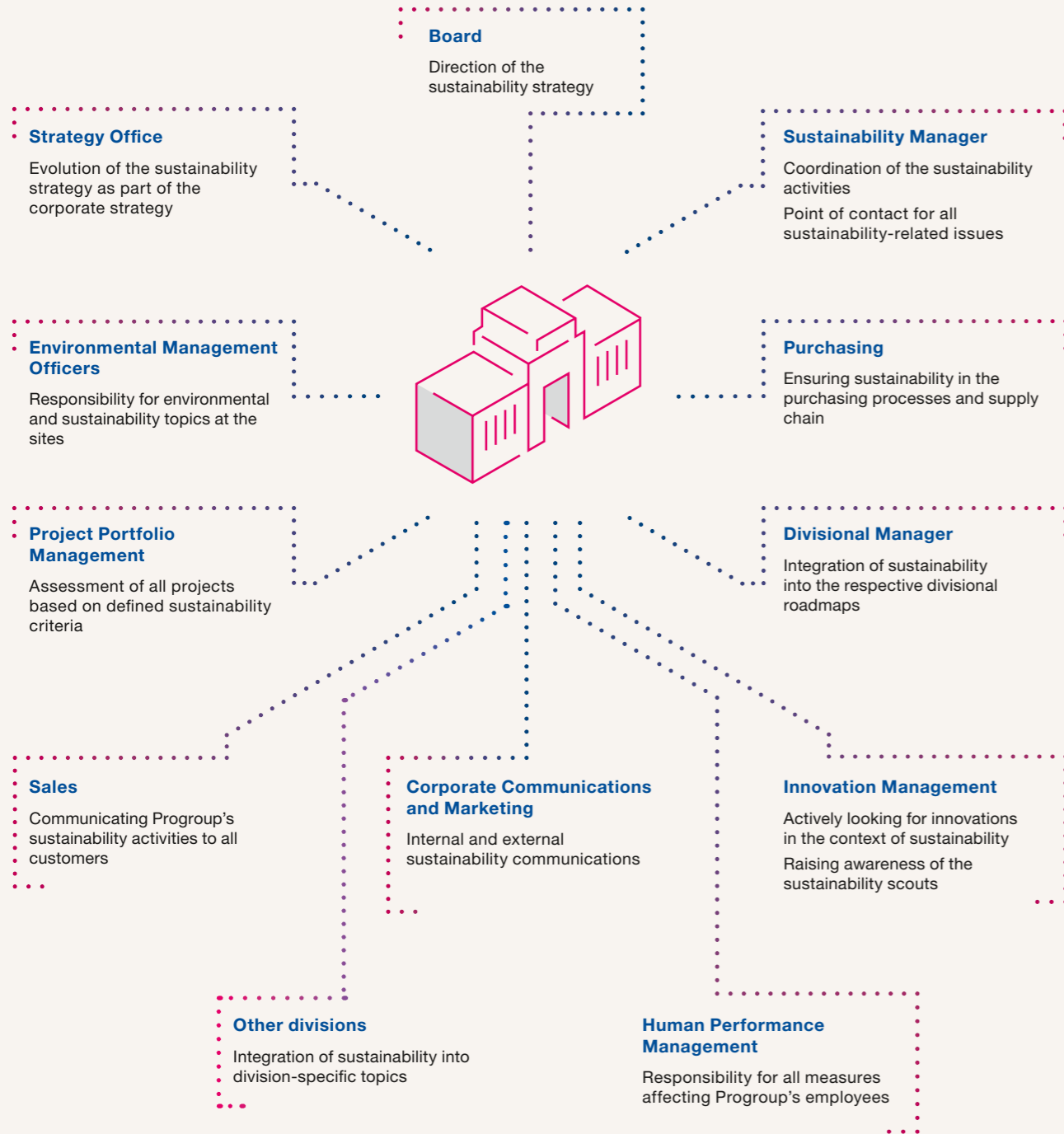


Stakeholder groups considered

Family, Supervisory Board, Board

| | | | | | |
|--|---------------------------------|---|------------------------------|--|--|
| | Customers | > | Packaging park customers | | Regional customers |
| | Employees | > | Current employees | | Future employees |
| | Capital market | > | Investors | | Banks Rating agencies |
| | Partners & suppliers | > | Disposal firms | | Machine manufacturers Carriers Other suppliers |
| | Politicians/legislators | > | EU | | D, PL, F, CZ, IT, UK German states |
| | Politicians/funders | > | EU Green Deal | | National funding |
| | Community | > | Local community, politicians | | Associations, social groups Residents |
| | Society | > | NGOs | | Science |
| | End customers | > | Corporates (EU, global) | | SMEs (various sectors) E-commerce Consumers |

Sustainability organisation



Sustainability is firmly established at all levels in all divisions.

SUSTAINABILITY IS FIRMLY ESTABLISHED AT THE CORE OF OUR COMPANY

In 2024, in preparation for the CSRD reporting, we began preparing a stakeholder survey that is the basis for identifying the topics along the company's double materiality.

Sustainability organisation

Sustainability management means systematically embedding social and ecological requirements in the structures and processes of a company.

The requirements are very varied and the timescale for implementation often stretches over decades.

Sustainability management is therefore a complex task that can be accomplished only by working across departments and hierarchies. This is

why we have created an organisational structure that spreads the workload, clearly establishes responsibilities and assigns tasks to the divisions of the company. Adhering to this benefits both the individual division and the shared sustainability goal. All divisions of the company are part of the same network.

The Executive Board makes major policy decisions. Subordinate to it is the Strategy Office, which develops the overall strategy of the company, including its sustainability strategy. The sustainability manager provides the technical expertise and coordinates the sustainability activities. There are also prominent roles for the divisional managers, who integrate sustainability aspects into their planning and present this to their teams, as well as Project Portfolio Management, in which new projects are examined to establish their feasibility, viability and sustainability.

Key roles are also played by the following divisions:

- Innovation Management**
Reviews all innovations to determine if there are more sustainable ways to achieve the goals, and deliberately looks for innovations to achieve Progroup's sustainability goals.
- Corporate Communications & Marketing**
Gives Progroup visibility on the issue of sustainability to external and internal stakeholders.
- Sales**
Makes customers aware of opportunities and risks in the context of sustainable development and positions Progroup as a powerful partner for a sustainable future.
- Human Performance Management**
Draws up all the measures of the sustainability strategy that relate to the employees, and implements them.

GROWING SUSTAINABLY, ACTING RESPONSIBLY

Corporate structure

Value-added chain

Corporate strategy

Economic performance

Corporate structure

The corporate group has fifteen companies including Progroup AG. The Board division comprises a total of 13 corrugated sheetfeeder plants. The controlling company is Progroup Board GmbH, which oversees the six corrugated sheetfeeder plants in Germany. The seven plants abroad are operated by fully owned subsidiaries of Progroup Board GmbH in France, Great Britain, Poland, the Czech Republic and Italy.

The Paper division is engaged in the upstream stage in the value creation chain because it produces container-board. It comprises Progroup Paper PM1 GmbH with the paper factory in Burg and its fully owned subsidiaries, Progroup Paper PM2 GmbH with its paper factory in Eisenhüttenstadt and Progroup Paper PM3 GmbH in Sandersdorf-Brehna. Progroup Power 1 GmbH with its waste-to-

energy plant in Eisenhüttenstadt supplies Progroup Paper PM2 GmbH with steam and with electricity. Since mid-2025, Progroup Power 2 GmbH is also supplying steam and power to Progroup Paper PM3 GmbH in Sandersdorf-Brehna.

Progroup Logistics GmbH as a logistics company provides transport services within Progroup and externally.

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Value-added chain

The value-added chain within the corporate group starts with the three paper factories. The most important input factor for paper production is recovered paper. The paper factories predominantly supply the corrugated sheetfeeder plants within the corporate group as well as a small number of external customers. The complementary technical configuration means that it is possible to produce containerboard with a grammage of between 60 g/m² and 230 g/m². Progroup Power 1 GmbH is located upstream of the paper machine PM2 and produces steam to be used in production. From mid-2025, the second waste-to-energy plant PPO2 in Sandersdorf-Brehna will also provide PM3 with the great benefit of power and steam that the company is able to produce sustainably itself.

The second key stage in the value-added chain are the production and distribution of corrugated board sheets and therefore delivering products to the packaging manufacturers which in turn supply various industries. Between the individual stages in this value-added chain are transport logistics processes that are supported by Progroup Logistics GmbH.

The product range at the Board plants comprises single-wall to triple-wall corrugated board sheets with different flute sizes. The grammages range from around 300 g/m² to almost 2 kg/m². In general there are trends towards lighter-weight corrugated board that has the same strength and small batches in order to meet the ever more differentiated requirements of the packaging industry. Progroup is well positioned in the market to cater for both trends. The company's customer

base for corrugated board sheets mainly comprises medium-sized packaging manufacturers.

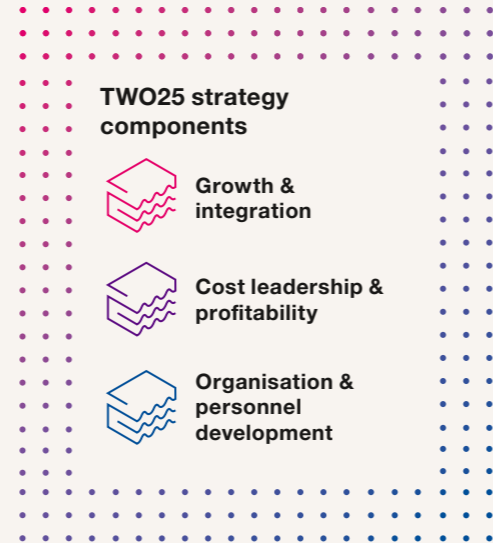
Our corporate strategy

Our vision is to change the industry. We want to be Europe's market leader for corrugated sheetboard and the fastest organically growing, most efficient company in the industry.

Our mission is to be the preferred partner for independent packaging manufacturers that we can help to grow profitably and tap into new potential with the reliability, know-how and outstanding structures that a highly specialist provider is able to offer.

We know that long-term growth is only possible if we manage to achieve the right balance between successful growth as a company, doing business in a way that conserves resources, and social responsibility. The fact that our company's continuous growth must be sustainable has never been in question and provides the foundation of our corporate strategy. To implement this strategy consistently, we devise rolling strategy periods of ten years each. Since 2016, we have been pursuing the "TWO25" ten-year strategy. What we are aiming to achieve is to double the size of the company by 2025 compared to 2015.

All of Progroup's activities are geared towards profitable growth. In mid-2024, we started production at our plant in Höheischweiler-Petersberg (Germany) as planned. The plant in Cessalto (Italy) started operating in mid-2025, along with our second waste-to-energy plant. It was constructed in Sandersdorf-Brehna (Saxony-Anhalt) in order to supply steam to our newest paper factory at the same site (PM3).



Progroup 2024



(as of 31/12/2024)
^[1] In relation to the market for containerboard based on recovered paper

Economic performance

In the 2024 financial year, with 1,738 employees (2023: 1,681) we generated revenue of 1,313 billion euros (2023: 1,320 billion).

In 2024, the market environment for containerboard and corrugated board was once again characterised by fluctuating sales volumes and a low level of capacity utilisation. We saw intense competition for containerboard and corrugated board throughout the financial year.

The weak economy had an impact on Progroup’s operating business, particularly in the second half of the year. Although sales of corrugated board increased by 1.5 per cent overall in 2024 compared to the previous year due to strong performance in the first half of the year, sales of corrugated board then started to decline in the second half of the year. Sales of paper in 2024 as a whole were slightly lower than they were in the previous year. The average corrugated board prices were also slightly below the level of the previous year. By



Key figures



Revenue

2022: € 1,759 mill.
 2023: € 1,320 mill.
 2024: € 1,313 mill.

Change compared to previous year:

-0.5%



Number of employees

2022: 1,663
 2023: 1,681
 2024: 1,738

Change compared to previous year:

+3.0%

contrast, prices for containerboard rose in 2024 compared to the previous year.

The price and volume changes described above resulted in total sales of 1.3 billion euros, which was essentially on a par with the previous year. The increase in raw material costs, in particular due to the sharp rise in recovered paper prices, resulted in a noticeable decline in the gross margin.

In addition to the lower gross margin, higher maintenance and personnel costs also led to a decline in EBITDA.

To summarise, the lower result in 2024 can be attributed to the generally weak economic situation, overcapacity in the paper industry and several unplanned shutdowns due to technical problems in the Paper and Power divisions.

4

Circular economy in practice

Our raw materials

- Fewer raw materials in corrugated board
- Recycled fibre instead of fresh fibre

Water and wastewater

- Biological water treatment
- Reduction of wastewater

Energy and emissions

- Our combined heat and power plants
- Greenhouse gas balance

Circular economy in practice

Progroup's products reflect the idea behind the circular economy: Our containerboard is made from a secondary raw material. The corrugated board end product can be recycled more than 20 times – a shining example of how a circular economy can work. At the same time, the process of papermaking still uses a great deal of energy and water. Our biggest tools for doing business ecologically are therefore technologies which reduce the amount of energy and water required or allow us to reduce the quantity of raw materials used in our products.

There are also other parameters which need to be right: As part of the process of making containerboard, we release impurities from the recovered paper. We guarantee that all impurities are in fact removed and disposed of in such a way that no harm is caused to people or the environment. If we need to use fresh fibres – which is only the case with around 11 per cent of the raw paper that is used in corrugated board production – this ensures that they come from sustainably managed forests.

To manage the different areas of the business and provide transparency over how we tackle these issues, we monitor our environmental performance and subject ourselves to auditing and certification by relevant institutions. We evaluate potential negative impacts in our supply chains using an appropriate risk management system. Details on this can be found on page 21.

Our certified environmental performance



Energy and environmental management

All paper factories are certified to DIN ISO 14001 and DIN ISO 50001 or EMAS-certified. The waste-to-energy plants of Progroup Power 1 and 2 are also EMAS-certified. In 2024, all corrugated sheetfeeder plants that existed at the start of the year were certified to DIN ISO 50001; two are also certified to DIN ISO 14001. Our new plant PW15, which only started regular operation in mid-2024, will be certified to DIN ISO 50001 in September 2025.



Responsible forestry

All of our paper and corrugated board plants are FSC®-certified (multi-site). Our papers and corrugated board sheets conform to the "FSC® Recycled" or "FSC® Mix" standard.



Food-safe products

All our corrugated board sheets are certified by ISEGA. They fully satisfy all consumer protection requirements, can be used for food packaging and may come into direct contact with dry, non-greasy food and food that is peeled or washed before being consumed. Furthermore, they can be used as secondary packaging. In the case of dry, non-greasy foods with a large surface area, particular focus must be given to the transfer of volatile and hydrophobic substances via the gas phase. This can be done, for example, by also using suitable intermediate packaging.

Our raw materials

Our most important raw material is different grades of recovered paper. This secondary raw material is becoming increasingly rare and expensive because the demand for papers based on recovered paper continues to rise.

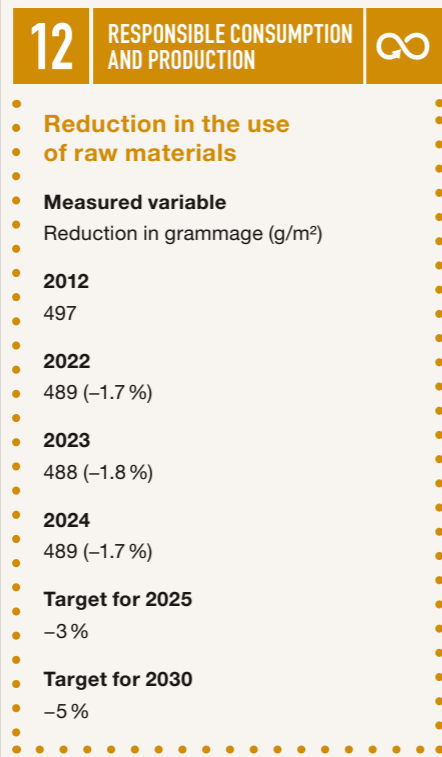
The market is highly competitive, yet using recovered paper still makes more sense ecologically than purchasing fresh fibre papers, which are also expensive. In addition, we are working hard to try to reduce the grammage of our corrugated board sheets and exploring alternative materials.

Less use of raw materials

We are continuously working to reduce our overall use of raw materials. This is why we are now able to manufacture corrugated board sheets that are lighter and yet still satisfy the same technical requirements. Since 2012, we have already reduced the average grammage by 1.7 per cent and we aim to reduce it by 5 per cent by 2030. However, achieving this goal will depend mainly on the requirements of the market. With customers demanding heavier corrugated board grades, it will be challenging for us to achieve the desired saving within the planned time frame.

Our weight-optimised products are known as **nextboard**® corrugated boards. They feature a volume that is 15 per cent lower than Progroup's conventional grades of corrugated board, which saves storage and transport costs. **nextboard**® is also noted for its higher compressive strength and edge crush resistance than other products which use the same quantity of raw materials. We manage to produce this special stability thanks to a change in the corrugated board design.

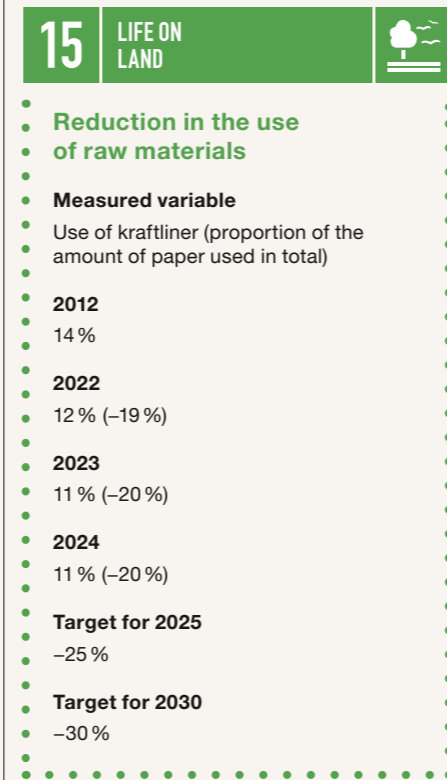
We use the total weight of the corrugated board sheets sold to produce the key parameter for determining the reduction in grammage. This means that it reflects the range of grades chosen by our customers. In 2024, we managed to roughly maintain the previous year's figure. We did not make any improvement on average over the year. In the second half of the year, grammages were gradually reduced through targeted measures, and this trend continued at the beginning of 2025.



Recycled fibre instead of fresh fibre

We also buy kraftliner for corrugated boards which need to be particularly resilient. Kraftliner is base paper that is made primarily from fresh fibre and is therefore especially robust. We use kraftliner exclusively for the corrugated board cover layer because it is more expensive than recycled paper and its life cycle assessment is not as good.

In our paper factory in Burg, we are able to manufacture a type of containerboard from recycled fibres that is just as robust as kraftliner: "Proliner K". In many cases, we are able to replace the containerboard based on fresh fibre with this recycled containerboard. By using Proliner K, we not only reduce the amount of wood we use in our upstream supply chain, but also achieve a significant energy benefit.



Our aim is to reduce the fraction of kraftliner used by 30 per cent in 2030 compared to 2012. We wanted to achieve a reduction of 25 per cent by 2025. In the reporting period, the fraction of kraftliner used (11 per cent) remained at the level of the previous year, which equates to a reduction of 20 per cent compared to the base year of 2012. So this means we have not yet

been able to make all the progress needed. One reason is that to achieve our goal – as is the case with grammage – we are also impacted by the requirements of the market and our customers.

Water and wastewater

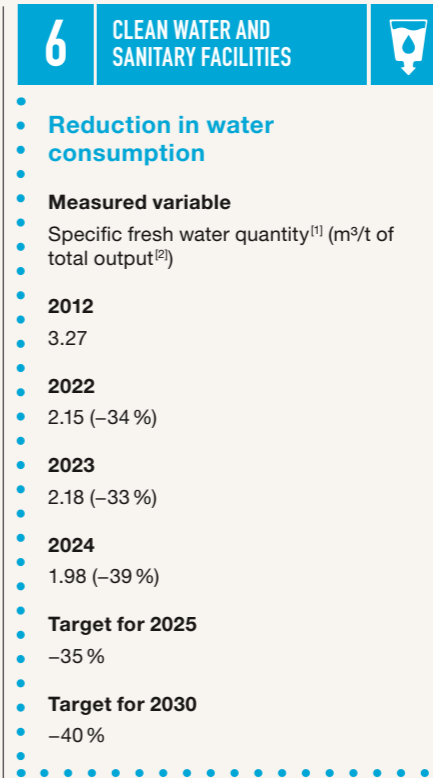
The process of producing containerboard uses a lot of water. In our paper factories, we utilise water not only in the production process, for example for breaking down recovered paper, but also for cooling and cleaning the facilities.

To reduce the level of consumption, we operate closed water cycles on two of our three paper machines (PM1 in Burg and PM3 in Sandersdorf-Brehna). This means that there is no wastewater from production on these two machines, and on PM3 wastewater only comes from ancillary systems alongside the paper machine. These technologies are unique in our industry. On the one hand, they enable us to reduce the environmental risk of using a very large quantity of fresh water. On the other hand, we reduce our risk of being subject to regulatory changes and price fluctuations in relation to the use of fresh water.

This has enabled us in recent years to significantly reduce the amount of fresh water we require for each tonne of total output. Compared to 2012, the reduction by 2024 was around 39 per cent.

We have set ourselves the goal of reducing the specific fresh water quantity – relative to one tonne of total output – by 40 per cent. We were almost able to achieve this ambitious goal in the reporting year.

The total water demand in 2024 was around 6.1 million cubic metres. This does not include our administration



[1] Does not include our administration site in Landau.
 [2] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.

Our raw materials and their processing



Recovered paper

We do not just use any old recovered paper, but instead employ recovered paper from households that has been sorted as well as paper returned from commercial sources. As recovered paper is often contaminated by plastic and other foreign substances, we subject it to mechanical cleaning. Our products are checked every two years by independent experts to certify that they are completely safe. We ourselves constantly check the quality in our laboratory. Progroup's containerboard and corrugated board sheets are approved for contact with dry and non-greasy foodstuffs.



Fresh fibre paper

We buy in base paper with a high fresh fibre content for the purpose of manufacturing highly stable, moisture-resistant corrugated boards, as are required for transatlantic shipments, for example. We process this kraftliner to make the top layer for the corrugated boards. The trend in the use of kraftliner can be seen in the table earlier on.



Starch

Starch is essential for the production of paper and corrugated board. It is applied to the raw paper so that the fibres bind together better, giving the paper strength. During further processing, we use starch as glue in order to bond together the corrugated board sheets. Native starch, whose use we promote in all our plants, is a natural product that we purchase from Germany, Poland, Belgium, England and Italy in particular.



Colours

The top layers of our containerboard are dyed brown. We only ever use raw materials, additives and finishes which are registered under the REACH Regulation and are permitted according to the 36th Recommendation of Germany's Institute for Risk Assessment.

site in Landau as the water consumption here is insignificant relative to the paper sites. As our company is growing, the absolute demand for water will also rise in the medium term. Nevertheless, compared to other companies in the paper industry, Progroup is particularly efficient when it comes to using water. In 2024, we required an average of 3.2 cubic metres of water per tonne of containerboard.

Biological water treatment

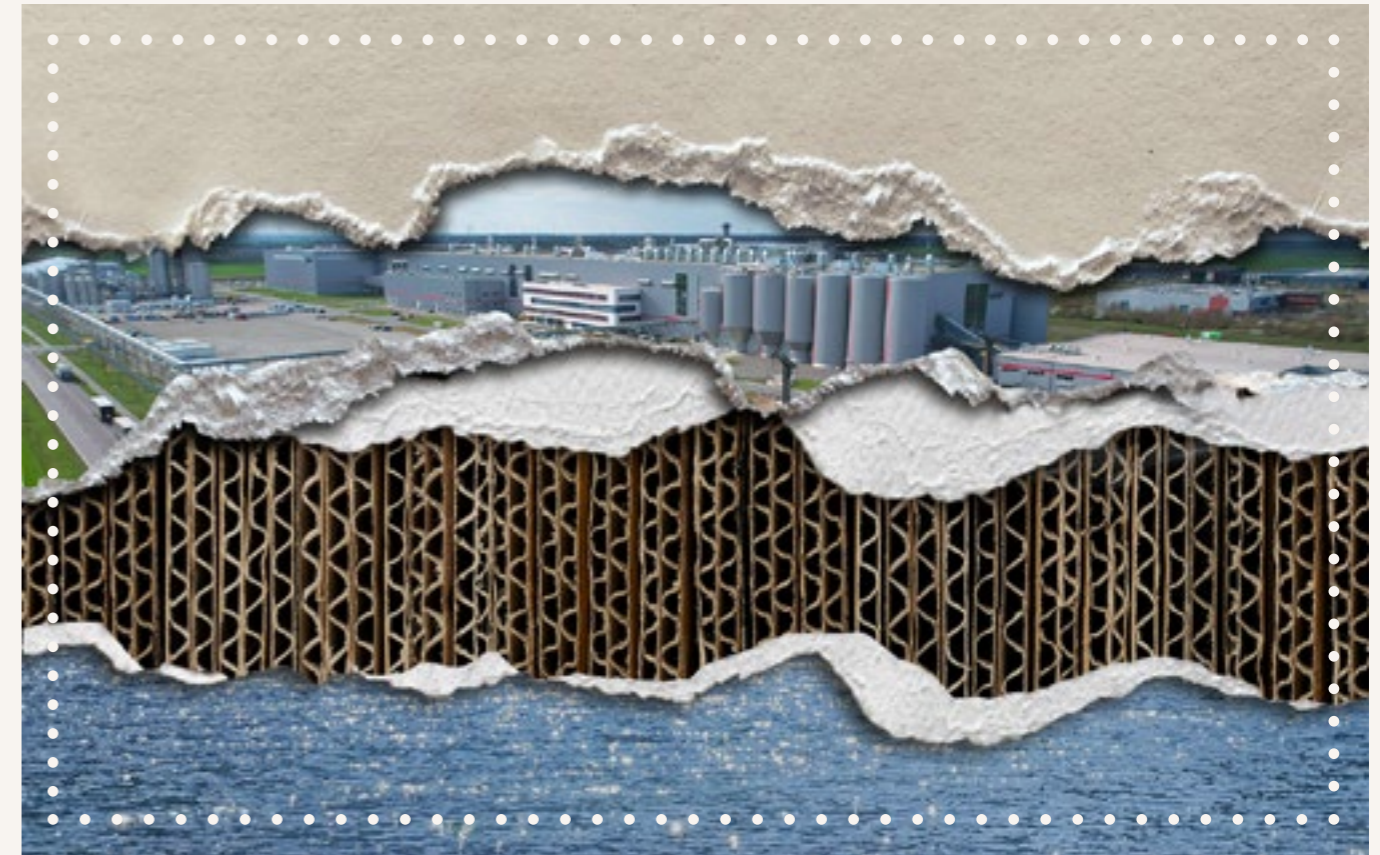
Our paper factory PM3 in Sandersdorf-Brehna is not just one of the world's most efficient paper machines; we have also integrated a state-of-the-art biological circulating water treatment plant which has been installed here for the first time anywhere in the world. It reduces the amount of fresh water that is used by around 70 per cent compared to similar paper factories. In the reporting year, we optimised the use of fresh water at PM3, which not only improved the stability of the plant as

a whole, but, combined with other measures, also reduced the perceived odour pollution in the surrounding environment.

Impurities which are transferred from the recovered paper into the process water are biologically degraded in the plant under anaerobic conditions and converted into biogas. We feed this into the boiler house to produce steam. The steam is in turn used on the paper machine for drying. This means that the plant overall consumes up to 10 per cent less fossil resources.

Reduction of wastewater

The closed circuits have drastically reduced not just our demand for fresh water, but also the amount of wastewater we have produced in recent years. PM1 does not produce any at all, and PM3 only produces wastewater from ancillary systems. The wastewater on PM2 is treated to the very latest standards by the Oderaue Drinking Water and Sewage Disposal Association. Wastewaters from our corrugated sheetfeeder plants do not require any special treatment, but are instead



13 CLIMATE ACTION

Reduction in CO₂e emissions (Scope 1 and 2) [1]

| Measured variable | Measured variable | Measured variable |
|--|---|---|
| Specific CO ₂ e emissions ^[2] (t of CO ₂ e/t of total output ^[3]) | CO ₂ e emissions overall ^[2] (t of CO ₂ e) | Specific CO ₂ e emissions for corrugated board ^[2] (t of CO ₂ e/1.000 m ²) |
| 2012 | 2012 | 2012 |
| 0.32 | 527,821 | 0.245 |
| 2022 | 2022 | 2022 |
| 0.23 (-28 %) | 694,457 | 0.182 (-26 %) |
| 2023 | 2023 | 2023 |
| 0.23 (-28 %) | 702,751 | 0.175 (-29 %) |
| 2024 | 2024 | 2024 |
| 0.21 (-33 %) | 654,689 | 0.160 (-34 %) |
| Target for 2025 | Target for 2025 | Target for 2025 |
| -35 % | Constant emissions (comp. to 2012) despite growth | -35 % |
| Target for 2030 | Target for 2030 | Target for 2030 |
| -40 % | Constant emissions (comp. to 2012) despite growth | -40 % |

[1] Owing to a lack of availability, in some cases emissions factors from previous years were used to calculate the emissions.

[2] Does not include our administration site in Landau.

[3] The total output is made up of the output of containerboard and corrugated board sheets, each in tonnes.

transported via the sewer system into the public wastewater treatment plants.

Energy and emissions

Climate neutrality is a major challenge for Progroup, as it is for many other manufacturing companies. In Germany, the paper industry is one of the most energy-intensive industries. Although less energy is required for producing recycled paper than for fresh fibre paper, our company is still to a large degree energy-dependent. The drying of the containerboard is done for example using steam, whose production consumes a lot of energy.

In the reporting year, our total emissions in Scopes 1 and 2 were significantly below the level of the previous year. The reduction of more than 5 per cent is mainly down to a decline in the emissions produced from procuring electricity and steam for our paper machines. This was primarily due to the better emissions factor for electricity, which means that the electrical energy we purchase is becoming increasingly "greener".

In the reporting year, the specific CO₂e emissions from the company's total output displayed an encouraging trend. We were able to reduce

them further and we have now already achieved a decline of 33 per cent compared to the base year of 2012. At the same time, the specific emissions for our most important product, corrugated board, also fell, with the figure of 0.160 tonnes of CO₂e per 1,000 square metres being around 34 per cent below the 2012 figure. This means that, in the reporting year, we almost achieved the targets we set ourselves for 2025.

We are continuously optimising our facilities and processes to make even more efficient use of energy in all areas and so continue to reduce CO₂ emissions.

Waste-to-energy plants

We acquired our first power plant from EnBW in Eisenhüttenstadt in 2016 and have been operating it ourselves ever since. The second has been under construction in Sandersdorf-Brehna since the end of 2022 and started operating commercially in mid-2025. They are both CHP plants in which in particular we convert waste materials from papermaking and substitute fuels into energy.

In Eisenhüttenstadt, we produce roughly 1.2 million tonnes of steam and up to 200 gigawatt hours of electricity each year. This means that, apart from when the power plant is being inspected, we provide all the steam that PM2 requires. The amount of electricity produced is equivalent to roughly 50 per cent of the power that PM2 requires. The CHP plant in Sandersdorf-Brehna will provide an average of around 1.1 million tonnes of steam each year and generate up to 175 gigawatt hours of electrical energy annually.

Greenhouse gas balance

Our emissions in 2024 were 654,689 t of CO₂e in Scopes 1 and 2. In Scope 3, they amounted to 825,031 t of CO₂e. Combined, this produces a total of 1,479,720 t of CO₂e.

The recording of the Scope 3 emissions for 2024 covers the categories that are most relevant for our production processes: the upstream emissions from the purchase of electricity and fuels, transmission and distribution losses from the purchase of electricity, production materials, office equipment, related services, capital goods, purchased logistics services, water consumption and wastewater and the disposal of sold products.

The production materials make up the largest share. In this category, we have recorded the most important materials for us. These include glue, starch and dye for papermaking, starch and caustic soda for the production of corrugated board and the external purchase of containerboard.

As a constantly growing company, Progroup is set to purchase more production materials, which means emissions in this area will also increase in absolute figures. The significant increase in emissions for our production materials (+33 per cent) in the reporting period is attributable primarily to the increased volumes of paper that were purchased. The increased emissions factor for fresh fibre paper is also a factor of considerable relevance here. The purchased logistics services account for another important share of our Scope 3 emissions. In this category, we have set out the recovered paper journeys and transport consignments that we issue.

Since the 2023 reporting year, we have continued to expand our records and also included the emissions for the recovered paper that was used. According to the “Recycled Content Method” of the Greenhouse Gas Protocol (see Product Life Cycle Accounting and Reporting Standard (2011), p. 73), the emissions of this raw material affect the Scope 3 categories of “transport” and “disposal of sold products”. The actual recycling process is part of our paper production and is therefore already included in our Scope 1 and 2 emissions.

For an energy-intensive company like ours, it is another way to become carbon-neutral by 2045. This will only work if in the coming years renewable energy is made available in sufficient quantities and other general conditions (for example the possibility of storing

separated CO₂ volumes) are put in place so that not only we but the industry as a whole can manufacture products in a carbon-neutral way. Politicians are in the process of establishing the general framework for this.

In 2023/24, we developed a transformation concept for a reference corrugated sheetfeeder plant. This project received state funding and its results are currently being analysed. The aim is to provide a detailed description of the previous, current and future-planned efforts to combat climate change at this site and to develop a strategy that is consistent with limiting global warming to 1.5°C and meets the goal of achieving climate neutrality over the long term. The transformation concept represents part of the decarbonisation strategy that we also launched in 2023.

Greenhouse gas emissions in tonnes of CO₂ equivalents (CO₂e)^[1]

| Scope | Emissions sources | 2012 | 2022 | 2023 | 2023 new ^[2] | 2024 |
|---------|--|----------------------|------------------------------|------------------|-------------------------|------------------|
| Scope 1 | Natural gas | 118,576 | 234,632 | 237,309 | 237,309 | 237,901 |
| | Heating oil | 3,267 | 10,256 | 5,948 | 5,948 | 2,290 |
| | Diesel | 6,227 ^[3] | 7,477 | 7,837 | 7,837 | 7,474 |
| | Coal | 1,350 | 0 | 0 | 0 | 0 |
| | Burning of substitute fuels | 179,575 | 174,850 | 139,741 | 139,741 | 143,973 |
| | Total | 308,996 | 427,215 | 390,835 | 390,835 | 391,639 |
| Scope 2 | Purchased electricity ^[4] | 154,465 | 247,555 | 264,916 | 264,916 | 234,046 |
| | Purchased steam | 64,361 | 19,687 | 47,000 | 47,000 | 29,004 |
| | Total | 218,825 | 267,242 | 311,916 | 311,916 | 263,050 |
| | Scope 1 and 2 total | 527,821 | 694,457 | 702,751 | 702,751 | 654,689 |
| Scope 3 | Purchased electricity – upstream emissions | | 64,025 | 68,422 | 68,422 | 45,306 |
| | Purchased fuel – upstream emissions | | 44,073 | 42,412 | 42,412 | 42,251 |
| | Purchased electricity – transmission and distribution losses | | 10,349 | 11,194 | 11,194 | 12,420 |
| | Production materials | | 391,012 | 409,571 | 485,479 ^[2] | 546,112 |
| | Office equipment (excluding IT) | | 1,103 | 1,340 | 1,340 | 1,167 |
| | Related services | | 360 | 752 | 752 | 1,228 |
| | Capital goods | | 56,446 | 87,368 | 87,368 | 45,703 |
| | Purchased logistics services | | 88,497 | 137,707 | 137,707 | 119,457 |
| | Water consumption and wastewater | | 2,041 | 2,216 | 2,216 | 1,677 |
| | Disposal of sold products | | | 31,799 | 31,799 | 9,726 |
| | Total | | 657,609^[5] | 792,781 | 868,689 | 825,031 |
| | Scope 1 to 3 overall total | | 1,352,066 | 1,495,532 | 1,571,440 | 1,479,720 |

[1] Basis of calculation: internal calculation, based on Greenhouse Gas Protocol, does not include our administration site in Landau.

[2] To make the figures easier to compare, the values for the CO₂ emissions for our production materials for 2023 have been recalculated and adjusted with the latest emissions factor for 2024.

[3] The commercial vehicle fleet is not included.

[4] Location-based emissions factors were used to calculate the emissions from purchased electricity.

[5] The recovered paper used is not included.

Our workforce

- Dialogue with the workforce
- Close links to people
- Training and development
- Boosting equal opportunities
- Occupational safety as the most important task

Charitable involvement

- Our projects in 2024

SO CIAL AS PECTS

Our workforce

Having good personnel is crucial to the success of any business. One of our most important tasks is to recruit employees, train them and retain them over the long term.

Progroup has grown significantly in the last decade. The number of employees has more than doubled since 2012, and has risen by 12 per cent compared to 2021. In 2024, we employed 1,738 salaried staff and industrial employees in six European countries and offered apprenticeships to a total of 63 young people in eight different professions and five fields of study in four European countries (correct as of: 31/12/2024).

We are particularly pleased that we are able to create apprenticeships and jobs in places where they are rare, usually away from urban centres and in some cases also in economically deprived regions.

Our human resources activities focus on three key areas that we defined as part of our sustainability strategy:

- **Employee satisfaction:** It is crucial that our employees are satisfied so we can retain them over the long term. If there are any negative changes, we intervene promptly to rectify the situation.
- **Diversity and equal opportunities:** We want to be an attractive company for all talented people and recruit employees for the long term. One specific measure in this context is developing a programme to promote women.
- **Occupational safety and health protection:** Despite high performance standards, preserving the health and safety of our employees is the top priority for Progroup.

Our values

Progroup's corporate values are our compass: They define how we work together in a team and with customers and the attitude we want to display in pursuing our goals. We highlight these values to new employees as soon as they join our company. We want them to be embraced and passed on.



Visionary

Dynamism & flexibility
Inspiration & learning



Driving forward

Innovation & responsibility
Performance & reward



Unifying

Cooperation & team spirit
Trust & reliability

Dialogue with the workforce

All companies are suffering from a shortage of skilled workers and this is set to become even more acute in the future. This is why it is so important for us to retain our employees at the company. Employee surveys help us to measure their level of satisfaction and identify issues where we as an employer need to do more.

We want to continue to improve our employees' level of satisfaction in the years ahead. To do this, we launched various initiatives in the reporting period. We have further optimised the way we communicate with the workforce and are making the way we interact with our employees even more open, transparent and easier to understand. In addition to well-known formats, such as the regular visits that our CEO Maximilian Heindl makes to all sites, we have initiated other formats for dialogue. For example, the Executive Board now reports at regular intervals on important developments, such as our ongoing "Team Effort" efficiency programme. Employees can participate in these hybrid events in person at the company's site in Landau or via MS Teams. They have the opportunity to ask questions anonymously – including critical ones – via the "Slido" tool.

The entire Executive Board is making sure it is much more present at the plants so it can talk to colleagues directly and get a clear picture of the sentiment among the workforce at each site. In addition, since the end of 2024, we have installed information screens at the plants so that in particular we can make sure that employees in production are kept much better informed. We use our Progroup ONE app to regularly share interesting and relevant news with our employees – customised for specific sites and at a company level.

We have also expanded the options to provide feedback in the app with a view to promoting our "Team Effort".

The most important single project currently underway is the overhaul of the remuneration system in our plants, which will ensure greater transparency and predictability for our wage earners. In doing this, we have responded to a request that our employees in production have expressed on a number of occasions. In 2024, we developed a concept for doing this and we will introduce it by 2027. The essence of this concept is to transfer a part of the variable portion of the wage and the company performance bonus to the fixed basic remuneration. This will produce a higher fixed monthly wage overall, creating significantly more financial stability for our employees. At the same time, with the new plant bonus, we are providing a clear incentive for our colleagues in production to keep delivering a high level of performance in the future.

In 2024, we also prepared for the introduction of an attractive job bike leasing scheme for all employees in Germany, which we implemented at the start of 2025. This offer was also an idea that was frequently suggested by the workforce.

Implementing the modern ATOSS system for our employees has enabled us to further optimise and digitise our processes in the area of time management. ATOSS allows working hours and absences to be managed efficiently and transparently. In addition, the creation of an interface from ATOSS to SAP SuccessFactors means that data from time management can be incorporated directly into payroll accounting. This enables our time management to be administered uniformly and in a standardised way across all sites. The system is noted for its high level

of user-friendliness and reliability. Last but not least, the introduction of digital time recording helps us to comply with working time laws, as it provides accurate records of working hours and overtime that guarantee full compliance.

To evaluate the results of the cultural analysis and keep improving the corporate culture, we have initiated a multi-stage process. As the results from the full survey differ significantly between divisions, they were initially discussed in the individual divisions. This means that internal measures can be managed directly by the relevant managers. In addition to this, we also look at issues that affect the whole company. The introduction

of a "lessons learned" process should help with this. This involves recording positive and negative trends across the company and sharing them across divisions or the whole company, for example via our Progroup app. We will thus encourage mistakes to be addressed openly.

In addition, a pulse check took place in 2023. It contained fewer questions and was designed to highlight the latest trends faster and allow countermeasures to be taken if necessary. "Engagement" received a positive rating from 72 per cent of participants. Slightly fewer employees (58 per cent) gave a positive answer to the questions on "Attractiveness". The satisfaction score for 2023 was 65 per cent. This means

we were just below our previous year's figure of 68 per cent and below the average for manufacturing companies.

In the coming years, we are also planning to conduct pulse checks again regularly between our cultural analyses.

No general survey of employees was carried out in 2024. Instead, we prepared a comprehensive survey of stakeholders as part of the materiality analysis for Progroup. The stakeholders surveyed also included employees. We conducted the survey at the beginning of 2025. The results from this process will be incorporated into the evolution of our

Employment structure (group-wide)

| | | 2022 (as of 31/12/2022) | | | 2023 (as of 31/12/2023) | | | 2024 (as of 31/12/2024) | | |
|---|-------------------------------|-------------------------|--------|-------|-------------------------|--------|---------------|-------------------------|--------|---------------|
| | | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Number of employees (excluding apprentices and student trainees) | | | | | | | | | | |
| Acc. to employment category | Salaried employees | 364 | 178 | 542 | 368 | 185 | 553 (+2%) | 373 | 207 | 580 (+4.9%) |
| | Wage earners | 1,111 | 10 | 1,121 | 1,118 | 10 | 1,128 (+0.6%) | 1,144 | 14 | 1,158 (+2.7%) |
| Acc. to hierarchy | Directors | 4 | 0 | 4 | 3 | 0 | 3 (-25%) | 3 | 1 | 4 (+33%) |
| | Operational management | 8 | 1 | 9 | 7 | 1 | 8 (-11%) | 7 | 1 | 8 (+0%) |
| | Managers (incl. wage earners) | 209 | 20 | 229 | 226 | 23 | 249 (+9%) | 225 | 24 | 249 (+0%) |
| Acc. to employment contract | Permanent | 1,456 | 187 | 1,643 | 1,478 | 189 | 1,667 (+1%) | 1,486 | 220 | 1,706 (+2.3%) |
| | Fixed-term | 19 | 1 | 20 | 8 | 6 | 14 (-30%) | 31 | 1 | 32 (+129%) |
| Acc. to employment relationship | Full time | 1,464 | 157 | 1,621 | 1,472 | 164 | 1,636 (-16%) | 1,476 | 168 | 1,644 (+0.5%) |
| | Part time | 11 | 31 | 42 | 14 | 31 | 45 (+7%) | 41 | 53 | 94 (+109%) |



[1] Average for manufacturing sector: engagement: 68%; attractiveness: 66%
 [2] Best-in-class: engagement: 93%; attractiveness: 94%

sustainability strategy. As part of this process, we will review our original targets for 2025 and 2030 in detail and adjust them if necessary.

Close links to people

Across the company, around 4 per cent of employees are covered by collective bargaining agreements or are members of a union. This percentage is a historical legacy of business takeovers or is attributable to statutory regulations in individual countries. All employees regularly have the opportunity to talk directly to the Executive Board, especially Progroup CEO Maximilian Heindl. As part of what is known as a Board briefing, he visited every shift at every site in 2024 and updated all employees on how the business was performing. In addition, direct interaction between the top management, owners and employees is really important.

Training and development

We want to enhance and develop the skills of our workforce. New recruits should be taught the knowledge that exists within the company in a straightforward way. At the same time, our long-serving employees should constantly be given the opportunity to learn about and operate the very latest technologies.

Since 2021, we have used our digital learning platform “Progroup Campus” to make it easier for our employees to access further training and knowledge within the company. The platform was first launched in Germany, but since the end of 2022 it has also been accessible from our international sites. In terms of content, the offer was expanded by around 180 learning units and thus doubled in 2022. Selected training courses for our production employees

and on the new SAP version that has been introduced can also be completed via the Progroup Campus.

To ensure that our managers are as well equipped as possible to perform their role, since 2019 Progroup has been offering training for managers which is provided by experienced human resources and organisation developers.

Every year at Progroup, all employees have discussions with their line managers that focus on their personal development. The structured interview is intended to help them appraise their own level of performance. In addition, this provides a chance to talk about issues that there is no time to discuss during daily work. Employees have the opportunity to discuss openly what they like about their working relationship, where they would like to see more and how they want to progress at Progroup. Constructive feedback from both parties and defining follow-up measures are key tools that are used

here. All employee appraisal interviews in relation to the period under review were completed in the first quarter of 2025.

Boosting equal opportunities

A low proportion of women in the workforce is typical of the structure of the workforce in the paper and corrugated board industry. Around 70 per cent of our jobs are in production and – despite all the state-of-the-art technology – this still involves physical work and operating in multiple shifts. The number of women working here is very low. Although 36 per cent of salaried employees are women, the figure in the overall workforce is just 13 per cent. 24 per cent of the women who work for us work part-time. This is a significant increase compared to the previous year, when the proportion of women working part-time was still 16 percent, and is the result of a deliberate effort to retain these female employees, who are often highly qualified and valuable to the company.

Even though we were able to increase the proportion of women in the workforce compared to 2023, the figure does not yet reflect the way we want things to be. We would like to recruit more female employees to our company. This is why for the next few years we have set ourselves the goal of continuing to increase the proportion of women among salaried employees. The intention is also to gradually fill management positions with more women. This category includes all relevant employees, including wage earners, with leadership responsibility, the management team and the Executive Board.

We have already made progress towards achieving these goals, but not at the ambitious pace that we set for ourselves. As part of the process of continuing to evolve our sustainability strategy, we are therefore currently reviewing our targets for 2030 and will adjust them if necessary. We remain steadfast in our original commitment to achieving a significantly higher proportion of women at Progroup.

COMMITMENT FOR MORE DIVERSITY

In 2024, we managed to increase the proportion of women both among wage earners and in management positions.

Occupational safety as the most important task

One of our most important tasks is still to ensure occupational health and safety at our workplaces. To

perform this task to the best of our ability, responsibility and organisation is split between the individual divisions of Paper (Progroup Paper PM1 GmbH and subsidiaries), Board (Progroup Board GmbH and subsidiaries) and the CHP plant (Progroup Power 1 GmbH, Progroup Power 2 GmbH). Our administration site in Landau is looked after by the occupational safety specialists for the

| 5 GENDER EQUALITY | |
|--|---|
| Boosting equal opportunities | |
| Measured variable Percentage of women among salaried employees | Measured variable Percentage of women in management positions |
| 2022 33 % | 2022 9 % |
| 2023 33 % | 2023 9 % |
| 2024 36 % | 2024 10 % |
| Target for 2025 40 % | Target for 2025 12 % |
| Target for 2030 50 % | Target for 2030 20 % |

Employment structure (by countries)

| Number of employees in 2024 (as of 31/12/2024, excluding apprentices and student trainees) | Germany | France | Poland | Czech Republic | Italy | United Kingdom |
|---|----------------|---------------|---------------|-----------------------|--------------|-----------------------|
| Employees | 1,096 | 43 | 154 | 62 | 63 | 59 |
| Managers | 211 | 7 | 20 | 7 | 8 | 8 |

Across the company, we employ people of 34 different nationalities (correct as of 12/2024).

8 DECENT WORK & ECONOMIC GROWTH



Improvement in occupational safety

Measured variable

Notifiable workplace accidents per 1 mill. hours worked

2022

Paper machines: 23.7^[1]
Corrugated sheetfeeder plants: 24.4
CHP plant: 10.1

2023

Paper machines: 10.6
Corrugated sheetfeeder plants: 11.9
CHP plant: 10.1

2024^[2]

Paper machines: 13.0
Corrugated sheetfeeder plants: 13.1
CHP plant: 0

Target for 2025

At least industry average^[3]

Target for 2030

<5

[1] Correction for the previous reporting period in which the key indicator we specified for our paper machines initially included external service providers.

Since the Sustainability Report 2023, in line with the rest of the business divisions, internal values have been specified here too.

[2] In the reporting period, the key figures for Paper and Board increased compared to 2023. However, this is solely due to a change in the calculation basis.

[3] Industry average
Paper machines: 18.3
Corrugated sheetfeeder plants: 11.7
CHP plant: 10.7

Board division, and Progroup Logistics GmbH is looked after by the specialists for the Paper division. The reason for this split is that the respective value chains have different production workflows. The occupational safety specialists talk to each other online if required and also meet in person twice a year.

Our efforts really paid off in the year under review. In all divisions, we succeeded in reducing the accident figures. In the reporting period, the key figures nevertheless rose from 10.6 to 13.0 in the Paper division and from 11.9 to 13.1 in the Board division compared to 2023. However, this is attributable solely to a change in the basis for calculation. In the year under review, there were no fatalities caused by work-related injuries.

In 2023, we adjusted the key figure for the Paper division, which also included external service providers in the 2022 reporting year. It now also only includes Progroup employees.

Paper division

To make our employees aware of occupational safety, they use our digital occupational safety tool to undergo quarterly training that is tailored to the specific work they do. If the specified number of completion attempts (3) is exceeded, the manager receives a notification and must enable the training in the system again. This ensures that the manager can respond with appropriate qualification measures, for example. Risk assessments are conducted on a regular basis and updated if an incident occurs. Our safety checks form part of this. In addition, all employees are required to report any hazards or unsafe situations.

If an incident occurs, it is entered in the electronic first-aid log by the

injured person or their manager. This ensures that the superior manager and the occupational safety team is automatically informed. How the incident happened, its cause and any actions to prevent the incident from occurring in future are then jointly discussed and documented. These details are then passed on to the managers of all paper machines.

Since 2024, all positions within occupational safety have been filled by specialists who are experts in the field. In the last few years, the numerous measures that we have initiated have enabled us to achieve a significant improvement and reduce the number of notifiable workplace accidents per 1 million hours worked. In the reporting period, this figure rose from 10.6 to 13.0 compared to 2023. However, this is attributable solely to a change in the basis for calculation.

In total, there were 10 notifiable accidents, so two fewer than in 2023. The most common types of injuries were bruises, cuts and abrasions.

We will continue to work together in future to bring down the accident figures.

Board division

Safety briefings are given in our corrugated sheetfeeder plants primarily by the operations manager or the shift supervisor. The training plans are drawn up by the occupational safety specialist using various job profiles. For certain topics, in a similar way to our paper machines, the digital tool is used for briefings. Risk assessments are prepared by the operations managers together with the safety experts and then lodged in the digital occupational safety tool. They are reviewed and updated annually and when a particular event demands this. In

addition, safety checks are carried out in our corrugated sheetfeeder plants where our employees look at potential hazards and risks before they embark on a particular task. Based on the risk assessments and analyses of accidents, we have identified essentially the following risks that may cause injuries: Risk taking, working methods and level of vigilance of the employees. These are also the risks that mainly led to injuries during the reporting period.

After an accident occurs, the relevant plant is obliged to notify a defined list of people, including the management and the Board, within 24 hours. In addition, an entry must be made in the digital occupational safety tool. The occupational safety specialist and the plant in question will then consult to reach a conclusion on which activity caused each incident. The aim is to identify preventative measures and designate who is responsible for implementing them. The implementation is monitored at regular intervals with selected senior managers from the company's head office and the plants. The most common types of injuries are cuts and lacerations. In total, 19 accidents occurred at our corrugated sheetfeeder plants in 2024, so two fewer than in 2023. In the period under review, we recorded 13.1 notifiable workplace accidents per 1 million hours worked. However, this higher key figure compared to 2023 (11.9) is attributable solely to a change in the basis for calculation.

To continue to minimise the work-related hazards and risks, our corrugated board plants have an internal information portal which also lists all the processes, responsibilities and basic principles of occupational safety. In 2023, we incorporated occupational safety as a criterion used to calculate the plant wage for the

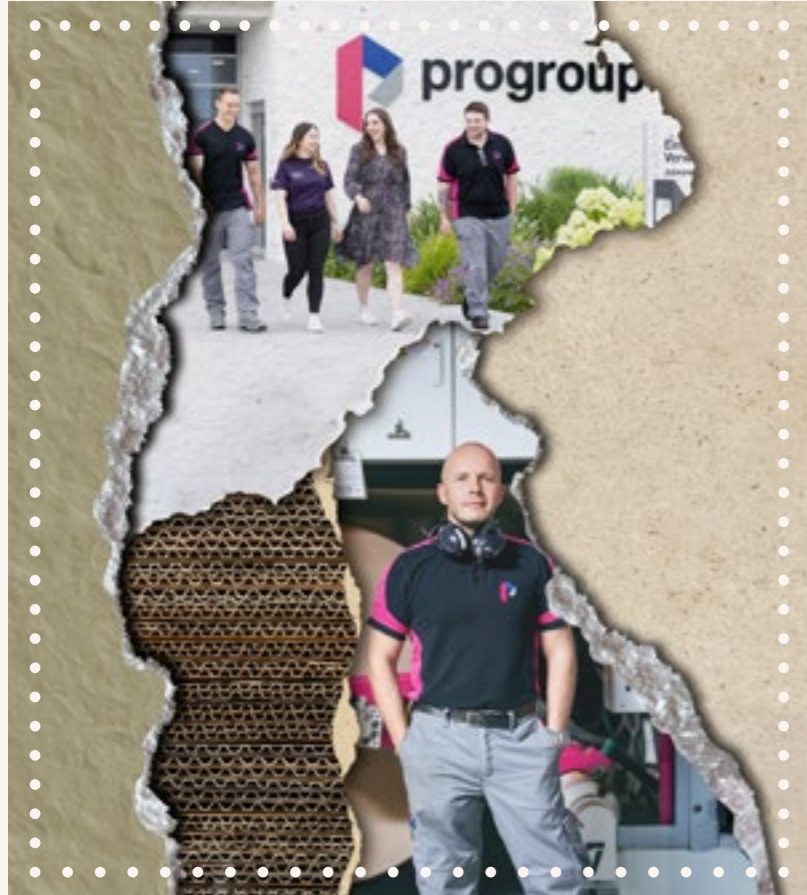
employees. The employees receive a bonus as soon as a set number of preventative measures has been implemented.

In 2024, Board occupational safety continued to optimise the training concept in collaboration with all competence centres. A qualification matrix was prepared and will

be implemented in 2025. At PW07, we introduced a special “Tripping and falling” prevention plan. We will transfer the findings from this project to other corrugated sheetfeeder plants. At the same time, communication measures were further stepped up, with the dialogue focusing on “behaviour-based safety”.



Regular safety checks increase the level of occupational safety at Progroup and encourage the employees to suggest improvements.



Power division

Here too, briefings are provided mainly using our occupational safety tool. In addition, the employees receive external training based on a training plan for specific tasks as well as additional briefings following an accident or incident. Risk assessments are updated on a regular basis. Unsafe situations are also reported and logged. To ensure that they are eliminated, they are discussed in regular meetings between all managers, responsibilities are defined and the completion of the work is reported to the occupational safety

specialist. The main risks identified are mechanical hazards, especially the potential to fall when working in elevated workplaces, and the risk of tripping, falling and slipping. They were identified through observing the shift personnel and maintenance and measures to avoid them were discussed in subsequent inspections with the occupational safety specialist or the safety officers.

The success of our measures is reflected in the accident figures from the reporting period: There was not a single notifiable workplace accident in the Power division in 2024.

Charitable involvement

Progroup sees itself as a good neighbour at its locations. This is why our sponsorship concept pursues the goal of establishing and expanding long-term relationships with local stakeholders and being an active part of the community. As a family business, the focus of our commitments is on supporting children and young people in the areas of culture, sport, social aspects and education. Our donations and sponsorship are transparent and focused on benefiting society as a whole. We mainly support local and regional charitable activities and organisations. They are selected and approved using a process that is stipulated by the Executive Board. We do not expect anything in return for our donations. No donations are made to any political parties, politicians, officials or political candidates.

Our projects in 2024

We would like to mention a few of the projects we are committed to:

2024 saw us continue our long-standing cooperation with Wi-Wa-Wunderland in Eisenhüttenstadt that we really enjoy. In the reporting year, we helped the association that supports young people to host an evening of cinema featuring short films, some of which we filmed ourselves, for the young people.

Another area of focus in 2024 was supporting local associations and institutions around Landau and Offenbach. We have been working for a number of years with the handball division of TV Offenbach in Offenbach an der Queich to promote sport for young people. As part of this long-term cooperation, we offer young talented handball



players a platform to optimise their development and thus open the door to competitive sport.

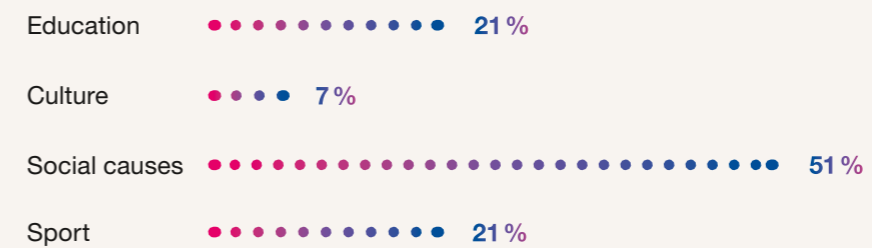
The St. Josef youth welfare institution in Landau was also delighted to receive a donation. The money pledged by Progroup will help the people in charge of the youth foundation to create more opportunities for the

children and young people to get active outdoors during their breaks. In the year under review, a number of donations were also made to local schools and to support Children's Day in the town of Landau.

A project that is very close to our hearts is supporting the voluntary and junior fire brigades and working

with them in all the locations where we operate. This is because they will attend our plants and help us if a fire breaks out. We are very happy to do our bit to give something back and in the reporting period we supported, among others, the voluntary fire brigades in the area surrounding our locations in Stryków, Trzcinica and Sandersdorf-Brehna.

Spread of donations in 2024



GRI content index

Progroup AG has reported the information cited in this GRI content index for the period 01.01.2024 until 31.12.2024 with reference to the GRI Standards.

| GRI Standard | Disclosure | SDG no. | Location |
|-----------------------------------|---|---------|-------------------------|
| General Disclosures | | | |
| GRI 2: General Disclosures (2021) | | | |
| 2-1 | Organizational details | | pp. 9, 10, 18, 19 |
| 2-2 | Entities included in the organization's sustainability reporting | | p. 9 |
| 2-3 | Reporting period, frequency and contact point | | p. 5, Legal information |
| 2-5 | External assurance | | pp. 5, 58 |
| 2-6 | Activities, value chain and other business relationships | | pp. 11, 33, 34 |
| 2-7 | Employees | | pp. 46–51 |
| 2-9 | Governance structure and composition | | pp. 18–20 |
| 2-10 | Nomination and selection of the highest governance body | | pp. 18–20 |
| 2-11 | Chair of the highest governance body | | p. 19 |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | | pp. 19, 20 |
| 2-13 | Delegation of responsibility for managing impacts | | pp. 20, 25 |
| 2-14 | Role of the highest governance body in sustainability reporting | | pp. 19, 20, 25 |
| 2-15 | Conflicts of interest | | p. 19 |
| 2-16 | Communication of critical concerns | | p. 17 |
| 2-17 | Collective knowledge of the highest governance body | | p. 19 |
| 2-18 | Evaluation of the performance of the highest governance body | | pp. 20, 21 |
| 2-20 | Process to determine remuneration | | pp. 20, 21 |
| 2-22 | Statement on sustainable development strategy | | Foreword, p. 27 |
| 2-23 | Policy commitments | | pp. 17, 18 |
| 2-24 | Embedding policy commitments | | pp. 17, 18 |
| 2-25 | Processes to remediate negative impacts | | pp. 17, 18 |
| 2-26 | Mechanisms for seeking advice and raising concerns | | pp. 17, 18 |
| 2-27 | Compliance with laws and regulations | | pp. 17, 18 |
| 2-28 | Membership associations | | p. 20 |
| 2-29 | Approach to stakeholder engagement | | pp. 28, 29 |
| Material Topics | | | |
| GRI 3: Material Topics (2021) | | | |
| 3-1 | Process to determine material topics | | p. 25 |
| 3-2 | List of material topics | | pp. 26, 27 |

Reduction in water consumption

| | | | |
|-------------------------------------|--|---|------------|
| GRI 3: Material Topics (2021) | | | |
| 3-3 | Management of material topics | | pp. 41, 42 |
| GRI 303: Water and Effluents (2018) | | | |
| 303-1 | Interactions with water as a shared resource | 6 | pp. 41, 42 |

Reduction in CO₂ emissions

| | | | |
|-------------------------------|---|----|-----------|
| GRI 3: Material Topics (2021) | | | |
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Certificate

Validation of key figures of the Sustainability Report 2024

After remote assessment, we confirm the credibility, transparency and plausibility of the GRI Key Figures in the Sustainability Report 2024 reporting period 2024, published by

Progroup AG

in Horstring 12, 76829 Landau, Germany



The following Key Figures in the Sustainability Report 2023, related to the GRI Standards (2021) indicators are verified:

- General standard disclosures:
 - o GRI 2-7 Employees
 - o GRI 2-9 Percentage of women in management positions
- Occupational health and safety - GRI 403-9: Work-related injuries
- Diversity and equal opportunity - GRI 405-1: Percentage of female employees
- Water - GRI 303-1: Water as a shared resource
- Materials - GRI 301:
 - o GRI 301-1 Materials used by weight or volume - Weight per unit area
 - o GRI 301-2 Recycled input materials used - Use of kraftliner
- Emissions - GRI 305:
 - o GRI 305-1 Direct GHG emissions (Scope 1)
 - o GRI 305-2 Indirect energy-related GHG emissions (Scope 2)
 - o GRI 305-3 Other indirect GHG emissions (Scope 3)
 - o GRI 305-4 Intensity of GHG emissions

Berlin, 01 July 2025

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No. N-25-11952-EN

Legal information

Publisher
Progroup AG
Horstring 12, 76829 Landau, Germany

Responsible for the publisher
Beate Flamm (CCO), Dr. Volker Metz (CFO)

Sustainability management
Bernhard Schenk

Corporate communications & marketing
Sarah Köhler, Julia Kluck

Texts
Bernhard Schenk, Madlen Bollinger,
Dr. Daniela Simpson

Design, typesetting and layout
Superultraplus Designstudio

Proofreading
WORTwelt

Picture credits

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