

2025

Annual Report

Key Figures 2025

€m	Footnote	2025	2024	Change
Financial performance				
Sales revenue		850.2	1,026.4	-17.2%
thereof outside Germany		70%	74%	-
thereof in Germany		30%	26%	-
EBITDApre	1)	135.0	162.9	-17.1%
Operating profit/loss (EBIT)		-11.2	-14.3	-21.7%
Result before income taxes		-41.6	-46.9	-11.3%
Consolidated net result (attributable to the shareholders of the parent company)		-79.2	-80.3	-1.4%
EBITDApre margin	2)	15.9%	15.9%	0.0%-points
Return on capital employed (ROCE _{EBIT pre})	3)	9.8%	11.4%	-1.6%-points
Earnings per share, basic (in €)		-0.65	-0.66	-1.4%
Net assets				
Equity attributable to the shareholders of the parent company		457.2	554.9	-17.6%
Total assets		1,167.4	1,336.9	-12.7%
Net financial debt		98.9	108.2	-8.6%
Equity ratio	4)	39.2%	41.5%	-2.3%-points
Leverage Ratio	5)	0.7	0.7	0.0%
Headcount	6)	3,635	4,394	-17.3%
Financial position				
Capital expenditure in non-current assets		53.6	97.3	-44.9%
Depreciation/amortization expense		53.4	58.7	-9.0%
Working capital		221.3	283.2	-21.9%
Free cash flow	7)	37.0	38.7	-4.4%

¹⁾ Before one-off effects/non-recurring items of minus €92.8 million in 2025 and minus €118.5 million in 2024

²⁾ EBITDApre to sales revenue

³⁾ EBITpre to average capital employed (total of goodwill, other intangible assets, property, plant and equipment, investment property, investments accounted for At-Equity and net working capital)

⁴⁾ Equity attributable to the shareholders of the parent company to total assets

⁵⁾ Net debt to EBITDA pre

⁶⁾ As of Dec. 31, including employees with fixed-term contracts, excluding apprentices

⁷⁾ Cash flow from operating activities (continuing operations) minus cash flow from investing activities (continuing operations)

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Letter from the CEO



Andreas Klein, Chief Executive Officer

Dear Shareholders,

The 2025 fiscal year was marked by challenging external conditions and significant changes within SGL Carbon. Rising protectionism, ongoing geopolitical conflicts, and significant shifts in tariff policies have shaped global trade and, consequently, the development of our key markets. As a technology company with numerous production sites across Europe, we faced challenges to our international business activities due to high labor and energy costs, complex regulatory requirements, and continued weak economic growth in Europe.

Given the current market conditions, we have taken swift and decisive action to secure our profitability, enhance our operational efficiency, and thereby lay the foundation for future growth. The focus was on

- The comprehensive restructuring of the Carbon Fibers (CF) business unit
- the withdrawal from unprofitable business activities
- adapting administrative areas and processes to the new company size
- the organizational consolidation of the Carbon Fibers and Composite Solutions business units, effective January 1, 2026
- the development of strategic concepts to expand existing markets and create new areas of application ("SGL Growth 2030")

The decision to implement some of these measures was not an easy one for us, particularly the extensive job cuts and the closure of some of our sites. However, to achieve long-term success, we must adapt to changing circumstances and conditions as quickly as possible. This is expected not only by you, as shareholders, but also by our employees and business partners, in the interest of our company's long-term stable development.

The implemented measures have impacted our sales and profitability. At €850.2 million, Group sales was significantly lower than the previous year's figure €1,026.4 million. This is primarily due to the discontinuation of unprofitable carbon fiber business activities and weak demand from the automotive and semiconductor industries. Adjusted earnings before interest, taxes, depreciation, and amortization (EBITDApre) decreased to €135.0 million. It was therefore within the published outlook, partly due to extensive cost-cutting measures.

Development of the business units in the 2025 fiscal year

Sales and earnings for the [Graphite Solutions](#) (GS) business unit were negatively impacted in 2025 by weak demand for graphite components in the semiconductor industry, particularly for the production of silicon carbide-based semiconductors. GS decreased its sales by 17.9% to €442.3 million compared to the previous year. The lack of high-margin sales to our semiconductor customers was also reflected in the adjusted EBITDA, which fell by 38.1% to €81.1 million. The decline in sales and earnings, as well as weak demand from the semiconductor industry, are primarily due to high inventory levels among our

customers. These are due to lower-than-expected demand for silicon carbide semiconductors from the automotive industry. These high-performance semiconductors are primarily used in electric vehicles.

Despite current soft demand, the semiconductor market segment remains one of the most important future growth areas for SGL Carbon. Without powerful semiconductors, it will not be possible to achieve energy transition or drive digitization with new forms of AI.

As one of the technology leaders in the market, [Process Technology](#) (PT) continued to demonstrate excellent results in 2025, as it has in previous years. With sales of €130.9 million, PT achieved an adjusted EBITDA of €31.8 million, representing a margin of 24.3%. Innovation, quality, and a strong focus on the customer have led to this remarkable development.

The business development of the [Carbon Fibers](#) (CF) business unit was characterized in 2025 by extensive restructuring measures and the discontinuation of loss-making business activities. These also included the termination of production at the Lavradio (Portugal) and Moses Lake (USA) sites. Declining demand, global overcapacity, and uncompetitive prices for acrylic and carbon fibers were the reasons for this decision. In the future, our fiber business will focus to the profitable core business of manufacturing carbon fibers at the Muir of Ord site, as well as developing textile products and fabrics, both for applications with exceptionally high demands on material performance and customization.

Although CF's sales decreased to €148.9 million (previous year: €209.8 million) due to the discontinuation of loss-making business activities, the company achieved a turnaround after two years of losses and generated a positive adjusted EBITDA for the first time. CF's adjusted EBITDA from operating activities was €7.0 million in 2025. This does not include the earnings contribution from the Brembo SGL Carbon Ceramic Brakes (BSCCB) joint venture.

The BSCCB joint venture was not affected by the restructuring of our carbon fiber business. On the contrary, due to the growth prospects in the sports and premium vehicle segment, production expansion at the BSCCB sites in Meitingen and Stezzano continued. In 2025, BSCCB contributed €7.1 million to the adjusted EBITDA of the entire CF business unit, which totaled €14.1 million.

Our [Composite Solutions](#) (CS) business unit primarily supplies composite components to customers in the automotive industry, and has therefore been significantly impacted by their development and outlook. Reduced and postponed orders from our automotive customers led to a 12.7% decline in sales to €108.8 million in 2025. Lower capacity utilization and sluggish sales resulted in a corresponding reduction in adjusted EBITDA to €11.4 million (previous year: €18.2 million). However, the acquisition of follow-up orders from our existing customers, with initial sales impacts starting at the end of 2026, demonstrates the strong competitiveness and favorable market position of CS.

In the 2025 fiscal year, we reviewed all [Group functions](#) and processes to reflect the new company size and changed conditions. Initial adjustments to resource allocation and cost structures have already been implemented, with further adjustments planned for 2026. In order to move even closer to our production operations in the future and reduce rental costs at the same time, we have decided to propose to the Annual General Meeting that our company headquarters be relocated from Wiesbaden to our largest site in Meitingen. We have also been intensively developing new products and solutions for our customers. I would like to highlight our collaboration with Linköping University to develop innovative graphite coatings, as well as our contribution to the BMW Natural Fiber Composites project, as particularly noteworthy innovation projects. In collaboration with our project partners, we have developed a series-ready natural fiber composite material from renewable, flax-based raw materials. Beyond that, we have also achieved important milestones in the area of sustainability, particularly in the use of renewable energy sources. At the beginning of the year, we had already secured electricity volumes and producer profiles for supplying our German plants with green electricity. In 2025, we purchased 10.2 GWh of green electricity from this contract. Additionally, in 2025, we installed a photovoltaic system with an annual output of approximately 4.6 GWh at our Meitingen site, which will save 1.7 kilotons of CO₂ annually. Through these and other measures in recent years, we have successfully achieved our sustainability goal of halving our Scope 1 and 2 CO₂ emissions from 393 kilotons of CO₂ in 2019 to 168 in 2025.

The performance of our share price in 2025 has disappointed both you and us. Neither the successful restructuring nor meeting our adjusted EBITDA guidance had a lasting positive impact on the share price. The SGL share closed at €3.13 at the end of 2025, down nearly 21.8% from its opening price at the beginning of the year. One of our goals for 2026 is to change this and significantly increase our share price. The negative consolidated result is also unsatisfactory, even though it is the outcome of the necessary restructuring, which is

now largely completed. Therefore, under the title “SGL Growth 2030,” we are consistently working to implement our new company strategy and the growth potential it contains, the foundation for which has now been laid.

Decision on the organizational realignment of the business units

Following a successful restructuring and the associated reduction in the business activities of the Carbon Fibers business unit, as well as the partial overlap of purchasing, production, and sales processes, we decided at the end of 2025 to merge the Carbon Fibers and Composite Solutions business units into a single organizational unit. The new Fiber Composites (FC) business unit will consolidate the business activities of CF and CS, leveraging existing synergies to further optimize costs and improve market alignment. Furthermore, this new setup creates the best possible conditions for marketing our composite and material solutions to the security and defense industry in the future. SGL is uniquely positioned along the fiber and composite materials value chain to supply this critical industry, independently of regional factors.

Strategic development: "SGL Growth 2030"

By implementing the restructuring measures and adapting SGL's structures to the company's new size, we have created a sustainable platform to capitalize on growth opportunities in both existing and new markets. The goal is to develop and expand profitable sales opportunities, thereby ensuring future growth.

Our corporate strategy is based on three pillars:

- Further market penetration in existing markets, particularly in the semiconductor segment
- Focused expansion of our position in new market segments with above-average growth potential using existing materials and products
- Expanding our product portfolio through innovations in existing and new materials

Building on our existing portfolio of materials and products, as well as our reputation in our traditional markets, we have identified new applications that offer future growth prospects for our company. We are focusing on three growth areas:

1. Materials for energy generation: These include, in particular, special graphites for small modular reactors (SMRs), a technology that generates climate-friendly, safe energy and can be built directly at the point of use. SGL Carbon can supply all types of graphite required for this emerging technology and, leveraging our extensive experience in this product segment, support our customers in commercializing their projects.

A successful first step in this area is our collaboration with X-energy (USA), a leading manufacturer of next-generation small modular nuclear reactors. In early 2026, we announced a supply agreement for the graphite components of the Xe-100 reactors developed by X-energy, with a total value of approximately USD 100 million over the next three years.

2. Our core competencies and extensive experience as a supplier to the automotive industry offer significant growth potential in the defense and security sector. The growing demand for composite materials, such as those used in drones, military vehicles, and protective equipment, presents a wide range of potential applications for our products. We can support our customers with both prototype development and serial production. However, the unique properties of graphite, such as its heat resistance, are also required for applications in the defense industry, for example, in rockets and missiles.
3. Another growing market is the aerospace industry. We already have qualified materials and have been supplying carbon fiber materials and components to the aircraft industry for several years. We plan to further expand this sector in the future and develop new applications for non-structural components. In addition to aerospace, the space industry offers significant growth potential for SGL Carbon. Heat- and pressure-resistant materials are also needed here, for example, in the construction of launch vehicles for satellite transport or heat shields.

In the medium and long term, we see further growth opportunities for SGL Carbon in new innovations for our customers. Drawing on our expertise in technology and materials, particularly in the field of high-temperature processes, we develop new materials and solutions for demanding applications in line with our customers' needs. We see further growth potential in the future, particularly in the product areas of coatings for the semiconductor industry and natural fiber fabrics for the automotive industry.

With the focus on our existing portfolio, the robust balance sheet and financing structures developed in recent years, and our company's employees, we have the necessary foundation for profitable organic and inorganic growth.

We have established a future-proof and scalable business model. We want to build on this to achieve profitable growth. At the same time, we will not neglect our sustainability ambitions and will continue to decarbonize our business.

Our long-term goal is to establish SGL Carbon as the leading provider of high-performance materials. Our ambition is to become a billion-dollar sales company again by 2030 with an attractive, profitable portfolio that promotes sustainability.

Outlook for the 2026 fiscal year

The outlook for the 2026 fiscal year includes all of SGL Carbon's business units, making it technically comparable to previous years. As of January 1, 2026, these are Graphite Solutions, Process Technology, and the new Fiber Composites business unit, formed by the merger of Carbon Fibers and Composite Solutions. Based on the discontinuation of business activities in mid-2025 and continued weak demand in some of our focus markets, we anticipate consolidated sales of between €720 and €770 million and an adjusted EBITDA margin in the range of €110 and €130 million for the 2026 fiscal year, assuming unchanged economic conditions. We anticipate the first significant contributions to sales and earnings from the implementation of our SGL strategy, "SGL Growth 2030," starting in 2027.

On behalf of the Board of Management, I would like to thank all our employees whose commitment and work make SGL Carbon's success possible. We also extend our thanks to our business partners for their trust, and to the Supervisory Board and employee representatives for their constructive cooperation and support during a challenging year.

Dear shareholders, in the past fiscal year 2025, we laid the foundation for our future growth. In 2026, we will focus on expanding our key markets and developing new areas for growth. In addition to our established markets, such as the semiconductor, automotive, and chemical industries, this includes new applications in the areas of security and defense, as well as alternative energies. Thank you for your support and trust in SGL Carbon.

Sincerely,



Andreas Klein
Chief Executive Officer

Supervisory Board Report



Dr. Frank Richter, [Chairman of the Supervisory Board](#)

Dear Shareholders,

The 2025 fiscal year was marked by landmark decisions and initiatives for SGL Carbon. In addition to restructuring the Carbon Fiber business unit and the associated discontinuation of our own carbon fiber production, the focus was on adapting to rapidly changing market conditions. Geopolitical shifts and rising protectionism are having a profound impact on global trade and no international company can ignore them. Our SGL Carbon business was also unable to escape these developments and was affected by declining demand in key

markets, such as the semiconductor and automotive industries. In addition, the restructuring of Carbon Fiber led to internal challenges.

The restructuring of the Carbon Fiber business has now largely been successfully implemented. However, this was associated with far-reaching changes for SGL Carbon. In the past, the company had high expectations for the production of its own carbon fiber. These have not been met, particularly in recent years. High manufacturing costs in Europe and increasing competition from Asia have rendered carbon fibers produced primarily in Europe uncompetitive on the global market. The loss-making business activities of Carbon Fiber were discontinued as part of the restructuring. By the end of the 2025 fiscal year, the Carbon Fibers operating business (adjusted EBITDA) will once again be profitable. This is a great success.

Looking at the other business units, Process Technology (PT) stands out. Despite the challenging situation in the chemical industry in Europe, PT's most important customer segment, this business unit once again demonstrated excellent business development in 2025. In addition to its international customer base, Process Technology's success was largely driven by SGL Carbon's strengths, including technological expertise, innovation and customer focus.

Building on the strengths of SGL Carbon, we also began formulating strategic concepts in 2025 to further develop SGL's business model. At the beginning, I mentioned the rapidly changing conditions for our company. SGL Carbon has responded to these changes as part of its strategy project. In addition to the targeted expansion of existing markets, the focus is on developing new applications in growing markets such as energy generation, e.g., in form of small modular reactors (SMRs), or aerospace. These industries require materials that are both lightweight and robust, such as fiber composites or heat-resistant graphite products. The first steps towards successfully developing new markets were taken through collaboration with X-energy in the area of small, modular reactors to generate energy. SGL Carbon supplies innovative and certified graphite components for these high-performance reactors.

The Supervisory Board closely monitored developments in the 2025 fiscal year and will continue to support management and employees in implementing the company's strategic development.

In the 2025 fiscal year, our long-time colleague Edwin Eichler resigned from the Supervisory Board of SGL Carbon. We would like to thank him again for his many years of commitment

and dedication to SGL Carbon. With the approval of the Annual General Meeting on May 21, 2025, Dr. Sönke Bästlein was elected to the Supervisory Board. Welcome, Dr. Bästlein! I would also like to thank our long-standing Audit Committee Chairman, Mr. Georg Denoke, for his extraordinary work. His term of office has been extended by the Annual General Meeting for another five years. We look forward to continuing our constructive and successful collaboration.

Cooperation between the Board of Management and the Supervisory Board

In the reporting year, the Supervisory Board duly performed the duties incumbent upon it under the law, the Articles of Association and the Rules of Procedure. Mr. Klein, as CEO of SGL Carbon SE and Mr. Dippold and Dr. Bühler, as additional members of the Board of Management, were in close contact with the Supervisory Board.

In the reporting year, the Supervisory Board supported the Board of Management in an advisory capacity in eight full plenary sessions and in meetings of the various committees while carefully and continuously monitoring the conduct of business. In doing so, the Supervisory Board was always able to convince itself of the legality, practicality and propriety of the activities of the Board of Management. The Board of Management informed the Supervisory Board regularly, promptly and comprehensively in writing and verbally about the situation of the company and the material business events and projects. When law and the Articles of Association stipulated that decisions had to be made by the Supervisory Board regarding individual transactions and projects of the Board of Management, the Supervisory Board passed a resolution after being involved at an early stage.

The Board of Management held talks with representatives of shareholders and employees in the run-up to the Supervisory Board meetings. The chairs of the committees also spoke to their colleagues on the Supervisory Board and members of the Board of Management in preparation for the committee meetings. During the Supervisory Board meetings, the Board of Management provided comprehensive and timely information — both verbally and through documents — on the items on the agenda. Deviations in the course of business from budgets and targets were explained in detail. The reasons for the deviations and the corresponding measures were discussed intensively. The members of the Supervisory Board and the committees had sufficient opportunity to critically examine the submitted documents and draft resolutions in the Supervisory Board and its committees. In addition,

the Board of Management reported regularly on material business transactions, key financial figures during the year and how SGL Carbon was perceived in the financial markets. The cooperation with the Board of Management remained intensive and constructive, characterized by the joint pursuit of the best solutions for the company.

As the chairman of the Supervisory Board, I maintained regular and close dialog with Mr. Klein, chairman of the Board of Management and with Mr. Dippold and Dr. Bühler regarding strategy, business development, planning, risks and risk management, compliance, sustainability and specific company-related issues. The chairman of the Audit Committee also maintained close and regular exchanges of information with the Board of Management between committee meetings.

Topics covered in the plenary sessions of the Supervisory Board

The company's economic situation and the outlook for the fiscal year were discussed at the Supervisory Board's in-person meetings in March, May, July, September and November. The regular topics of these meetings included the performance of operational and financial key figures, opportunities and risks as well as risk management including compliance risks. Regular and intensive discussions also focused on strategic positioning, sustainability issues and the growth projects of the business units. The focus was also on restructuring the loss-making Carbon Fibers business unit and, in the second half of the year, on discussing the company's strategic development. The meetings regularly discussed the political and regulatory frameworks, as well as the development of key markets and customer industries. The Supervisory Board also intensively addressed the company's measures to improve its cost structure and enhance its competitiveness. Meetings were generally held in person. Additional Supervisory Board meetings were held virtually in February and March to discuss the restructuring of the Carbon Fibers business unit, and in October to address strategic topics. As a rule, resolutions were adopted at Supervisory Board meetings and, when necessary, by written circular.

Regarding the individual meetings:

On February 18, 2025, the Supervisory Board held an extraordinary virtual meeting during which the Board of Management presented its proposal for the future of the Carbon Fibers business unit. Following an intensive discussion during this meeting, the Board of Management and Supervisory Board ultimately agreed that the business activities of the

business unit would be significantly reduced and focused on a profitable core. Individual solutions should be developed for all sites, including the closure of unprofitable sites.

At its meeting on March 18, 2025, the Supervisory Board thoroughly reviewed the annual financial statements of SGL Carbon SE and the Group for the 2024 fiscal year, the management report of SGL Carbon SE and the Group and the separate Group non-financial report and approved the annual financial statements. During the meeting, the auditor explained the audit process and discussed the results with the Supervisory Board. The Supervisory Board also discussed and approved the remuneration report in accordance with Section 162 of the German Stock Corporation Act (Aktiengesetz, AktG). Furthermore, the agenda for the Annual General Meeting on May 21, 2025, was discussed and the corresponding resolutions were adopted. The meeting also focused on business development, the outlook for the 2025 fiscal year and the restructuring of the Carbon Fibers business unit. In addition, the Supervisory Board adopted the Board of Management's target achievement for the 2024 fiscal year; details on the Board of Management remuneration can be found in the remuneration report.

On March 28, 2025, the Supervisory Board held another extraordinary virtual meeting. During this session, the Board of Management provided a detailed report on the restructuring of the Carbon Fibers business unit and its considerations regarding the closure of the Lavradio site in Portugal and the Moses Lake site in the US. These topics were thoroughly discussed by the Supervisory Board.

Following the virtual Annual General Meeting on May 21, 2025, the Supervisory Board convened a constituent meeting due to changes in its composition. As a result, the Chairman of the Supervisory Board and his two Deputy Chairmen were reappointed, and the composition of the committees was redefined. The Board of Management also provided the Supervisory Board with an overview of the restructuring progress for the Carbon Fibers business unit and presented the results for the current fiscal year. The weak demand in key target markets, particularly in the "digitization/semiconductor" market segment, and the company's countermeasures, notably capacity adjustments and the resulting job cuts, were discussed in detail.

At the July Supervisory Board meeting, the Board of Management provided an update on the business situation. The Supervisory Board was particularly interested in the further development in the various market segments. The situation in the market for silicon

carbide semiconductors was discussed in detail again. Due to lower growth rates for battery-powered electric vehicles than initially anticipated, our customers accumulated high inventories, which is leading to reduced new business. Given this challenging market situation, the Group discussed cost optimization measures, ranging from personnel adjustments and strict cost and investment management to the termination of unprofitable businesses. In this respect, the Board of Management also addressed the closure of the production facilities for the battery anode material (GAM) and the restructuring of the Carbon Fibers business unit. The meeting also included an overview of the planned strategy process, which focuses on analyzing the current group portfolio and identifying potential areas for profitable growth. At the same time, the company structure and processes are to be further developed towards a focused medium-sized company with low complexity and a low cost structure. As the Supervisory Board meeting was held at the Meitingen site, the Supervisory Board was able to tour the new production hall and observe the manufacturing processes of the BSCCB joint venture for carbon ceramic brake discs. As part of the tour, the Supervisory Board also received a presentation on BSCCB's business activities, its products and technologies and the current challenges facing the business.

During its September meeting, the Supervisory Board addressed geopolitical challenges in addition to business development and the report for the first half of the year. The impact of US customs policy on the company and the countermeasures taken were discussed. Furthermore, the new remuneration system for SGL management levels was presented to the Supervisory Board. Finally, the Board of Management presented its considerations regarding the future location of the registered office of the company after the current lease in Wiesbaden expires in 2027.

At the meeting on October 28, 2025, the Board of Management reported on the status of the revision and further development of the Group strategy, as well as the planned next steps. The Board of Management also provided an overview of the company's current business and growth opportunities in the defense segment. At the final meeting of the fiscal year in November 26, 2025, business development in the reporting year was discussed. As part of the report on the status of the restructuring of Carbon Fibers, the possibility of selling the decommissioned site in Lavradio to investors was discussed and approved by the Supervisory Board in order to reduce the cost and time required for dismantling the site. Furthermore, the financial plan and budget for 2026 were presented along with the Board of Management's plans for the coming years. The Board of

Management also presented its initial thoughts on the company's strategic direction, which were discussed in detail. In this context, the future merger of the Carbon Fibers and Composite Solutions business units was also discussed, as their product portfolios and production processes overlap and complement each other. The meeting also adopted the updated declaration of conformity and the blackout periods for 2026, and confirmed the company's corporate governance principles. The Supervisory Board also approved the financial targets in addition to the personal targets for the Board of Management for 2026, as well as preliminary targets for the Long-Term Incentive Plan (LTI). The final LTI targets were then approved by the Supervisory Board in December via a circular resolution. Finally, the Supervisory Board discussed the results of its efficiency review.

Activities of the committees

During the reporting period, the Supervisory Board established three committees: the Audit Committee, the Personnel Committee and the Nomination Committee. The committee chairs reported extensively on the work and meetings of the respective committees during subsequent Supervisory Board meetings.

The [Audit Committee](#) met in March, September and November in the year under review. The auditor also attended all meetings that were held in person. In addition, the financial statements were discussed in three telephone conferences with the Audit Committee prior to publication of the quarterly figures and the figures for the first six months of the year. Business development and the Group's risk position were discussed at all meetings of the Audit Committee.

The main topic at the March meeting was the discussion of SGL Carbon SE's annual financial statements and consolidated financial statements as of December 31, 2024, as well as the auditor's reports on them. In addition, the Audit Committee dealt with the separate non-financial Group report, taking into account non-implementation of the new sustainability reporting requirements into national German law under the Corporate Sustainability Reporting Directive (CSRD), as well as the risk management system, the internal control system and significant compliance issues. This also included an analysis of key sustainability metrics and aspects. The Audit Committee also recommended to the Supervisory Board that KPMG be engaged as the auditors in the 2025 fiscal year and, as a precautionary measure in the event that German law requires the Annual General Meeting to explicitly

appoint the auditor for sustainability reporting, to appoint KPMG also for that role depending on the implementation of the CSRD into national law.

During the September meeting, a key focus was a retrospective analysis of the 2024 sustainability reporting, including a comparison with other similar companies and the resulting implications for the 2025 reporting format. The dependence on the implementation of the CSRD into national law by December 31, 2025, was also considered. Furthermore, the Audit Committee was presented with and discussed the updated double materiality analysis. KPMG confirmed its independence to the committee and provided an overview of its audit planning, which now includes an integrated approach to auditing both financial and non-financial reporting. Based on this, a report was provided on the current status of the audit. The results of an internal group evaluation of audit quality, based on defined criteria, were also discussed as part of the regular review. The committee also addressed the upcoming tender for the audit of SGL Carbon SE's individual and consolidated financial statements for the fiscal years starting in 2027, and was provided with an overview of the potential process. The meeting also addressed the preparation of the public country-by-country reporting and the resulting obligations of the supervisory body.

During the November meeting, the Audit Committee reviewed the changes in sustainability reporting compared to the previous year and the current status of the legal framework for implementing the CSRD. The committee was also informed about the ongoing development of the internal financial and non-financial control system. KPMG provided an update on the integrated audit of SGL Carbon SE's consolidated and annual financial statements, as well as its 2025 sustainability report. The auditor also gave an overview of the non-audit services provided in 2024 to ensure compliance with the fee cap and the independence of the auditor. The Internal Audit department reported on the results of audits, the implementation status of measures and the audit plan for 2026 and provided the committee with a declaration of independence. From a compliance perspective, relationships with major shareholders and Supervisory Board members were reported, and the Related Party Management Policy was explained. A status on material transactions with related parties (beyond material major shareholders) was provided. In addition to the regular ex-post evaluation of completed investment projects, the Audit Committee also reviewed the Group's internal policy on approving non-audit services provided by the auditor. In this context, the committee reviewed the services rendered up to the meeting and approved the non-audit services expected to be provided through December 2026.

The **Personnel Committee** scrutinized personnel issues in a total of four meetings. The February and December meetings were virtual. The rest of the meetings were held in person.

In the February meeting, the Board of Management members' preliminary target achievement was discussed, including in particular the fulfillment of personal goals. The March meeting of the Committee dealt with the Board of Management members' final target achievement with regard to their variable compensation, and a proposal was resolved for the full Supervisory Board with regard to goal attainment and the discretionary factor. At the November and December meetings, the financial (for the variable short- and long-term salary components) and personal targets for the Board of Management for the 2026 fiscal year were discussed. This included, but was not limited to, the selection of appropriate key financial figures for the 2026 variable salary components.

The **Nominating Committee** met once in person in March in the reporting year. The meeting covered the succession for the Supervisory Board members whose terms expire at the next Annual General Meeting (May 2025). Following the departure of Mr. Eichler from the board after his third term, it was decided to propose Dr. Sönke Bästlein as a new member to the Annual General Meeting. Dr. Bästlein's diverse professional and personal experience, including his expertise in the areas relevant to the Supervisory Board, will be a valuable addition. The proposal to nominate Mr. Denoke for another term was already made during the December 2024 meeting.

Annual Financial Statements and Consolidated Financial Statements 2025

Both in the Audit Committee and in the plenary meeting in March 2026, the Supervisory Board verified that the accounting, the separate financial statements of SGL Carbon SE prepared pursuant to the German Commercial Code (Handelsgesetzbuch, HGB) and the consolidated financial statements as of December 31, 2025, prepared pursuant to the stipulations of the International Financial Reporting Standards (IFRS) (as applicable within the European Union), as well as the management report of SGL Carbon SE and the Group, were audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, and provided with an unqualified audit opinion. The Supervisory Board had previously assured itself of the independence of the auditor and the persons acting on behalf of it, and commissioned the audit pursuant to the resolution of the Annual General Meeting on May 21, 2025. The audit reports on the consolidated financial statements and the annual financial statements were sent to us in good time. The Audit Committee dealt at length with these documents, as did

the full Supervisory Board. The auditors attended the meetings of both the Audit Committee and the Supervisory Board, in which they provided advice on the annual and consolidated financial statements, reported on the audit and made themselves available for additional questions and information. Following presentation of the final results by the Audit Committee and our own review, there were no objections. The Supervisory Board approved the financial statements prepared by the Board of Management and thereby adopted the annual financial statements. Since SGL Carbon SE's 2025 fiscal year ended with an accumulated loss, no proposal by the Board of Management on the appropriation of profit had to be reviewed.

At its meeting in March 2026, the Supervisory Board also scrutinized the Report of the Supervisory Board, the Corporate Governance Declaration and the Corporate Governance and Compliance Report, the Remuneration Report and the disclosures pursuant to Sections 289a and 315a HGB. We refer to the corresponding disclosures in the Annual Report. The Supervisory Board and the Board of Management compiled the Remuneration Report and reviewed the other reports for completeness. To the extent that the reports were within their scope of competence, they also determined the accuracy of their content.

KPMG issued an unqualified limited assurance audit opinion for the separate non-financial Group Report. This means that, based on the audit procedures performed and the audit evidence obtained, no items came to light that would lead to the conclusion that the separate non-financial Group Report is in all material aspects not in compliance with Sections 315b, 315c in conjunction with 289c to 289e HGB and in accordance with ESRS.

In addition, based on its own examination, the report of the Audit Committee regarding its preparatory assessment and the audit opinion of KPMG, the Supervisory Board did not identify any reason to take issue with the correctness and appropriateness of the separate non-financial Group Report.

Meetings attended by

In the year under review, Supervisory Board members attended the meetings of the Supervisory Board and of committees of which they are members as follows:

	Plenary sessions of the SB (number of sessions / participation)	Committees of the SB (number of sessions / participation)	Summary (number of sessions / participation)
Prof. Dr. Frank Richter	8 / 8	5 / 5	13 / 13
Georg Denoke	8 / 8	4 / 4	12 / 12
Markus Stettberger	8 / 8	4 / 4	12 / 12
Dr. Sönke Bästlein (since May 21)	5 / 4	-	5 / 4
Kathrin Bamberger	8 / 7	-	8 / 7
Edwin Eichler (until May 21)	3 / 3	-	3 / 3
Axel Hemleb	8 / 8	3 / 3	11 / 11
Ingeborg Neumann	8 / 8	8 / 8	16 / 16
Dieter Züllighofen	8 / 8	3 / 3	11 / 11

Corporate Governance and Declaration of Conformity

At its meeting on November 26, 2025, the Supervisory Board scrutinized corporate governance issues and approved the declaration of conformity pursuant to Section 161 AktG. In accordance with the German Corporate Governance Code, the declaration of conformity has been made permanently available on the company's website and is reproduced in the Corporate Governance Declaration in this Annual Report. You will also find further information on the Company's corporate governance there.

In the reporting period, no conflicts of interest were reported by Supervisory Board members that would have been necessary to disclose immediately to the Supervisory Board.

As the analysis of the efficiency review showed for the reporting year, cooperation within the Supervisory Board and the Committees was very positive. In this efficiency review, the work of the Supervisory Board and its Committees was analyzed using an extensive questionnaire on an anonymous basis, and the results were discussed in detail by the Supervisory Board.

Various informational events were held to support the Supervisory Board's professional development. In July 2025, the Supervisory Board received a comprehensive tour of the Meitingen site, where they were briefed on the technology, production methods and

competitive landscape of the carbon ceramic brake disc business. In addition, regulatory developments relevant to the work of the Supervisory Board and its committees were regularly presented, such as the progress of implementing the EU Sustainability Reporting Directive (CSRD) and the introduction of the public country-by-country reporting. Furthermore, the Board of Management introduces new Supervisory Board members in a direct exchange to fundamental and current topics of the company and its governance structure during the onboarding process.

Personnel and functional changes in the Board of Management and the Supervisory Board

Mr. Klein, as CEO, and Dr. Bühler, as a member of the Board of Management, assumed their positions on January 1, 2025. Mr. Eichler stepped down from the Supervisory Board at the end of the Annual General Meeting on May 21, 2025. Dr. Bästlein was appointed as his successor by the Annual General Meeting.

Thanks from the Supervisory Board

The Supervisory Board would like to thank the Board of Management, the employees and the employee representatives of all Group companies for their work, without which it would not have been possible to meet the challenges in the corporate development of SGL Carbon in the 2025 fiscal year. I look forward to accompanying the further development of our company with my colleagues on the Supervisory Board.

Wiesbaden, March 18, 2026

The Supervisory Board



Prof. Dr. Frank Richter
Chairman of the Supervisory Board

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General Disclosures (ESRS 2)

General basis for preparation (BP-1 and 2)

General basis for preparation of sustainability statements (BP-1)

This separate non-financial report (hereinafter referred to as “Sustainability Statement”) for the 2025 fiscal year (January 1–December 31, 2025) has been prepared in accordance with the European Sustainability Reporting Standards (ESRS, Delegated Regulation [EU] 2023/2772) and also fulfills the non-financial reporting requirements of SGL Carbon pursuant to Sections 315b and 315c of the German Commercial Code (HGB) (non-financial Group reporting). This statement also contains all of the information required under Article 8 of the EU Taxonomy Regulation ([EU] No. 2020/852).

The Sustainability Statement of SGL Carbon SE presents the corporate governance and performance regarding the material sustainability topics of the company and its subsidiaries, including detailed performance indicators (sustainability metrics). Our separate non-financial Group report is fully in accordance with the ESRS with the exception that, contrary to the specifications of ESRS 1.110 and 112, it is not part of the Group financial statement.

A reconciliation of the material topics in accordance with Section 289c [2] in conjunction with Section 315c HGB to the ESRS topics identified as material by SGL Carbon in the course of its double materiality assessment can be found in the following table.

Matters pursuant to section 289c HGB

Description of the business model	Report sections ESRS topics	
Environmental matters	General disclosures	
	Climate change	material
	Resource use and circular economy	material
Employee matters	Own workforce	material
Social matters	Social matters (affected communities) are reported voluntarily in accordance with ESRS 1.114.	
Respect for human rights	Own workforce	material
	Corporate Governance	material
Combating corruption and bribery	Corporate Governance	material

This Consolidated Sustainability Statement covers all fully consolidated entities of SGL Carbon SE that are material for the sustainability reporting, aligning with the scope of the company’s consolidated financial statements for the 2025 fiscal year.

The following datapoints are not reported in this sustainability statement due to the perception of possibilities of the phase-in regulations:

Data points not reported using the quick-fix rule (EU) 2025/1416	ESRS
Information on expected financial effects	ESRS 2 SBM-3.48(e), E1-9, E5-6
Number of cases of work-related illnesses and associated days lost	Own workforce S1-14 para. 88d and e

The complete list of consolidated companies can be found in the Notes to the 2025 Consolidated Financial Statements (ESRS 1.123). SGL Carbon SE has no controlled group companies excluded from the scope of consolidation of the consolidated financial statements on materiality grounds.

No fully consolidated company of SGL Carbon is exempt from reporting. In addition, none of the fully consolidated companies exercises operational control over any company or assets outside the scope of consolidation. Strategies and policies generally apply to all included companies. The objectives and parameters presented in the Sustainability

Statement also apply Group-wide. Only for the sales offices of SGL Graphite Solutions Taiwan Ltd., SGL CARBON ASIA-PACIFIC SDN BHD, SGL CARBON Korea Ltd., and SGL CARBON Ltd. (Alcester, UK) is no consumption data collected according to ESRS E1 and E5 due to the immateriality of their consumption data for the entire SGL Carbon Group.

The purpose of this sustainability report is to provide stakeholders and interested members of the public with a fair and balanced view of relevant sustainability matters, strategies, actions, and results for the 2025 fiscal year. Consequently, this Sustainability Statement fully incorporates not only identified material sustainability-related impacts, risks, and opportunities from our own business processes but also those from our upstream and downstream value chains. This also applies to the greenhouse gas emissions of our upstream and downstream value chain. All other parameters presented in chapters E1, E5, S1 and G1 relate to our own business processes.

No use was made of the option to omit certain information relating to intellectual property and know-how. Other exception provisions were not utilized.

Disclosures in connection with specific circumstances - Changes in the creation or presentation of sustainability information (BP-2)

The time horizons used in this sustainability statement are in accordance with those defined in the ESRS. The figures we reported in the previous year are presented this year as previous year figures.

Where data from the upstream and/or downstream value chain, which is reported from indirect sources or proxies, is used, this is described in the disclosures to which the data is connected. This also applies for their foundations, their level of accuracy, and the potential actions for future improvement of the accuracy of the data.

When quantitative data and metrics subject to a high degree of measurement uncertainty are used, a notice is included for the disclosures these are based on. This also comprises the assumptions and assessments on which these are based. Furthermore, the sources of the measurement uncertainties are disclosed. The following metrics are based on estimates and result uncertainties that SGL Carbon considers to be connected to the greatest calculation

uncertainty and/or measuring accuracy: For a description of the methods used for calculation, we refer to the corresponding topic chapter.

ESRS	Key performance indicator	Determination approach
E1-6	Determination of Scope 3 category 11	Emissions are based on internal expert estimates of operating parameters during the utilization phase and the service life of the plant.

The metrics are components of the sustainability statement, which is subject as a whole to a separate economic audit with limited assurance from the auditor. The metrics are not further validated by an external third party.

Rounding may result in individual cases in the figures presented in this report not adding up precisely to the reported sum and that percentages may not be exact from the figures provided. Changes in the creation or presentation of sustainability information compared to the previous year were not made.

The information presented in the following was incorporated in this sustainability statement by reference to avoid duplications within the 2025 annual report.

Incorporation by reference in accordance with ESRS 1.119

Section	ESRS standard	Reference document
Integration of sustainability-related performance in incentive schemes	ESRS 2 GOV-3	Details on Board of Management compensation in the 2025 compensation report
Strategy, business model and value chain	ESRS 2 SBM-1	Description of the products and services in the Group's business model as part of the 2025 Group Management Report
Strategy, business model and value chain	ESRS 2 SBM-1	Description of sales markets, including revenue split in the Group's business model, as part of the 2025 Group Management Report
Own workforce	S1 - ESRS 2 SBM-3	Business model of the Group as part of the 2025 Group Management Report

Connected information and connectivity with financial statements in accordance with ESRS 1.123

Section	ESRS standard	Reference document
Basis for preparation	ESRS 2 BP-1	Presentation of the scope of consolidation as part of the 2025 notes to the consolidated financial statements

Supplementary information (unaudited)

Section	ESRS standard	Reference document
The role of the administrative, management and supervisory bodies	ESRS 2 GOV-1	Information, responsibilities, and competencies of the members of the Supervisory Board in the corporate statement / Corporate Governance Report 2025
Procedure for assessing materiality	ESRS 2 IRO-1 and 2 (Double Materiality Assessment)	Source reference for the inclusion of external stakeholders: Intergovernmental Panel on Climate Change (IPCC WGI Interactive Atlas)
Information related to ESRS 2	E1	Source of climate scenarios used: Intergovernmental Panel on Climate Change (IPCC); Shared Socioeconomic Pathways (SSPs)
Targets related to climate change mitigation and adaptation	E1-4	Source for determining climate-related risks: Intergovernmental Panel on Climate Change (IPCC WGI Interactive Atlas)

Governance (GOV-1 to 5)

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

SGL Carbon SE, as a listed European company, follows a two-tier governance system. This means that the company's management and oversight functions are clearly separated. The Board of Management comprised three independent members as of December 31, 2025. The Supervisory Board comprised eight members: four representing the shareholders and four representing the employees.

The share of women on the Supervisory Board as of December 31, 2025, is 25%. The target is to achieve a share of at least 30%. The share of male Supervisory Board members is 75%, resulting in a female-to-male ratio of 1:3. Other diversity criteria were only considered to the extent necessary for fulfilling the Supervisory Board's duties, such as qualification and experience.

The Chairman of the Supervisory Board also represents the company's largest shareholder. As a result, 87.5% of the board's members are considered independent under the German Corporate Governance Code. The employee representatives are generally categorized as independent. Further information about the roles and responsibilities of both the Board of Management and the Supervisory Board can be found in the Corporate Governance Report (unaudited) within this annual report.

With regard to the composition of the Board of Management, the Supervisory Board has established a specific requirements profile that emphasizes expertise and experience in environmental and climate issues, as well as social and governance matters. The Supervisory Board has set itself targets for its composition and drafted a skill set profile for the body as a whole. In accordance with the targets it has set for itself, the Supervisory Board is to have a composition that ensures that its membership as a whole possesses the knowledge, skills, and professional experience required to properly perform the duties of the Supervisory Board, including in connection with SGL Carbon's material impacts, risks, and opportunities regarding sustainability matters.

The Audit Committee of the Supervisory Board oversees the preliminary audit of SGL Carbon SE's sustainability reporting and the monitoring of impacts, risks, and opportunities. The Chair of the Audit Committee reports on the preliminary audit and the results of this to the full Supervisory Board. The names of Supervisory Board members and committee compositions can be found in the company's Corporate Governance Report (unaudited) and on the company's website. Within the Audit Committee, Ms. Ingeborg Neumann is the designated sustainability expert due to her practical experience and knowledge. The Audit Committee is also responsible for monitoring the risk management system, which integrates non-financial risks and opportunities. In addition to the Audit Committee, the full Supervisory Board regularly receives reports on current and potential impacts, risks, and opportunities during its meetings. For additional information, please refer to the risks and opportunities report as part of the 2025 Group Management Report. A detailed description of the responsibilities and duties of Supervisory Board members and their competencies can be found in the Corporate Governance Report (unaudited) of this Annual Report. In addition, the Board of Management of SGL Carbon is committed to the sustainability-related recommendations of the German Corporate Governance Code (DCGK).

The highest operational decision-making body of SGL Carbon is the Board of Management of SGL Carbon SE. The topics of climate and environmental protection, as well as human resources and compliance, are anchored at the highest operational decision-making level within the portfolio responsibility of the Board of Management members. An overview of the areas of responsibility can be found on the SGL Carbon website. The Board of Management is supported in this area by an ESG Steering Committee made up of the heads of the four business units, the Corporate Sustainability Team and various experts in ESG-relevant areas, including the areas of compliance, occupational health and safety, energy management, and purchasing.

The Board of Management meets with the ESG Steering Committee three times per fiscal year and receives updates from the Corporate Sustainability Team and subject matter experts on current ESG topics, progress toward targets and the development of material sustainability matters. The reporting also includes material impacts, risks and opportunities identified in the materiality assessment, the implementation of due diligence in sustainability and the results and effectiveness of adopted strategies, actions, targets and parameters. The composition of the ESG Steering Committee represents all relevant ESG topic areas, ensuring that the Board of Management is regularly informed about all material ESG topics. The ESG Steering Committee also monitors the achievement of targets, sets new

targets, and defines actions for target achievement where necessary. In addition to updating the double materiality assessment and introducing projects related to the circular economy, the focus during the reporting year was particularly on the requirements for preparing the sustainability report in accordance with CSRD. Moreover, additional regular discussions and meetings take place between subject matter experts and the Board of Management on human resources, energy management, occupational safety, and compliance, where specific sustainability topics are addressed. Targets and actions for these sustainability matters are determined in the corresponding committees and councils, such as the HSE Council (HSE = Health Safety Environment), the Compliance Committee, or Energy Management, and reported to the Steering Committee.

The Supervisory Board also receives regular updates, at least once a year, from the respective department heads on material sustainability matters and associated impacts, risks, and opportunities, and monitors strategy, actions, and target achievement. During all its meetings in the reporting year, the Audit Committee, which is responsible for sustainability matters, was briefed by department representatives on the creation of the sustainability statement and the development of material ESG topics and reported on these topics to the full Supervisory Board.

A description of the expertise of the Board of Management and the Supervisory Board can be found in SGL Carbon's Corporate Governance Report (unaudited). Regarding SGL Carbon's sustainability matters, the board members are informed about new developments by the respective internal subject matter experts, enabling them to update and expand their expertise. In addition, external experts such as consultants and auditors support board members in executing their mandate.

Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies (GOV-2)

The Board of Management is informed about relevant sustainability matters at least three times per year as part of the various steering committees (SteerCo) on the determined ESG topics. The relevant topics were also reported on in all four meetings of the Audit Committee in 2025. A focus topic of the information reported in 2025 was the new developments regarding the sustainability reporting in accordance with the CSRD, as well as the update of the double materiality assessment.

As part of the risk management system, non-financial risks and opportunities are also a material component of reporting to the Board of Management and Supervisory Board. Appropriate actions are accordingly discussed and established to minimize risks and optimize opportunities.

In addition, both committees were informed at least once a year about material developments in our sustainability metrics, such as CO₂, waste, water, female representation, Lost Time Injury Frequency Rate (metric for accident rate with lost time), and compliance and personnel matters. Progress on target achievement was also part of the reporting.

Integration of sustainability-related performance in incentive schemes (GOV-3)

Sustainability-related performance in incentive schemes for the Board of Management is embedded in the short-term variable remuneration component (SGL Carbon Bonus Plan, STI). Incentives are set for the sustainable development of the Company via individual targets for the members of the Board of Management, with the Supervisory Board selecting at least one of the objectives from the topic areas of environment, social affairs/employees or governance/compliance.

The remuneration of the Supervisory Board does not include sustainability-related performance in incentive schemes. In accordance with the recommendation in the German Corporate Governance Code, the Supervisory Board receives fixed remuneration.

Details on the Board of Management's sustainability targets can be found in the 2025 Remuneration Report (audited) on our website. Achieving an accident rate of <2.0 (2024: <2.2) was also established as a target for all other executives in management levels MG 2-5 for the short-term variable remuneration component (STI) and corresponds to 10% of variable remuneration.

The system of remuneration for members of the Board of Management is determined by the Supervisory Board and submitted to the Annual General Meeting for approval. The existing remuneration system was presented to the Annual General Meeting on May 9, 2023, and approved by a majority of 98.34%. The system for remuneration of Supervisory Board members is determined by the Annual General Meeting. The existing remuneration

system was presented to the Annual General Meeting on May 9, 2023, and approved by a majority of 99.90%. The remuneration systems are regularly reviewed and must be submitted to the Annual General Meeting for approval in accordance with statutory requirements whenever there are material changes, but at least every four years.

Statement on due diligence (GOV-4)

As an energy-intensive, internationally operating manufacturing company and employer in many regions with a global supplier network, SGL Carbon acknowledges its responsibility and due diligence obligations for the environment and climate, safety, health, and well-being of its own employees, respect for human rights, and a responsible supply chain, and it has embedded these in its corporate strategy.

This responsibility is carried out by various areas and functions, including quality and energy management, the compliance and environmental health and safety departments, purchasing, and the central Corporate Sustainability department. In addition, some of our plants and processes are ISO-certified. We prepare an annual Sustainability Statement and summarize our measurable metrics in our ESG factsheet. We also participate in various active and passive ratings and thus make our sustainability performance comparable. The following table provides an overview of the core elements of our due diligence and their presentation in this Sustainability Statement.

Core elements of due diligence	Sections in the Sustainability Statement
Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-2; ESRS GOV-3; ESRS SBM-3 and the topical chapters E1 and E5, as well as S1 and G1
Engagement of affected stakeholders in all important due diligence steps	ESRS 2 GOV-2; ESRS 2 SBM-2; ESRS 2 IRO-1 and in the topical chapters E1 and E5, as well as S1 and G1 (ESRS MDR-P)
Identification and assessment of adverse impacts	ESRS 2 GOV-2; ESRS 2 IRO-1; ESRS 2 SBM-3
Actions against these adverse impacts	ESRS 2 MDR-A topical chapters E1 and E5, as well as S1 and G1 (Actions)
Tracking the effectiveness of these efforts and communication	ESRS 2 MDR-M and MDR-T topical chapters E1 and E5, as well as S1 and G1 (Parameters and Targets)

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

SGL Carbon's risk management system also records sustainability risks and opportunities to which the company is exposed. In addition to the non-financial internal control system (ICS) introduced in 2024 and compliance management, risk management is an integral component of corporate governance at SGL Carbon.

The non-financial internal control system aims to minimize risks in operational business processes, e.g., in the collection, validation and consolidation of sustainability-related values and parameters through implementation of appropriate controls. The risk management system is also used to identify and assess sustainability-related risks and opportunities. The compliance management system deals with processes and actions to ensure compliance with legal provisions and internal policies regarding the company's sustainability matters.

The assessment of risks and opportunities regarding SGL Carbon's sustainability matters was conducted as part of the materiality assessment according to ESRS (see also the chapter "Description of the processes to identify and assess material impacts, risks, and opportunities" ESRS 2 IRO-1) and is incorporated into our group-wide risk management system to ensure integration of sustainability risks and opportunities into the company's risk management system. Actions to counteract identified risks are specified. Material new risks or risks that threaten the company as a going concern are immediately reported to the Board of Management and to the Supervisory Board, as appropriate, via ad hoc reporting, regardless of the defined reporting intervals.

The financial impact as well as the likelihood of occurrence for all identified risks and opportunities are considered in the assessment. The assessment of the sustainability risks and opportunities is based on the classification criteria of our group-wide risk management system. Further information on SGL Carbon's group-wide risk management system and the method for prioritizing risks and opportunities according to the SGL-wide classification system can be found in the Opportunities and Risks Report in the Group Management Report.

In the Group's Opportunities and Risks Report, we have also presented our key sustainability risks and mitigation strategies. We also refer to the reportable topic

standards of this Sustainability Statement (see also the chapter "Strategy and material impacts, risks and opportunities" ESRS 2 SBM-3), which provide detailed presentations of material risks and opportunities as well as actions to minimize risks and optimize opportunities.

Risks may result from the preparation of the Sustainability Statement. Data collection, validation and consolidation of reportable sustainability data may involve risks, as may the lack of data availability and associated inaccuracies in estimation procedures. Errors in manual processes required as part of reporting processes, e.g., to merge data from multiple systems, may also pose risks. To minimize these risks, SGL Carbon implemented a non-financial internal control system (nf ICS) in 2024. It defines responsibilities for data collection, aggregation, validation, and control.

Data is collected at the level of local subject matter experts and largely entered into IT-supported systems, which verify data completeness through system checks. This process is monitored by ESG reporting specialists from the central Group Accounting department. The completeness and accuracy of entries are further confirmed through a dual-control principle at the local department level by the respective site manager. Upstream process controls during data collection at the local, location level are not carried out. Content validation of the data is performed centrally by higher-level departments before the data is systematically consolidated. The verification of proper data transfer into the sustainability report is performed centrally by the Corporate Sustainability Team.

Data whose entry and consolidation is not yet performed in IT-supported systems, e.g., the number of reports from the whistleblower system, is collected centrally and controlled through a dual-control principle. The verification of proper data transfer into the sustainability report is also performed centrally by the Corporate Sustainability Team.

The risk management system is monitored by the Supervisory Board via the Audit Committee. The adequacy and effectiveness of the non-financial internal control system (ICS) introduced in 2024 is the responsibility of the Chief Financial Officer. The CFO is supported in this by the Group Accounting and Corporate Sustainability departments.

During the reporting period, the full Board of Management was informed about the progress and effectiveness of the non-financial internal control system in the meetings of

the ESG Steering Committee. The Audit Committee of the Supervisory Board was also briefed about the non-financial ICS in its meetings.

Materiality assessment process (IRO-1 and 2)

Description of the processes to identify and assess material impacts, risks, and opportunities (IRO-1)

As part of our preparations for the 2025 sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD), we updated our existing materiality assessment in accordance with the European Sustainability Standards (ESRS). In the assessment, we considered the principle of double materiality and accordingly examined it from two central perspectives:

- **Environmental and social impact materiality** (inside-out perspective – “Impacts”): Consideration of the impacts of SGL Carbon’s business on the environment and society. This analyzes the impact of the company’s activities on various interest groups and stakeholders (including the stakeholder “Nature”).
- **Financial materiality** (outside-in perspective – “risks and opportunities”): Consideration of the influence of environmental and social factors on SGL Carbon. The risks and opportunities arising from external developments that could potentially have a financial impact on the company are examined.

Material impacts, risks, and opportunities of the relevant sustainability matters were identified based on a collection of topics drawing on various sources and topical workshops, supplemented by qualitative and quantitative expert assessments. A detailed overview of our material and non-material ESRS topics is presented in the chapter “Strategy and Material Impacts, Risks and Opportunities – SBM-3.” The impacts, risks, and opportunities arising from SGL Carbon’s business model were identified and assessed along our upstream and downstream value chains. A simplified depiction of our value chain can be found in the chapter SBM-1.

The objective of our materiality assessment is to identify, assess, prioritize, and monitor SGL Carbon’s potential and actual impacts on people and the environment. To determine the material impacts, we applied the following approach:

1. Development of a list of possible sustainability matters

As part of our double materiality assessment in 2023, a comprehensive list of potentially material topics for the SGL Carbon business model was created using a variety of sources. In addition to the standards applied (ESRS), the sources included ESG topics relevant to our industry sector and competitive analysis. Current trends and developments were included through, among other things, possible future legislative initiatives and focus topics of NGOs that could affect our sites, including the Deforestation Regulation, the German Supply Chain Act (LkSG), the Energy Efficiency Act, and the Corporate Sustainability Due Diligence Directive. The results of previous materiality assessments, topics, and areas of interest from various sustainability ratings, such as Ecovadis, MSCI ESG, ISS ESG (Institutional Shareholder Service ESG) and Sustainalytics, as well as other stakeholder groups, such as investors, industry, and professional associations, were also included in the topic collection. While compiling our initial list of sustainability matters, we eliminated any duplicate topics that came up during our research. We also excluded topics that were not relevant to SGL Carbon’s business activities, such as animal testing. The exclusion of non-relevant ESG issues is based on our own assessment, which is guided by the basic principle of dual materiality, i.e., the analysis of potential impacts of the business model of SGL on the environment and society (inside-out perspective) and potential financial opportunities and risks for SGL Carbon (outside-in perspective).

2. Update of potential sustainability matters

The double materiality assessment was updated in 2025. This is based on the list of potential topics from 2023, as well as the results of the 2023 DMA, supplemented by an updated analysis of comparable companies. Additionally, regulatory changes such as simplifications of the LkSG and the CSRD were also taken into consideration. Special consideration was given to the developments in SGL Carbon’s economic activities in updating the material sustainability matters.

3. Stakeholder involvement

SGL Carbon regularly engages in dialog with those relevant stakeholders who ensure that the perspectives of our stakeholders on SGL Carbon’s sustainability matters are considered. Relevant stakeholders for SGL Carbon are institutions or persons with whom we have a

direct or indirect relationship through our business activities and who therefore have an interest in our actions. (Further details are found in the chapter “Interests and views of stakeholders” – ESRS 2 SBM-2).

We also considered the interests of “silent stakeholders” through studies and publicly available information. Expert knowledge, external sources, and digital tools such as the “IPCC WGI Interactive Atlas” (unaudited) were utilized for this.

4. Expert workshops to evaluate material IROs

In interactive expert workshops focused on specific topics, a comprehensive evaluation and assessment of all matters from the updated sustainability matters list was carried out (see Step 2). SGL specialists from various business units contributed their expertise to assess the actual and potential impacts of SGL Carbon’s business model on the environment and society, as well as risks and opportunities, following ESRS guidelines. Independent of the list of matters, the internal experts were able to add additional possible matters to the process in the workshops and to have these assessed. In total, 101 impacts, risks, and opportunities were identified and assessed across all sustainability matters, with 15 of these emerging as material for the business model of SGL Carbon.

5. Validation of the results by the Board of Management

The Board of Management of SGL Carbon reviewed and approved the results of the double materiality assessment in alignment with SGL Carbon’s corporate strategy, objectives, policies, and culture.

The double materiality assessment took a comprehensive view of SGL Carbon’s activities, examining the business operations, including production processes, business relationships, and the entire upstream and downstream value chains. The assessment covers our global activities and business relationships. Particular attention was paid to factors that could lead to increased risks of negative impacts. These factors particularly relate to the use of raw materials, our product manufacturing processes including emissions, and the use of our products across various applications and industries. We specifically examined the energy intensity of our manufacturing processes and the circularity potential of our products. Working conditions, occupational safety and health, and impacts and risks related to human rights were also considered. Additionally, we examined compliance with all legal requirements and relationships with our international suppliers and business partners. The

comprehensive analysis enabled us to identify and assess potential impacts with elevated risk along the entire value chain to ensure that sustainability risks are addressed.

Our impact assessment took into consideration both direct and indirect impacts. Accordingly, we examined our responsibility for impacts on people and the environment that directly resulted from our activities and products. At the same time, we consider impacts that arise in cooperation with third parties in the upstream and downstream value chains, as well as impacts where the responsible or contributing entity is connected to SGL Carbon through a direct or indirect business relationship. All relevant value chain steps were identified. Internal data and information, as well as the knowledge and experience of internal subject matter experts regarding production processes, resource use, and emissions, were used to capture and assess direct and indirect impacts. The perspectives and estimations of our internal and external stakeholders are brought into the assessment of the sustainability matters through regular dialogs as part of our business operations (see chapter “Interests and views of stakeholders” – ESRS 2 SBM-2).

The assessment of the impacts is carried out with the help of software and in accordance with the EFRAG ESRS-1 procedure. The following categories were used to evaluate impacts:

1. Scale: How serious the impacts are for people or the environment, both positive and negative.
2. Scope: How widespread the impacts are, including geographical reach and number of affected living beings.
3. Irremediability: How easily and quickly a negative impact can be remedied. This category was only applied to negative impacts.
4. Likelihood: How frequently or to what extent a specific impact is likely to occur.

The applied assessment categories were each rated on a scale of 1 to 5, with 1 representing the minimum (very low) and 5 representing the maximum (very high) for each category.

For negative impacts, the three factors of scale, scope, and irremediability were each assessed on a scale of 0 to 5 and tallied, which results in a total score between 0 and 15.

Positive impacts were assessed according to the two factors of scale and scope, whose sum was multiplied by a factor of 1.5 to ensure comparability with negative impacts.

For potential impacts, we also considered likelihood as an additional parameter. The likelihood of occurrence was recorded in the tool on a scale of 1 to 4, with 1 representing a low likelihood and 4 representing a very high likelihood of occurrence. The result was then multiplied by the likelihood of occurrence, which is weighted with a factor between 0.65 (low/moderate) and 1 (very high) depending on the degree of likelihood of occurrence.

For potential negative impacts on human rights, this weighting does not occur; here, the factor 1 is always used, as the severity of the impact takes precedence according to the ESRS. The calculated figures were rounded, with decimal points between 0.5 and 0.9 being rounded up. Impacts with a total value of 7.5 (rounded up to 8) and higher were categorized as material for SGL Carbon. This procedure ensures a transparent, comprehensible and consistent assessment of positive as well as negative impacts along the value chain.

Time horizons were also established for all impacts, following the definition of time horizons in accordance with ESRS-1 paragraph 6.4. As soon as a defined impact reached or exceeded the defined relevance threshold of ≥ 8 according to the calculation methods described above, the associated ESG topic was classified as material. This classification was subjected to an additional critical overview. In general, the assessment of the impacts was based on a gross approach. Only in one exceptional case was a net approach utilized. This applies to the potential negative impacts connected to the ESRS S2 standard, as comprehensive qualification and audit measures for business partners have already been established. These also include the requirement for our business partners to sign the SGL Business Partner Code of Conduct. SGL Carbon expects its business partners to implement the principles and standards of this code in their company and to work towards an implementation of these in the companies they subcontract to. All material impacts, risks, and opportunities were introduced to the ESG SteerCo as the final decision-making entity and were confirmed by the committee to be material for our stakeholders.

Our approach to assessing risks and opportunities was substantially based on the methodology for determining material impacts, as described above. In addition to the workshop assessments, we worked closely with internal subject matter experts to conduct detailed calculations of the potential financial impacts of identified risks and opportunities on SGL Carbon's EBIT (Earnings before interest and tax). This process was aligned with our existing financial risk management system.

The calculation of potential financial impacts considered various parameters, such as

- possible investments for implementing actions to achieve targets and/or comply with new legal standards
- higher expenses for raw materials, waste management, and/or carbon pricing
- potential penalties and expenses for non-compliance with legal provisions
- percentage assumptions of revenue and profit loss if potential risks materialize, e.g., through reputational damage
- assumptions about higher financing costs if we fail to meet our set targets

For the software-assisted assessment of risks and opportunities, SGL Carbon followed its established financial risk management system to systematically capture and categorize financial effects and probability. The financial effect was assessed on a scale of 1 to 5, with 1 representing the minimum and 5 representing the maximum effect. The likelihood of occurrence, unlike our risk management approach, was recorded in the tool on a scale of 1 to 4. For evaluating risks and opportunities, the following two categories were used:

1. Financial effect: Assessment of potential effects on the Group's EBIT that may result from the risk or opportunity.
2. Probability: Evaluation of the likelihood of occurrence for the respective risk or opportunity.

For the assessment of the materiality, the scale of the financial effect was multiplied by the likelihood of occurrence. For this, the likelihood is weighted with a multiplier between 0.65 (moderate/low) to 1 (very high). These results are also rounded, and financial risks and opportunities with a threshold value of 2.5 (rounded up to 3) and higher are categorized as material for SGL Carbon. This methodology allows for the identification of risks and opportunities that are important for the business strategy.

A detailed description of our financial risk management system can be found in the 2025 Group Management Report in the chapter "Opportunities and risk report"; we also provide an overview in this sustainability statement in the chapter "Governance" (GOV-5).

When identifying potential impacts, risks, and opportunities, we considered that connections and dependencies might exist between various impacts, which could manifest in corresponding risks or opportunities. When a negative impact was identified, we simultaneously examined whether this impact would result in a relevant business risk for

SGL Carbon. Similarly, positive impacts were systematically analyzed to determine whether they could lead to concrete opportunities for the company. Impacts, risks, and opportunities where connections and interactions exist are presented in detail in the topical chapters of this report.

The detailed description of the decision-making process and associated internal control procedures for SGL Carbon's risk management is documented in the chapter "Governance" (GOV-5).

The identification and assessment of impacts, risks, and opportunities (double materiality assessment, DMA) has been integrated into existing processes. The assessment of impacts, risks, and opportunities will be reviewed every two years and adjusted if necessary. A revision can also take place outside the regular review if needed.

Sustainability-related risks and opportunities are assessed and monitored within the company's risk management system. This means they are fully integrated into the company's standardized assessment and monitoring processes. By treating financial and non-financial risks and opportunities equally, we aim to ensure that sustainability aspects are always aligned with the company's strategic objectives and appropriately considered. Details on the risk management system can be found in the 2025 Group Management Report in the chapter "Opportunities and risk report."

To ensure tracking and further development of our ESG ambitions and goals, SGL Carbon has implemented an ESG governance structure that connects with our risk management process (see also the chapter "Governance" – GOV-2 and GOV-5). The Board of Management of SGL Carbon SE acts as the highest operational decision-making body and has integrated sustainability into the top leadership level due to its strategic importance. This integration ensures that processes for identifying, assessing, and managing ESG risks and opportunities systematically flow into the company's general risk management processes. More information about our governance structures and the implementation of sustainability matters in our strategy is presented in the chapter "Governance" (GOV-1 and GOV-2).

No changes to the process or approach took place in the reporting year. The material impacts, risks, and opportunities resulting from the materiality assessment were updated

during the reporting year as part of the annual risk inventory. The next regular review of the materiality assessment is scheduled to take place in the 2027 fiscal year.

Disclosure requirements in ESRS covered by the undertaking's sustainability statement (IRO-2)

To facilitate navigation within the sustainability statement, the following index provides an overview of the disclosure obligations considered as well as datapoints from other EU legal provisions which SGL Carbon reports in accordance with the ESRS, including page numbers and marking of disclosure requirements classified as "Not material." SGL Carbon is not required to report according to Regulation (EU) 2019/2088, Regulation (EU) No. 575/2013, and Regulation (EU) 2016/1011. The datapoints in connection with Regulation (EU) 2021/1119 are listed separately and referenced accordingly.

	Disclosure requirement	To be reported	Page
BP-1	General basis for preparation of sustainability statements	Yes	15
BP-2	Disclosures in relation to specific circumstances	Yes	16
GOV-1	The role of the administrative, management and supervisory bodies	Yes	17
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Yes	18
GOV-3	Integration of sustainability-related performance in incentive schemes	Yes	19
GOV-4	Statement on due diligence	Yes	19
GOV-5	Risk management and internal controls over sustainability reporting	Yes	20

	Disclosure requirement	To be reported	Page
SBM-1	Strategy, business model and value chain	Yes	27
SBM-2	Interests and views of stakeholders	Yes	29
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Yes	30
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Yes	21
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Yes	24
E1- GOV-3	Integration of sustainability-related performance in incentive schemes	See GOV-3	19
E1-1	GHG removals and GHG mitigation projects financed through carbon credits (incl. Regulation [EU] 2021/1119, Article 2[1])	Yes	35
E1- SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	See SBM-3	30
E1-IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Yes	21
E1-2	Material impacts, risks and opportunities and their interaction with strategy and business model	Yes	31
E1-2	Policies related to climate change mitigation and adaptation	Yes	37
E1-3	Actions and resources in relation to climate change policies	Yes	38
E1-4	Targets related to climate change mitigation and adaptation	Yes	39
E1-5	Energy consumption and mix	Yes	41
E1-6	Gross scopes 1, 2, 3 and total GHG emissions	Yes	42
E1-7	GHG removals and GHG mitigation projects financed through carbon credits (incl. Regulation [EU] 2021/1119, Article 2[1])	Not material	-
E1-8	Internal carbon pricing	Yes	45
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	No (phase-in provision)	-

	Disclosure requirement	To be reported	Page
E2	Pollution	No, not material	-
E3	Water and marine resources	No, not material	-
E4	Biodiversity and ecosystems	No, not material	-
E5-1	Policies related to resource use and circular economy	Yes	48
E5-2	Actions and resources related to resource use and circular economy	Yes	49
E5-3	Targets related to resource use and circular economy	Yes	51
E5-4	Resource inflows	Yes	51
E5-5	Resource outflows	Yes	52
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	No, quick-fix regulation	-
S1-SBM-2	Interests and views of stakeholders	Yes	29
S1-SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Yes	33
S1-1	Policies related to own workforce	Yes	64
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Yes	66
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Yes	67
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Yes	68
S1-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	Yes	72
S1-6	Characteristics of the undertaking's employees	Yes	73
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Yes	75

	Disclosure requirement	To be reported	Page
S1-8	Collective bargaining coverage and social dialog	Yes	75
S1-9	Diversity metrics	No	-
S1-10	Adequate wages	Voluntary reporting, not material (ESRS 1,114)	76
S1-11	Social protection	No	--
S1-12	Persons with disabilities	No	-
S1-13	Training and skills development metrics	No	-
S1-14	Health and safety metrics	Yes, partial use of quick-fix regulation	76
S1-15	Work-life balance metrics	No	-
S1-16	Remuneration metrics (pay gap and total remuneration)	No	-
S1-17	Incidents, complaints and severe human rights impacts	Yes	67
S2	Workers in the value chain	No, not material	-
S3	Affected communities	No, not material	-
S4	Consumers and end-users	No, not material	-
G1-GOV-1	The role of the administrative, management and supervisory bodies	See GOV-1	17
G1-IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	See IRO-1	21
G1-1	Business conduct policies and corporate culture	Yes	78
G1-2	Management of relationships with suppliers	Voluntary reporting, not material (ESRS 1,114)	79
G1-3	Prevention and detection of corruption and bribery	Yes	81
G1-4	Confirmed incidents of corruption or bribery	Yes	81
G1-5	Political influence and lobbying activities	No, not material	-
G1-6	Payment practices	No, not material	-

Sustainability matters identified as not material (E2-4)

To identify material impacts, risks, and opportunities related to possible environmental pollution, SGL Carbon considered our own business activities as well as upstream and downstream activities along the value chain as part of the double materiality assessment in 2025. The approach was already described in this chapter.

Various scenarios were discussed concerning potential impacts, risks, and opportunities. These included, for example, accidents that could lead to environmental and/or air pollution, water pollution, and regulatory requirements for protecting air and the environment, as well as possible sanctions and legal disputes related to environmental pollution issues. SGL Carbon also maintains communication with affected neighboring communities and residents at our sites. More information can be found in the chapter “Interests and views of stakeholders” (ESRS 2 SBM-2).

However, the results of the materiality assessment showed that none of the identified impacts, risks, or opportunities related to pollution were classified as material. Developments in this area continue to be monitored so that we can respond promptly if there are changes in the relevance of the various factors.

SGL Carbon also conducted a review of possible current and potential impacts, risks, and opportunities related to water and marine resources as part of its double materiality assessment in 2025. The investigation covers all production sites and business activities and considers both the actual use of water and the procedures for wastewater return. During the internal expert workshops, it was confirmed that water is not a significant resource for the production of SGL products and that SGL Carbon sites largely use recirculation systems for used water. Current and future regulatory requirements regarding water use and pollution were also included in the assessment. No material impacts, risks, or opportunities were identified in respect of the topic of water and marine resources.

As part of the double materiality assessment conducted in 2025, relevant aspects regarding biodiversity and ecosystems were also analyzed. In the upstream value chain, particular attention was paid to raw material extraction, while the assessment of our own business activities considered the proximity of SGL sites to protected ecosystems, including our activities near the Lechauen nature reserve at the Meitingen site. However, the result of the analysis does not indicate the materiality of the topic of biodiversity and ecosystems.

The double materiality assessment considered impacts on nature in the upstream supply chain. The focus was on potential impacts on nature as a stakeholder, without specifically highlighting affected communities. No significant impacts on affected communities were identified. In addition, no negative impacts on relevant ecosystem services were found. Consequently, no actions for minimization or mitigation are currently required on the part of SGL Carbon.

SGL Carbon operates a site near the Lechauen nature reserve in Meitingen. To date, no significant negative impacts on natural habitats or resident species have been identified in relation to SGL Carbon's business activities. Nor do we expect negative impacts in the future. The double materiality assessment did not identify any material current or potential negative impacts on biodiversity. As a result, SGL Carbon currently sees no need to develop specific actions to mitigate possible impacts on biodiversity.

Strategy and material impacts, risks, and opportunities (SBM-1 to 3)

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

To avoid duplication of information in the Sustainability Statement and the Group Management Report, we refer pursuant to ESRS 1.119 to the following parts of the Group Management Report: The description of significant product groups and services, as well as markets and customer groups (ESRS SBM-1 para. 40a i. and ii.) is provided in the chapter "Group business model" in the 2025 Group Management Report. The number of employees by geographical area (ESRS 2 para. 40a iii. and SBM-1 para 40a i. and ii.) can be found in the chapter "Own workforce (S1-6)" of this Sustainability Statement.

With its materials, products and services, SGL Carbon serves markets that can help shape the future trends of environmental and climate protection, as well as digitalization. We therefore focus on future markets that we believe support these trends and offer corresponding growth opportunities: mobility (including electromobility and fuel cell vehicles), renewable energy industries, and the semiconductor industry. As part of the restructuring of the Carbon Fibers business unit and the related focus on profitable product areas, SGL Carbon has discontinued its own manufacturing of acrylic and carbon fibers. Accordingly, the Textile Fibers market segment has not been operated with own fiber materials since mid-2025. New material markets and customer groups were not tapped in the 2025 fiscal year. A detailed presentation of our products and markets, as well as a revenue split of significant market segments, can be found in the chapter "Group fundamentals" of the 2025 Group Management Report (ESRS 1.119). There is no ban on material products in certain markets.

Our sustainability objectives, strategies, and measures are aimed at reducing the negative impacts of our business model on the environment and society. We want to leverage opportunities and positive sustainability effects of our activities while minimizing risks through targeted actions. In doing so, we also align ourselves with the United Nations' Sustainable Development Goals (SDGs).

SGL Carbon's sustainability goals do not relate to specific product groups, customer categories, geographical areas, and/or stakeholder relationships. Our sustainability goals are global group goals. Through our product portfolio and market focus, we strive to contribute to climate change mitigation and optimally leverage associated opportunities. As an energy-intensive company, we are working to reduce our own energy consumption, increasingly use renewable forms of energy, and thereby lower our CO₂ emissions (see also the details in E1).

In addition, we want to promote efficient use of our required resources and the circularity of our products. This includes reducing water consumption, reintegrating production waste into the manufacturing process and avoiding waste wherever possible. To improve the recyclability and reusability of our products, we are conducting research together with associations and scientific institutions on alternative and renewable raw materials and new technological processes (see also the details in E5).

Through our personnel strategy and associated actions such as performance-based compensation, equal treatment and diversity, training and development opportunities, and an open dialog with our employees and their representatives, we aim to have a positive influence on potential impacts on our employees and to be an attractive employer. Health protection and occupational safety are also integral parts of our corporate strategy and are anchored in our Code of Conduct. Accordingly, we aim to improve our LTI Frequency Rate by at least 5% each year (base year 2022) to achieve our long-term objective of zero accidents. The commitment to respect human rights in our own activities and throughout our entire value chain serves the goal of reducing negative impacts on society (see also the details in S1).

Strict compliance with laws, standards, and guidelines combined with structured processes, practices, and controls are essential factors in our corporate policy and an integral part of our corporate strategy. This includes a corporate culture based on our values and consideration of internal and external stakeholder groups along our value chain. One goal

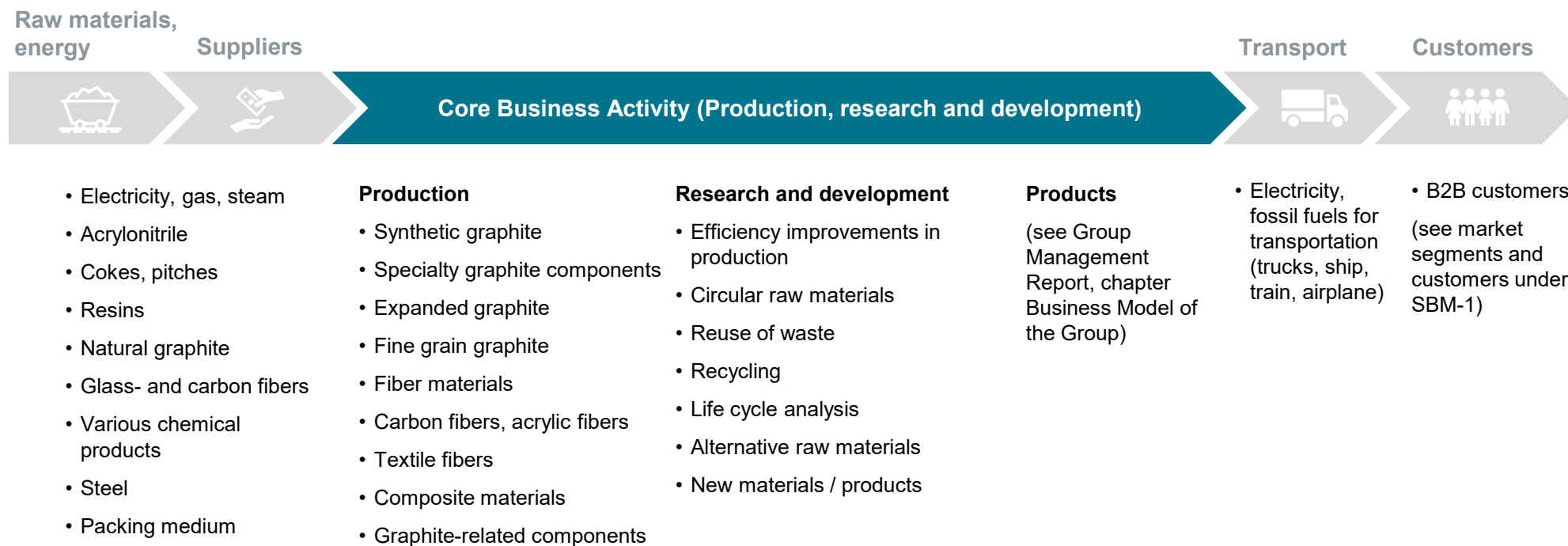
is to manifest our values within the company and continuously improve our performance culture. Our suppliers must also measure up to our sustainability standards. Accordingly, it is our goal that all relevant suppliers accept our Business Partner Code of Conduct by signature (see also the details in S1).

SGL Carbon manufactures carbon-based materials and products for various applications and customer groups while striving to offer customers products and solutions that contribute to greater sustainability. To manufacture our materials and products, we need raw materials that we source through a global supplier portfolio. Our suppliers must accept our Business Partner Code of Conduct and regularly account for selected ESG matters through an online questionnaire. These also include legal compliance and respect for labor and human rights (see also the chapter “Own workforce”). Further information about relationships with our suppliers can also be found in the chapter G1-2. Important suppliers to SGL Carbon are companies from which we source our main raw materials: acrylonitrile

(only relevant until mid-2025 due to our exit from the carbon fiber business), pitch, coke, precursor, and energy.

Our products are manufactured at 29 production sites in Europe, North America, China, and Japan and sold to customers worldwide. The description of material product groups and services as well as markets and customer groups (ESRS 2 SBM-1 para. 40 f and g) can be found in the chapter “Business model of the company” in the 2025 Group Management Report (ESRS 1.119). Our goal of delivering quality, innovative, and customer-oriented products is complemented by our responsibility for safety in the manufacturing, storage, and transport of these products. We support our customers, warehouse operators, and transporters in the safe and environmentally friendly handling of our products. One example is our product-specific safety data sheets.

A schematic representation of our value chain with the essential input and output parameters can be found in the following graphic.



Interests and views of stakeholders (SBM-2)

Engaging with stakeholders throughout the year helps us understand which sustainability matters related to SGL Carbon are important to them, what they expect from us, and how we can resolve common challenges together.

Relevant stakeholders for SGL Carbon are institutions or persons with whom we have a direct relationship, including a contractual (e.g., employees, customers, suppliers) or

indirect (e.g., governmental authorities, investors, neighbors) relationship through our business activities and who therefore have an interest in our actions. Important stakeholder groups include our employees, customers, suppliers, and other business partners as well as shareholders, banks, financiers, and insurers. Our important stakeholders also include our neighbors at our sites, employee representatives, professional and sustainability associations, and scientists, as well as public authorities and the media.

Stakeholder engagement occurs at the corporate level, in business units, and at SGL site level through supplier and customer discussions, bilateral exchanges with individual stakeholder groups, and stakeholder meetings, and through industry associations. The requests and sustainability ratings we receive from customers also provide insight here. Constant exchange with our employees, for example through employee surveys or through union or employee representatives, is just as much a part of our stakeholder engagement as are discussions with affected communities and interested members of the public. The scientific perspective is reflected in our sustainability strategy in ways including the involvement of established scientific analyses, such as the Intergovernmental Panel on Climate Change (IPCC), or through our research projects (such as recycloPreg). We also consider statutory changes to regulations, as well as the requirements of sustainability associations and the media, through in-depth analyses conducted by internal subject-matter experts. Material findings from dialogs with our stakeholders are also included in our policies.

One example for the inclusion of stakeholder interests is the development of processes for the processing of flax fibers instead of carbon fibers. Plastics enhanced with natural fibers are an environmentally friendly alternative to traditional glass or carbon fiber composites. SGL Carbon works together with its suppliers and customers to develop innovative flax-based composite systems, from technical textiles and prepregs to finished components. The goal is to create sustainable lightweight solutions for uses in the automobile industry and other industries.

Dialogs with our stakeholders enables us to review and, if necessary, adjust our sustainability ambitions and the related business model. We have recognized the increasing importance of resource use and product circularity and are working with various institutions to improve, for example, the recyclability of composite materials in the medium term. We expect initial results from a research project (recycloPreg), which started in November 2024 and has a three-year duration. Further information can be found in the chapter “Resource use and the circular economy – E5.”

Through direct dialog with our stakeholders, we ensure that their interests are taken into consideration also in the future and that these flow into the development of our business

model. Material stakeholder groups will continue to be consulted on an ad-hoc basis regarding the impacts of SGL Carbon, especially in view of material changes.

Significant insights from stakeholder discussions regarding the demands of SGL Carbon as well as the impacts of SGL’s business activities are discussed with the Board of Management and Supervisory Board in the committees responsible for these topics.

Material impacts, risks, and opportunities and their interaction with strategy and business model (SBM-3)

Based on the results of the updates to the materiality assessment that were made in 2025, SGL Carbon has identified material impacts, risks, and opportunities that arise from our business activities and organization, as well as our upstream and downstream value chain or affect these.

SGL Carbon’s materials and products are largely based on non-renewable raw materials, whose consumption could have negative impacts on the environment. Moreover, the limited reusability of our products can also have negative impacts.

To reduce our carbon footprint and achieve more efficient material use and waste prevention, we have developed strategies and actions and set ourselves targets (see also the chapters “Climate change mitigation – E1” and “Resource use and the circular economy – E5”). Due to our business model and production processes, as well as our required raw materials and associated CO₂ emissions, we have identified both significant negative and positive impacts on the environment and climate. Our carbon footprint poses risks for our company, even as opportunities are emerging through the expansion of sustainable market segments.

An overview of material impacts, risks, and opportunities related to climate change, as well as resource use and circular economy, their location in the value chain, and expected time horizons, can be found in the following table:

Climate change (E1)

Topic	IRO	Name	Description	Value chain/time horizon
Adaptation to climate change	Risk	Physical climate risks	Due to climate change, SGL Carbon's global production sites are increasingly exposed to acute and chronic wind-related risks (e.g., cyclones, storms, tornadoes), water-related risks (e.g., droughts, heavy rainfall, flooding), and heat events (e.g., heat waves, extreme temperatures).	Own operations/long-term
Climate change mitigation	Negative impacts (actual)	Increasing greenhouse gas emissions (production)	We need energy, including from fossil fuels, to manufacture our products. The associated greenhouse gas emissions have negative impacts on climate change and/or can cause extreme weather events, health problems, ocean acidification and water scarcity. This may result in economic costs and excessive damage to people and the environment. SGL Carbon has set itself short-, medium- and long-term targets for CO ₂ reduction (Scope 1 and 2) to reduce these negative impacts.	Own operations/short-term
Climate change mitigation	Negative impacts (actual)	GHG emissions from the use of fossil fuels in the upstream value chain (Scope 3)	Greenhouse gases are released during the extraction and processing of fossil fuels by our suppliers (Scope 3). These environmental impacts accelerate climate change and exacerbate health and ecological risks for humans and nature.	Upstream value chain / short term
Climate change mitigation	Positive impacts (potential)	Reduced greenhouse gas emissions (value chain)	The increasing focus on products (e.g., CO ₂ -reduced carbon fibers, battery boxes, graphite brushes) and markets (e.g., electromobility, wind and solar industries, LED applications) that promote climate change mitigation will result in reduced CO ₂ emissions in our downstream value chain. This will have positive impacts on the environment, climate and society.	Downstream value chain / long term
Climate change mitigation	Risk	Climate-related regulations can lead to rising costs	Regulators may respond to the increasing impacts of climate change by making amendments to the legal framework that lead to price increases for greenhouse gas emissions and/or stricter regulations, which in turn may be associated with higher costs for SGL Carbon. Higher prices for greenhouse gas emissions and/or new regulations carry a financial risk for SGL Carbon.	Upstream value chain & own operations / long term
Climate change mitigation	Opportunity	Rising demand for climate-friendly products	Environmental awareness is growing among consumers, and therefore our customers, as well. There is an increasing probability of a preference for products and services that are kind to the environment and climate. This means there is an opportunity for SGL Carbon to achieve revenue exceeding expectations in our focus markets, such as renewable energy and electromobility, on account of growth there.	Downstream value chain / long term
Energy	Negative impacts (actual)	Energy from fossil fuels	In our manufacturing, we also use fossil fuels that produce carbon emissions and contribute to climate change and global warming, which are associated with extreme weather events, health problems, economic costs and excessive damage to people and the environment.	Own operations/short-term

Resource use and circular economy (E5)

Topic	IRO	Name	Description	Value chain/time horizon
Resource inflows	Negative impacts (actual)	Use of non-renewable raw materials	We also need non-renewable raw materials to manufacture our products. The procurement and use of non-renewable raw materials can lead to resource scarcity and the depletion of finite raw materials. This has a negative impact on the environment and reduces the resilience of the supply chain. To avoid these negative effects, we are striving to find long-term alternatives.	Upstream value chain and own operations/short-term
Resource outflows	Negative impacts (actual)	Recyclability of products	Non-recyclable products at the end of their life cycle lead to increased waste, environmental pollution, and loss of resources, as valuable materials cannot be returned to the cycle. We are therefore working on technical solutions to make products reusable.	Downstream value chain/short-term
Waste	Negative impacts (actual)	Material efficiency (waste generated during production)	During the manufacture of products, waste that cannot be recycled or can only be recycled to a limited extent is generated as a result of the manufacturing process. This leads to increased disposal costs and environmental pollution. We therefore strive to use materials more efficiently, reduce production waste, and, where possible, return it to the manufacturing process.	Own operations/short-term

Own workforce (S1)

The success of SGL Carbon is also based on the performance, commitment, and cooperation of the workforce. We believe that a corporate culture characterized by respect and appreciation, as well as responsibility, honesty, and trust, combined with fair and good working conditions, can have positive impacts on the workforce. Even in times of changing

conditions, SGL Carbon strives to reduce negative impacts on its own workforce. In line with our values, we respect and uphold human rights (see also the chapter “Own workforce” - S1). The impacts on society that we have identified can be found in the following table:

Topic	IRO	Name	Description	Value chain/time horizon
Working conditions	Negative impact (actual & potential)	Impact of measures related to changing economic conditions	SGL Carbon has implemented strategies, concepts, and measures to create attractive working conditions for its own workforce and thus be a preferred employer. The economic environment and developments in key sales markets deteriorated significantly in 2025. In order to secure sales and earnings and ensure future growth, SGL Carbon has initiated far-reaching restructuring measures and a realignment of the company that affect almost all subsidiaries and business units. This may have actual and potential negative effects on its own workforce.	Own operations/short-term
Working conditions	Negative impact (actual & potential)	Health and safety risks for employees due to accidents at work	Accidents caused by our production processes, e.g., when operating machinery, but also in all other areas of the company, e.g., accidents on the way to work on the factory premises, pose a risk to the health and safety of our employees in the workplace.	Own operations/short-term
Other work-related rights	Positive impact (actual)	Ensuring and upholding human rights for our own workforce	In addition to a comprehensive Code of Conduct that is binding for all employees worldwide and guarantees the prohibition of forced and child labor, SGL Carbon has its own human rights policy that is also binding for all SGL employees. This not only raises awareness of human rights protection, but also significantly reduces the risk of human rights violations within the company. This has a positive impact on human rights compliance among the company's own workforce, but also on society as a whole.	Own operations/short-term

Business conduct (G1)

Corporate policy and culture, our actions and business practices likewise harbor opportunities and risks and can have positive and negative impacts on the environment

and society. As part of our materiality assessment, we have identified the following material impacts:

Topic	IRO	Name	Description	Value chain/time horizon
Corporate culture	Positive impact (actual)	Promotion of a corporate culture focused on ethics and compliance	The implemented compliance management system, the group-wide code of conduct in conjunction with applicable guidelines such as a code of conduct for business partners, the human rights guideline, and the anti-corruption guideline promote responsible corporate governance and create uniform standards for ethical behavior within the company and in the value chain.	Own operations/short-term
Corruption and bribery	Positive impact (actual)	Societal safety, well-being and fair treatment	Our global compliance measures and systems have a positive impact on our own workforce and contribute to a business environment in which corruption and bribery are not tolerated. With its compliance management system, SGL Carbon contributes to improving social security, well-being, and fair treatment in society by ensuring compliance with applicable laws, standards, and guidelines. It also promotes society's trust in institutions (SDG 16).	Own operations/short-term

The materiality assessment has shown that SGL Carbon's business activities along our upstream and downstream value chain have significant positive and negative impacts on the environment and society. In addition, these business activities harbor risks and opportunities for SGL Carbon. SGL Carbon has developed strategies to reduce negative impacts, promote positive impacts and minimize risks, as well as leverage our opportunities. These strategies and associated actions are intended to strengthen the resilience of our business model and regulate our impacts on the environment and society. Further details on our strategies and actions to regulate impacts, risks, and opportunities can be found in the chapters on each subject in this sustainability statement.

The financial impacts of our material risks and opportunities may be reflected in our net assets, financial position, and financial performance, result of operations, financial capacity, and cash flow. Material risks and opportunities above the materiality threshold were identified for the ESRS standard E1 (climate change mitigation). Financial impacts for the following fiscal year could result from higher expenses due to potential price increases for greenhouse gas emissions and/or the tightening of climate-related regulations. The procurement of renewable energy also continues to be associated with higher expenses for SGL Carbon. The potential higher expenses mentioned may be associated with cash outflows and may thus negatively impact SGL Carbon's cash flow.

Other risks related to sustainability that were not identified as material during our double materiality assessment can also have negative financial impacts, such as fines due to violations of applicable legal regulations or the departure of key personnel.

In our assessment, there is currently no risk of a material adjustment to assets and liabilities arising from the risks mentioned for the following reporting year.

To improve our resilience regarding our sustainability matters, we have implemented various processes and actions:

- The controls of defined actions for regulating the material impacts, risks, and opportunities identified in the double materiality assessment are intended to verify their effectiveness. For this purpose, we use measurable metrics such as energy consumption, CO₂ emissions, waste volume, or the proportion of women in management and the number of lost days due to work-related accidents. If measures do not achieve the desired targets, adjustments are made and/or supplementary actions are defined. Details on the strategy and actions for regulating material impacts, risks, and opportunities can be found in the topic chapters "Climate protection – E1," "Resource use and circular economy – E5," "Own workforce – S1," and "Business conduct – G1."

- Through regularly-held dialog with our stakeholders, e.g., in associations, in supplier and customer discussions, at trade fairs and investor conferences, and through exchanges with our workforce and their representatives, we want to continue to incorporate their interests into our business model in the future and so ensure the resilience of our business model (please also refer to the chapter “Strategy as well as material impacts, risks, and opportunities” – SBM-2).
- Regular reports on the effectiveness of actions, development of metrics, new insights about stakeholder requirements, and regulatory developments are provided to sustainability committees such as the ESG Steering or Compliance Committee at least once a year (please see also chapter “Governance” GOV-1 and 2).
- In addition, as part of our opportunities and risk management system, risks and opportunities from our sustainability matters are regularly analyzed and evaluated and actions for risk minimization and opportunity utilization are developed. A detailed presentation of our opportunity and risk management system and the assessment of our opportunities and risks can be found in the Opportunities and Risks Report in our Group Management Report (see also chapter “ESRS 2” GOV-5).
- For the analysis of our business model in connection with climate change, we refer to chapter “Climate change mitigation – E1.”

We have identified material risks resulting from sustainability matters that affect our business model and qualitatively analyzed their effects on our business model. Based on the processes, structures, and actions described and the information currently available, we believe that no significant individual risks related to sustainability topics exist – neither now nor in the future – that could jeopardize the company as a going concern. Regarding the time horizons of climate risks, we refer to the presentation of the climate scenario analysis in the chapter “Climate change mitigation – E1.” Even the cumulative consideration of the individual risks does not jeopardize the continued existence of SGL Carbon as a going concern. Thanks to our regionally diversified setup, a corporate and compliance culture that we believe to be sustainable and effective, fair and performance-oriented working conditions, increased use of renewable energies, and the ability to adapt manufacturing processes in a climate-friendly manner, we consider SGL Carbon’s business model to be sufficiently resilient.

Ultimately, however, residual risks remain in all entrepreneurial activities and cannot be ruled out even by conducting a comprehensive analysis of resilience.

Our material sustainability matters (climate change mitigation, resource use and circular economy, and own workforce, as well as business conduct and culture) have, in general, not changed in comparison to the previous year. In updating our double materiality assessment, and taking into account changing external conditions and internal adjustments to our business model and related structures, we have adjusted our impacts, risks, and opportunities to these circumstances.

No relevant changes arose relating to our impacts, risks, and opportunities in the areas of climate change mitigation or resource use and circular economy.

Due to worsening economic conditions and a restructuring of our Carbon Fibers business unit, as well as the related reorientation of SGL Carbon, we are not able to rule out negative impacts on our workforce. The company has, however, defined actions to reduce possible negative impacts. We currently do not consider positive impacts on public well-being and prosperity, or on economic growth, that were deemed material in the previous year to be repeated. We have, however, identified positive impacts on our workforce regarding upholding human rights in our own workforce. Comprehensive actions, guidelines, and training are showing a positive effect and increased awareness of human rights topics.

The compliance management we have implemented, as well as the Group-wide Code of Conduct in connection with applicable guidelines such as a Business Partner Code of Conduct, the Human Rights Guideline, or the Anti-Corruption Policy, are designed to foster responsible business conduct within the company and in the value chain. SGL Carbon aims to ensure a corporate culture that is focused on ethics and compliance. Due to the discontinuation of our carbon fiber business in mid-2025, we no longer consider the possibility that some of our products might be used as dual-use goods to be material.

We have decided to report continuously and voluntarily on a series of datapoints to ensure long-term consistency in our reporting. In that sense, SGL Carbon has decided to disclose information on a series of datapoints that are not material and therefore not required to be disclosed. These voluntary disclosures are noted in accordance with the requirements of ESRS 1.114.

Climate Change (E1) – Environmental Matters

Transition plan for climate change mitigation (E1-1)

SGL Carbon developed a transition plan for climate change mitigation in 2021, which was first disclosed in the company's 2021 Annual Report. Our climate change mitigation transition plan aims to halve greenhouse gas emissions by 2025 compared to the base year of 2019. Our climate targets relate to Scope 1 and Scope 2 emissions, with net climate neutrality targeted by 2038. Unavoidable emissions, which could arise from processes that, due to technological constraints, cannot be fully converted to hydrogen or electrified by 2038 and would therefore continue to be operated wholly or partially with natural gas, must then be offset. Scope 3 emissions are not part of our transition plan, which means it is not a comprehensive transition plan according to ESRS 1-1.

Within these constraints, SGL Carbon's climate targets aim to reduce the Group's greenhouse gas emissions in alignment with the 1.5-degree target of the Paris Agreement.

SGL Carbon aims to achieve net climate neutrality by 2038, which would be ahead of the Paris Agreement's target of achieving climate neutrality by 2050.

The transition plan for climate change mitigation calls for SGL Carbon to focus on energy efficiency and procure energy from renewable sources (green electricity and biomass) by 2025. After 2025, processes currently running on fossil gas will be gradually converted to hydrogen, biogas, or electricity.

Additionally, measures for carbon capture and storage (CCS) or carbon capture and usage (CCU) could be considered in the future. The company expects that CCS/CCU technologies could reach the economic and technological market maturity required for SGL Carbon by 2030 at the earliest.

Our transition plan for climate change mitigation supports the United Nations' Sustainable Development Goals (SDGs). By purchasing green electricity and manufacturing products and solutions for the energy transition, SGL Carbon supports Affordable and clean energy (SDG 7). SGL Carbon supports Climate action (SDG 13) with the actions presented in the E1-3 section and the targets outlined in the E1-4 section relating to climate change mitigation and adaptation.

Energy efficiency and climate change mitigation are examined for SGL Carbon investment projects as part of their approval process. One example is steam generation at the Lavradio plant in Portugal, which was converted from natural gas to biomass and until mid-2025 contributed to implementation of the transition plan. Around €15 million was invested here from 2022 to 2024. The biomass plant is part of the Lavradio site closure in Portugal and has been inactive since mid-2025.

Additional investments and operating costs related to the transition plan for climate change mitigation were incurred as part of energy management according to ISO 50001, for on-site photovoltaic projects and for the purchase of green electricity through certificates of origin.

Greenhouse gas emissions occur particularly at SGL Carbon's larger sites, where products or intermediate products are produced using high-temperature processes. The following sites account for around 91% of SGL Carbon's Scope 1 and location-based Scope 2 emissions: Bonn, Chedde (France), Lavradio (Portugal), Meitingen, Morganton (USA), Moses Lake (USA), Muir of Ord (Scotland), Saint Marys (USA), Shanghai (China), Yangquan (China).

The most emission-intensive products are the graphitized materials from the Graphite Solutions business unit, acrylic fibers and their precursors, and carbon fibers and their precursors. The production of acrylic fibers and carbon fiber precursors at the Lavradio site in Portugal was permanently discontinued in June 2025.

These emissions do not jeopardize the achievement of SGL Carbon's emission reduction targets. Instead, the goal of our climate plan is to progressively avoid these emissions.

Electrified processes will achieve climate neutrality with electricity procured from renewable sources. However, not all SGL Carbon processes can be electrified. The company estimates that up to 70 kt CO₂e of annual emissions could be unavoidable up through 2038 (so-called locked-in emissions). Transition risks for gas-operated processes could arise from delayed market and technological maturity, particularly for hydrogen.

Any inherent greenhouse gas emissions must be addressed through compensation projects or technologies for carbon capture and storage or usage (CCS, CCU). The availability of

these technologies depends on various factors, including technological developments, economic conditions, and regulatory measures.

Since it is difficult or impossible to substitute SGL Carbon's products in many applications, the company expects that any additional costs can be passed on to customers.

SGL Carbon's economic activities are subject to climate change regulations, particularly under the EU Climate Law and the EU Taxonomy Regulation. These regulations require SGL Carbon to align its business practices and investments with the EU's sustainability goals. The European Climate Law stipulates that the EU must achieve net-zero greenhouse gas emissions by 2050.

Regarding the alignment of investments (CapEx) and operating expenses (OpEx) with climate criteria, SGL Carbon follows the legal reporting requirements of the EU Taxonomy.

At present, SGL Carbon does not have any targets or plans to adapt its economic activities in line with EU Taxonomy criteria.

For further details, please see the chapter "Information in relation to Article 8 of the EU taxonomy."

SGL Carbon is not exempt from the Paris-aligned EU benchmarks under Article 12(1)(d) to (g) and Article 12(2) of Delegated Regulation (EU) 2020/1818.

Implementation of the climate transition plan for Scope 1 and Scope 2 greenhouse gas emissions, which according to the ESRS is not comprehensive, is to some degree connected to SGL Carbon's financial planning. The necessary investment and operating expenses are financed in-house, including energy and process efficiency actions and the transition to renewable sources in purchased energy. Examples include the purchase of green electricity for German sites and the installation of PV systems across the company's sites. The financial planning also takes into account the costs and investments for recording, collecting, and providing energy data.

In addition, some of the investments target SGL Carbon's areas of growth that contribute to decarbonization, such as the expansion of production capacities for special graphite

components used in the semiconductor and electromobility industries and solar and LED applications.

Financial resources are being invested in expanding production capacities for the graphite products needed to produce the silicon carbide-based high-performance semiconductors used for electrification and the transition to renewable energy. In 2025, approximately 81% of investments were allocated to the Graphite Solutions business unit. For further details about our investments, we refer to the chapter "Financial position - Capital expenditure, depreciation and amortization" of the Group Management Report.

The targets and actions for implementing the climate transition plan align with SGL Carbon's corporate strategy and are therefore influenced by the current and future business strategy.

The transition plan was developed in 2021 in collaboration with the Board of Management.

Annual Scope 1 and location-based Scope 2 emissions fell from a total of 393 kt CO₂e in 2019 to 168 kt CO₂e in 2025, which represents a decrease of approximately 57%.

The transition plan's emissions target for 2025 was achieved, thanks in large part to the plant shutdown in Lavradio, Portugal, in the middle of the year, the use of biomass at the Lavradio site until shutdown, other reductions in production volumes, and actions related to the energy management system in accordance with ISO 50001.

The structural changes associated with restructuring require a new method of evaluating individual emission reduction actions in the Group's transition plan for climate change mitigation. Use of biomass as an alternative energy source, in particular, is no longer relevant following closure of the site in Lavradio, Portugal. SGL Carbon will adapt the transition plan in line with new organizational and operational circumstances, which also includes establishment of a new base year. By the end of the 2027 fiscal year, the company plans to revise its climate change mitigation plan, publish a comprehensive transition plan that includes Scope 3 greenhouse gas emissions, and incorporate it into the corporate strategy, which is currently under development.

Strategies related to climate change mitigation and climate change adaptation (E1-2)

SGL Carbon recognizes climate change as one of the greatest challenges of our time. The company addresses greenhouse gas emissions in its Global Environmental Policy, which was revised in 2022.

SGL Carbon's Global Environmental Policy underlines the company's commitment to reducing CO₂ emissions, minimizing impact on the environment, and promoting responsible use of natural resources. It addresses material climate and environmental issues identified through the double materiality assessment such as energy consumption, greenhouse gas emissions, waste management, and circular economy. Environmental risks and opportunities are identified through regular exchange with internal and external stakeholders, as well as systematic materiality assessments.

The Global Environmental Policy was reviewed, approved, and signed by the Board of Management, the highest decision-making body, prior to implementation and is accessible on the company website.

The Global Environmental Policy addresses SGL Carbon's material impacts, risks, and opportunities in relation to climate change mitigation: increasing greenhouse gas emissions in in-house production, GHG emissions resulting from the use of fossil energy sources in the upstream value chain (Scope 3), consumption of energy from fossil fuels, potentially lower greenhouse gas emissions in the downstream value chain, physical climate risks, climate-related regulations (increasing costs), and the potentially increasing demand for climate-friendly products.

Details about the material impacts, risks, and opportunities related to climate change mitigation identified in our materiality assessment can be found in Chapter ESRS 2.

The company has developed a strategy to address its material impacts, risks, and opportunities in the area of climate change mitigation and climate change adaptation. This strategy focuses on several key areas:

Climate change mitigation is part of SGL Carbon's sustainability strategy. The company is committed to reducing its CO₂ emissions (Scope 1 & 2) by 50% by 2025 and becoming net

climate-neutral by 2038. To achieve these goals, SGL Carbon makes use of a variety of actions, including transitioning to renewable energies, optimizing energy efficiency, electrifying processes, and using green hydrogen, which is produced with electricity from renewable energy sources.

As part of our climate change mitigation strategy, our business units began preparing climate-related assessments of their products in 2022. These so-called Product Carbon Footprints (PCFs) record and calculate the greenhouse gas emissions generated over a product's life cycle. For this task, we use a software solution and databases to analyze the environmental impacts of our production processes. These results enable us to identify and implement effective actions to reduce the carbon footprint at the product level. Our PCF assessment covers the upstream supply chain (cradle to gate) and follows internationally recognized standards and norms, particularly ISO standards 14040, 14044, and 14067.

By the end of 2025, the Graphite Solutions business unit had subjected around 80% (based on divisional sales) of its product portfolio to PCF assessment and therefore exceeded the original target of 50% (based on divisional sales) set for 2025. In 2026, our goal is to further increase this proportion.

SGL Carbon views climate change adaptation from two perspectives. On the one hand, the company expects a long-term increase in extreme weather events and addresses this in corporate risk management and in developing measures at potentially vulnerable sites.

On the other hand, the company expects changing demand and is focusing on diversifying its product portfolios to serve markets that are likely to show positive development trends, partly due to climate change. For example, the development of materials and solutions for the semiconductor industry, wind energy, electric mobility, and hydrogen technology targets long-term market changes caused by climate change.

These expectations are based on internal expert assessments and publicly available climate and environmental forecasts.

Strategy development and implementation is the responsibility of the company's Board of Management as the highest decision-making body. It is supported by an ESG structure (see also Chapter ESRS 2 "General Disclosures"). This approach shows that SGL Carbon addresses climate change mitigation and adaptation both to reduce its own emissions and

to support its customers in implementing their climate strategies through suitable materials and solutions.

The ISO 50001 energy management system was introduced at the most energy-intensive European production sites in 2015. In the reporting year, eight sites were certified according to ISO 50001:2018, accounting for around 36% of SGL Carbon's total energy consumption: Bonn, Meitingen, Chedde (France), Lavrado (Portugal), Muir of Ord (Great Britain), Nowy Sacz (Poland), Raciborz (Poland) and Wiesbaden. SGL Carbon aims to increase energy efficiency and reduce energy intensity by a total of 10% by 2027 compared to 2017 through measures within ISO 50001.

Coverage of the ISO 50001-certified sites – measured by the number of the people employed there in relation to the total number of employees as of December 31, 2025 – was 54% in the year under review. The energy management system according to ISO 50001 remained a cornerstone of SGL Carbon's climate change mitigation actions in 2025.

The use of renewable energy is part of SGL Carbon's climate change mitigation strategy. The company has launched projects to use solar energy and biomass. In 2025, rooftop PV systems were installed at the sites in Ried (Austria), Ort (Austria), Meitingen, and Bonn.

In the year under review, a PV system was built at the Meitingen site in a space measuring around three hectares. With an installed capacity of around 4.4 megawatt peak (MWp) and expected annual power generation of around 4.6 gigawatt hours (GWh), the system will cover around 10% of the site's electrical energy demand in the future. The project was implemented with a project partner on the basis of a long-term power purchase agreement (PPA).

First commissioned in 2024, the biomass plant for steam generation in Lavrado, Portugal, was shut down during the site closure.

Actions and resources related to the climate strategies (E1-3)

The actions taken by SGL Carbon for climate change mitigation relate to our own operations. Unless stated otherwise, SGL Carbon's actions to combat climate change are implemented, monitored, and regularly evaluated as an ongoing process.

In 2025, the external audits based on the ISO 50001 standard were carried out in a uniform manner by certification company Deutsche Managementsystem Zertifizierungsgesellschaft mbH (DMSZ). The regular surveillance audit of our energy management system was successfully completed without any inconsistencies. Due to the site closure in Portugal and reduction in production activities in Poland, the sites in Lavrado (Portugal), Nowy Sacz (Poland), and Raciborz (Poland) are no longer included in the audit and will therefore be excluded from certification from 2026 onwards.

All energy efficiency projects at ISO 50001-certified sites are recorded in a central database. This database facilitates measures and effect controlling of all planned projects with respect to implemented and expected energy efficiency improvements.

Various process optimisation projects were continued in the reporting year. Energy-optimised process control, such as the selective reduction of selected process temperatures in the carbonisation stage of the manufacturing process, enables permanent energy savings to be achieved with little or no investment. In the GS business unit, energy-saving campaign operations were implemented in order to produce energy-efficiently despite lower capacity utilisation. In total, energy efficiency projects saved around 220 tonnes of CO₂e greenhouse gas emissions in the reporting year.

In the 2024 fiscal year, preparations were made to integrate the waste heat from the thermal post-combustion (exhaust air purification) of a production plant into the central heating system at the Meitingen site. Though scheduled for completion in 2025, the project had to be temporarily suspended in the year under review due to low production capacity utilization, but will resume at a later date.

The company completed technical implementation of a ground-mounted photovoltaic system in Meitingen, which is expected to provide around 4.6 GWh per year as of 2026. The project partner bears the direct PV-related investments and will be compensated through the purchase agreement. The site's power infrastructure (transformer station) was upgraded to enable grid feed-in in 2024.

In 2024, planning began for rooftop PV systems in Bonn and Meitingen, with annual outputs of around 1.6 GWh and 0.8 GWh, respectively. The technical systems were completed in 2025.

All of the projects are carried out in collaboration with operating partners. Electricity will be purchased through long-term contracts (power purchase agreements, PPAs).

In the Innkreis region of Austria, photovoltaic systems were commissioned in Ort (450 kWp peak output) in 2021 and Ried (530 kWp peak output) in 2023, with another 170 kWp installed in Ort in April 2025. All of the installations were implemented with a project partner. The systems were installed on the roofs of the production buildings. In the reporting year, plans continued for the installation of an additional 250 kWp peak output in Ort in the Innkreis region. Some of the system takes the form of covering in open parking areas. The installations are scheduled to be completed by mid-2026, at which time the sites in the Innkreis region will have around 1.4 MWp of installed PV capacity.

With the electricity supplied by all of the on-site PV systems, approximately 142 t CO₂e were avoided in the year under review, with around 1.7 kt CO₂e expected for 2026.

Our production sites in Ort, Ried and Wackersdorf have been purchasing electricity in the form of renewable energy for several years, and our Italian site in Verdello has been doing so since 2023.

In the reporting year, SGL Carbon further analyzed global opportunities for sourcing green electricity, and even engaged a consulting company for this purpose. Established certificates of origin (so-called Guarantees of Origin, GoO), which are accepted by the GHG Protocol and organizations such as cdp.net, were considered. Because the company was able to fulfill its climate objectives, no certificates of origin were obtained in the year under review.

SGL Carbon funds its climate-related investments and actions from the company's investment and operating budget. The company generally aims to generate these funds through its own efforts. As such, the implementation of measures does not depend on the availability and allocation of external funds. Where reasonable and available, the company uses public funding.

Details about investments in the project for building a biomass-fired steam generating plant at our Lavradio site in Portugal can be found in the information in relation to Article 8 of the EU taxonomy – in the CapEx reporting under the category Generation of heat and steam (CCM 4.24).

Targets related to climate change mitigation and climate change adaptation (E1-4)

The emission of greenhouse gases (GHG) is a significant environmental impact of SGL Carbon's business activities. Accordingly, we measure the GHG emissions we cause and have set targets for their reduction.

Our GHG emissions are Scope 1 emissions resulting from combustion processes and Scope 2 emissions, which are in particular attributable to power and steam consumption.

Scope 3 emissions are not yet included in SGL Carbon's climate targets.

In 2021, SGL Carbon set itself the goal of cutting total emissions (defined as the sum of Scope 1 and Scope 2 emissions) in half by 2025 compared to the emissions of the reference year 2019. We want to reduce our emissions by 100% and become climate-neutral by 2038. This is a net climate neutrality target, meaning unavoidable emissions will be offset. Compensation options include projects to reduce greenhouse gas emissions through energy efficiency (including projects using renewable energy), projects to avoid emissions (for example, through forest protection), or projects that directly remove and store greenhouse gases from the atmosphere (either through nature-based approaches such as afforestation, reforestation, and recultivation), or through technical solutions such as direct air capture and carbon storage. The exact composition of compensation measures by 2038 will depend on the economic and technological availability of different project types and cannot be conclusively assessed today.

In the 2025 fiscal year, SGL Carbon's Scope 1 and 2 greenhouse gas emissions totaled around 168 kt (2024: 239 kt CO₂e). The drop in greenhouse gas emission in the year under review is largely due to the permanent closure of the production site in Lavradio, Portugal, in the middle of the year. The resulting decrease in emissions is therefore permanent and sustainable.

Compared with economic output, CO₂ emissions decreased from 0.23 kt CO₂e per €1.0 million in sales in 2024 to 0.2 kt CO₂e per €1.0 million in sales in 2025.

In kt CO ₂ e	Base year 2019	Target 2025	Delta vs. base year	Target 2038	Delta vs. base year	Actual 2025	Delta vs. base year
Scope 1 GHG emissions	90	85	–5.9%	0	–100.0%	59	–34.5%
Scope 2 GHG emissions (location-based)	303	115	–62.0%	0	–100.0%	110	–63.9%
Scope 3 GHG emissions	N/A	N/A	-	N/A	-	-	-
Scope 1- and Scope-2 GHG emissions total	393	200	–49.1%	0	–100.0%	168	–57.1%

The company's climate target published for 2021 relates to the sum of Scope 1 and Scope 2 GHG emissions.

The breakdown of the target into Scope 1 and Scope 2 above was estimated and prepared retrospectively for the purpose of presentation.

n.a.: not specified (this value is not part of the company's climate target)

SGL Carbon records its Scope 1 and Scope 2 emissions at all significant Group sites. The reduction targets relate to the sum of emissions from all significant sites.

For materiality reasons, no data are collected for the leased sales offices of SGL Graphite Solutions Taiwan Ltd., SGL CARBON ASIA-PACIFIC SDN BHD, SGL CARBON Korea Ltd., and SGL CARBON Ltd. (Alcester, UK).

The emissions in the base year 2019 were determined for the entire Group. The year 2019 is representative, as our economic activities were not yet affected by the consequences of the COVID pandemic from 2020 to 2022. Group sales in 2019 amounted to €1,086.7 million (compared to €1,047.5 million in 2018).

SGL Carbon sets climate targets that provide for a reduction in greenhouse gas emissions in Scope 1 and Scope 2. SGL Carbon considers its own Scope 1 and Scope 2 climate objectives to be 1.5°C-compatible and follows the cross-sector climate pathways from the Science Based Targets initiative (SBTi). The defined climate target falls below the cross-sector pathway and therefore, in the company's view, supports efforts to limit global warming. Since SGL Carbon, as a manufacturer of carbon and graphite products, is not assigned to any of the sectoral decarbonization pathways established in 2019, a company-specific climate pathway was developed that takes into account economic and technological development, as well as stakeholder expectations.

Greenhouse gas (GHG) reduction targets are generally considered science-based if they align with the latest climate science and ensure that companies contribute to limiting global warming to 1.5°C compared to pre-industrial levels, as set out in the Paris Agreement. The Science Based Targets initiative (SBTi) is an organization that helps companies set science-based climate targets. SBTi's targets are widely accepted and are considered to be science-based. However, the SBTi methodology is subject to inherent uncertainties regarding the underlying scientific findings and forward-looking assumptions about greenhouse gas emission reductions needed to achieve the 1.5°C goal. The SBTi methodology published in 2021 is currently being revised. New scientific findings on the course of climate change could lead to a change in the SBTi methodology and the assessment of whether the ambition level of the targets is sufficient to limit global warming to 1.5°C. The SBTi published a proposed revision to its corporate net-zero standard in March 2025. The finalized version should appear in 2026 and take effect in 2027. SGL Carbon plans to take into account the announced changes resulting from further development of its climate transition plan.

Currently, our climate pathway exclusively covers Scope 1 and Scope 2 emissions, as the full integration of Scope 3 emissions was not yet fully feasible during development of the climate pathway due to the complexity of the value chain and existing data gaps. However, SGL Carbon is continuously working to improve transparency and the data basis for Scope 3 emissions and plans to develop a comprehensive climate transition plan covering all scopes by 2027 at the latest.

SGL Carbon's greenhouse gas targets are to be achieved using the following decarbonization levers:

The use of renewable energy and improvement of energy efficiency is planned by 2025. The use of renewable energies includes rooftop photovoltaic installations at our own sites and the procurement of electricity from renewable sources (via certificates of origin and/or power purchase agreements). Improvement in energy efficiency is pursued through our energy management program according to ISO 50001. Overall, these measures aim to reduce the annual sum of Scope 1 and Scope 2 greenhouse gases by 50% by 2025 compared to the base year 2019.

After 2025, we will additionally pursue the conversion of previously gas-operated processes to electricity (electrification of processes) and the use of hydrogen and biogas. The

contributions from these decarbonization levers will depend in large part on availability as well as economic and technological market maturity (example: hydrogen). As a result, we have not yet defined a quantitative reduction target for these decarbonization levers, but expect that around 10 to 20% of the emissions from the base year 2019 will be inherent – i.e., unavoidable – through 2038. Based on internal company assessments, these inherent emissions must be offset to achieve net climate neutrality for the company.

Climate-related risks and opportunities at SGL Carbon were analyzed and classified using the so-called Shared Socioeconomic Pathways (SSPs). These pathways describe in narrative form central trends in the areas of socioeconomics, demographics, technology, politics, institutions, and lifestyles. SGL Carbon evaluated the SSP1 scenario, the “sustainable path,” which prioritizes global welfare and respect for planetary boundaries. This pathway is characterized by a reduction in income inequalities and low-resource consumption. SSP3, characterized by regional rivalries where nationalism and environmental destruction increase, and SSP5, which describes a world with high economic growth enabled by increased use of fossil fuels, promoting technological innovation but accompanied by an energy-intensive lifestyle and corresponding climate consequences, were also evaluated.

Physical risks, including expected climate changes, were elaborated with the corresponding Representative Concentration Pathways (RCPs) for atmospheric greenhouse gases and with the help of the IPCC WGI Interactive Atlas (<https://interactive-atlas.ipcc.ch/>) (unaudited). In its scenario considerations, SGL Carbon assumes long-term temperature increases (by 2100) of 1.8 degrees (SSP1), 3.6 degrees (SSP3), and 4.4 degrees (SSP5).

Further information can be found in section SBM-3 of this sustainability statement.

Energy consumption and mix (E1-5)

Energy consumption and mix

	Unit	2025	2024	Change
1 Fuel consumption from coal and coal products	MWh	0	0	0%
2 Fuel consumption from crude oil and petroleum products	MWh	13,403	7,164	87%
3 Fuel consumption from natural gas	MWh	297,713	337,110	–12%
4 Fuel consumption from other fossil sources	MWh	2,433	5,038	–52%
5 Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	MWh	164,500	291,416	–44%
6 Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	478,050	640,728	–25%
Share of fossil sources in total energy consumption	%	65.3	67.7	–4%
7 Consumption from nuclear sources	MWh	60,863	72,236	–16%
Share of consumption from nuclear sources in total energy cons.	%	8.3	7.6	9%
8 Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	79,474	51,025	56%
9 Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	113,338	182,246	–38%
10 The consumption of self-generated non-fuel renewable energy	MWh	0	0	0%
11 Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	192,811	233,272	–17%
Share of renewable sources in total energy consumption	%	26.4	24.7	7%
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	731,724	946,236	–23%

Energy intensity related to climate-intensive sectors was 0.86 GWh per €1.0 million in revenue in 2025 (2024: 0.92 GWh per €1.0 million in revenue). Energy consumption related to climate-intensive sectors was 732 GWh in 2025 (2024: 946 GWh).

SGL Carbon’s activities fall under the climate-intensive sector Manufacturing ([EC] 1893/2006, Annex I, Section C). Energy intensity refers to consolidated Group revenue. All of SGL Carbon’s business is related to the Manufacturing sector, which means total emissions and total Group revenue from all business activities are allocated to this climate-intensive sector.

Gross Scopes 1, 2, 3, and total GHG emissions (E1-6)

	Unit	Retrospective				Milestones and target years			Annual % target / Base year
		Base year 2019	2024	2025	%	2025	2030	2038	
Scope 1 GHG emissions									
Gross Scope 1 GHG emissions	kt CO ₂ e	90	65	59	−9.3%	85	N/A	0	−5.3%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	%	0	0	0	-	N/A	N/A	N/A	N/A
Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emissions (CO ₂ eq)	kt CO ₂ e	303	174	110	−37.1%	115	N/A	0	−5.3%
Grossmarket-based Scope 2 GHG emissions (CO ₂ eq)	kt CO ₂ e	N/A	138	94	−31.9%	115	N/A	0	−5.3%
Significant scope 3 GHG emissions									
Total Gross indirect (Scope 3) GHG emissions (CO ₂ eq)	kt CO ₂ e	N/A	364	480	31.9%	N/A	N/A	N/A	N/A
1 Purchased goods and services	kt CO ₂ e	N/A	194	146	−24.9%	N/A	N/A	N/A	N/A
2 Capital goods	kt CO ₂ e	N/A	15	13	−12.5%	N/A	N/A	N/A	N/A
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	kt CO ₂ e	N/A	61	36	−41.4%	N/A	N/A	N/A	N/A
4 Upstream transportation and distribution	kt CO ₂ e	N/A	24	19	−20.7%	N/A	N/A	N/A	N/A
5 Waste generated in operations	kt CO ₂ e	N/A	5	4	−17.0%	N/A	N/A	N/A	N/A
6 Business travel	kt CO ₂ e	N/A	1	1	−27.3%	N/A	N/A	N/A	N/A
7 Employee commuting	kt CO ₂ e	N/A	6	5	−21.3%	N/A	N/A	N/A	N/A
8 Upstream leased assets	kt CO ₂ e	N/A	1	0	−100.0%	N/A	N/A	N/A	N/A
9 Downstream transportation	kt CO ₂ e	N/A	N/A	4	-	N/A	N/A	N/A	N/A
10 Processing of sold products	kt CO ₂ e	N/A	N/A	4	-	N/A	N/A	N/A	N/A
11 Use of sold products	kt CO ₂ e	N/A	N/A	201	-	N/A	N/A	N/A	N/A
12 End-of-life treatment of sold products	kt CO ₂ e	N/A	23	13	−43.2%	N/A	N/A	N/A	N/A
13 Downstream leased assets	kt CO ₂ e	N/A	0	0	-	N/A	N/A	N/A	N/A
14 Franchises	kt CO ₂ e	N/A	0	0	-	N/A	N/A	N/A	N/A
15 Investments	kt CO ₂ e	N/A	33	34	3.3%	N/A	N/A	N/A	N/A
Total GHG emissions									
Total GHG emissions (location-based)	kt CO ₂ e	393	603	649	7.6%	N/A	N/A	N/A	N/A
Total GHG emissions (market-based)	kt CO ₂ e	N/A	567	633	11.7%	N/A	N/A	N/A	N/A
Sum of Scope 1 and Scope 2 GHG emissions (location-based)	kt CO ₂ e	393	239	168	−29.5%	200	N/A	0	−5.3%

The allocation of the target into Scope 1 and Scope 2 above was subsequently estimated and prepared for presentation purposes. With regard to the Scope 2 target for 2025, in the absence of a reliable database at the time the target was set in 2021, the location-based Scope 2 target served as the best estimate for the market-based target.

SGL Carbon did not make any changes to the definition of the reporting entity or its value chain during the reporting period. Consequently, the comparability of the greenhouse gas emissions we report is maintained from year to year.

When collecting Scope 1 and Scope 2 emissions, SGL Carbon uses the following recognized conversion factors: The calculation of direct CO₂ emissions (Scope 1) is based on the 2024 “UK Government GHG Conversion Factors for Company Reporting” of the Department for Environment, Food & Rural Affairs (DEFRA). This includes emissions resulting from the use of fossil fuels like gas, oil, and diesel. DEFRA factors for gas were also applied to district heating and steam, with a 25 percent uplift to account for efficiency (company assumption: average efficiency of 80%). The country factors of the International Energy Agency (IEA, “Emission Factors 2022”) are used for the location-based Scope 2 emissions relating to electricity. IEA factors are also used to calculate Scope 2 emissions relating to compressed air. Supplier information was used to calculate market-based Scope 2 emissions relating to electricity. IEA factors and factors of the U.S. Environmental Protection Agency (EPA) were used as an alternative. SGL Carbon ensures consistency in reporting by using these recommended sources again, which are also specified by the GHG Protocol.

GHG emissions intensity per net revenue	Unit	2025	2024	Change
GHG emissions total (location-based) per net revenue	kt CO ₂ e/1 mill. €	0.76	0.59	29%
GHG emissions total (market-based) per net revenue	kt CO ₂ e/1 mill. €	0.74	0.55	35%

The purchased renewable electricity came exclusively from bundled contractual instruments (i.e. the use of explicit renewable energy contracts). The share of purchased renewable electricity from bundled contractual instruments amounted to 5.1% (16,157 MWh, 2024: 28,162 MWh) in the reporting year. The share of purchased renewable electricity from unbundled contractual instruments amounted to 0% (0 MWh, 2024: 0 MWh) in the reporting year.

Biogenic emissions relating to Scope 1 amount to approximately 914 t CO₂e (2024: 500 t CO₂e) from biomass-fired steam generation at our Lavradio site in Portugal. Purchasing data

from SAP BW and the DEFRA factor for biomass from wood pellets were used to calculate emissions. These past biogenic emissions were eliminated with site closure and will no longer occur in the future.

Biogenic emissions related to Scope 2 amount to approximately 156 tonnes of CO₂e (2024: not disclosed). Biogenic emissions related to Scope 3 amount to approximately 283 tonnes of CO₂e (2024: not disclosed).

Calculated on the basis of the primary data provided by suppliers and other partners in the value chain, the percentage of emissions was 7.1% in the year under review (2024: 0%).

For calculations, SGL Carbon uses a calculation/consolidation tool based on SAP (Business Warehouse, BW, and Strategic Enterprise Management Business Consolidation System, SEM-BCS).

The emissions in the upstream supply chain (Scope 3, categories 1 to 6) were calculated with the estell 6.1 database of consulting firm Systain Consulting GmbH in Hamburg. SGL Carbon opted for the estell database because it offers a method for calculating emissions in the upstream supply chain. SGL Carbon has been using estell since 2022. The estell method uses a detailed multiregional input-output database (environmentally-extended input-output, EEIO, database; see also GHG Scope 3 Protocol, chapter 7), based on the input-output table of OECD ICIO (2018 issue, data from 2015) (<https://www.oecd.org/sti/ind/inter-country-input-output-tables.htm>) and EXIOBASE 3.7 (2019 issue, data from 2016) (www.exiobase.eu) – with additional data from the Bureau of Economic Analysis (BEA, www.bea.gov, accessed in 2019, data from 2012). estell is updated annually in accordance with price trends, based on Destatis and Eurostat inflation data.

The activity data were taken from SGL Carbon’s procurement system (SAP Vendor Spend Report) as a purchase value in euros, classified according to cost type and country of origin. To determine emissions in the supply chain, purchase values are allocated to economic sectors on the basis of cost type and country and multiplied by estell emission factors for each demand unit in every economic sector and region. estell emission factors include the upstream emissions (cradle to gate) of all economic steps for each item or service. The model uses the global warming potential (GWP) values of the IPCC’s AR6 (2023) for a period of 100 years, including carbon feedbacks. estell was used to evaluate the following Scope 3 Categories: 1. Purchased goods and services, 2. Capital goods, 3. Fuel- and energy-related

activities (not included in Scope 1 or 2), 4. Upstream transportation and distribution, 5. Waste, 6. Business travel.

“Employee commuting” (Scope 3, Category 7) was estimated for the first time in 2024 using global assumptions about distance and means of transport. These assumptions were replaced by a voluntary, global employee survey on commuter behavior in the year under review. Around a thousand employees took part in the survey, the results of which were extrapolated to the entire workforce.

“Upstream leased assets” (Scope 3, Category 8) was not relevant in the reporting year.

Emissions from “Downstream transport” (Scope 3, Category 9) were estimated using average transport distances from Eurostat and freight transport emission factors from the German Federal Environment Agency (UBA). Downstream transport commissioned by SGL Carbon is included in Scope 3 Category 4, “Upstream Transportation and Distribution”, as specified in the Greenhouse Gas (GHG) Protocol.

In the year under review, indirect greenhouse gas emissions resulting from the processing of sold intermediate products were reported for the first time under “Processing of sold products” (Scope 3, Category 10). Relevant product groups typically associated with upstream processing were identified for each business unit. For this process, global emission factors were derived from internal insights gained through in-house processing activities and used for calculation.

The emissions released when customers use the purchased products were reported for the first time in the year under review under “Use of sold products” (Scope 3, Category 11). Two relevant product categories were identified in the Group: graphite elements and pumps. For the most important heating applications, average electricity consumption was calculated for the product’s entire service life. The assessment was based on selected customer information and published literature, accompanied by internal expert estimates. The resulting consumption values were extrapolated to the entire heating portfolio sold, weighted by revenue and based on the customer’s country-specific electricity mix in each case.

The end-of-life treatment of sold products (Scope 3, Category 12) was calculated using a global multi-stage estimation. Sales volumes were estimated using SAP sales data, and

average carbon content was estimated for each product category by experts from the business units. Using OECD data, regional disposal rates were identified, and an average emission factor was estimated for each disposal route, with the emission factor for recycled materials set at zero. The emission factor for incineration without energy recovery was calculated assuming that 100% of the carbon content is converted to CO₂. The emission factor for incineration with energy recovery was calculated assuming that 25% of the carbon is converted to CO₂. The remaining CO₂ was allocated using a net assessment of energy generation.

No emissions occurred under Scope 3, Category 13, in the reporting year.

Franchises (Scope 3, Category 14) was not relevant in the reporting year.

We report the emissions (Scope 1, 2 and 3) of our investment in Brembo SGL Carbon Ceramic Brakes S.p.A. in Italy under Investments (Scope 3, Category 15). This disclosure is based on information provided by the investee, which estimated its emissions for the 2025 fiscal year. Total emissions are reported on the basis of 50% equity share.

Emissions resulting from the investment in MCC-SGL Precursor Co. Ltd. in Japan are included under “Purchased goods and services” (Scope 3, Category 1) relating to carbon fiber precursor. The emissions of the investment in Fisigen S.A. in Portugal are included under Scope 2 emissions (relating to steam).

No significant events or changes in circumstances relevant to greenhouse gas emissions in the 2025 fiscal year occurred between the company’s reporting dates and preparation of the sustainability statement.

Details about investments in the project for building a biomass-fired steam generating plant at our Lavrado site in Portugal can be found in the information in relation to Article 8 of the EU taxonomy – in the CapEx reporting under the category Generation of heat and steam (CCM 4.24).

Revenue from the consolidated income statement was used to calculate greenhouse gas intensities.

Compared with adjusted sales (excluding price, currency and other special effects), Scope 1 and Scope 2 CO₂ emissions decreased from 0.23 kt CO₂e per €1.0 million in 2024 to 0.18 kt CO₂e per €1.0 million in 2025. This is a metric (voluntary disclosure according to ESRS 1.114) that is reported due to disclosure obligations in financing instruments.

GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

SGL Carbon is not currently developing any GHG removal or storage projects in its own activities or in the upstream or downstream value chain. In addition, SGL Carbon is not financing any external climate change mitigation projects through the acquisition of carbon credits and does not currently have any plans to do so.

Internal carbon pricing (E1-8)

SGL Carbon has been using an internal CO₂ price in its investment approval process ("Internal Carbon Pricing," ICP) since 2022.

Only a so-called CO₂ shadow price is applied to compare investment alternatives. Other instruments, such as internal CO₂ fees or internal CO₂ funds, are not used.

As part of the group-wide global investment approval process, SGL Carbon analyzes technical facilities, their expected energy consumption, and the planned energy sources. Energy costs are recorded in the associated economic evaluation. In investment projects where different energy sources can be used through technological alternatives, the CO₂ shadow price is applied in the cost comparison calculation.

The internal CO₂ price was set at €100/t CO₂e. This internal CO₂ price is at the record level of the price for emission certificates in the European Emissions Trading System (EU-ETS), which was reached in February 2023. The price for emission certificates in the EU Emissions Trading System (EU ETS) was highly volatile in the year under review. Following an increase from around €75/t in early January to around €84/t in February, the price fell to a year low of approximately €61/t in April. The market rebounded again within the year, resulting in a price level of around €88/t at the end of the year.

The internal CO₂ price of €100/t was maintained unchanged under the assumption that the record level of the price for emission certificates in the European Emissions Trading System will be reached again.

Since 2022, a total of three investment projects have been evaluated using the internal CO₂ price. As a result of implementing these investment projects, around 2.3 kt CO₂e additional Scope 1 emissions will be emitted (resulting from two projects), while 1.0 kt CO₂e Scope 1 emissions will be avoided (resulting from one project). In total, the three investment projects are associated with additional emissions of approximately 1.3 kt CO₂e Scope 1 emissions per year. This corresponds to around 2% of SGL Carbon's Scope 1 emissions in the reporting year.

These are gross GHG emissions. Scope 3 emissions were not evaluated.

No investment decisions requiring use of the internal CO₂ price were made in the year under review.

Since the company applies the internal CO₂ price exclusively for investment projects, a comparison with other internal CO₂ prices is not applicable.

The internal CO₂ price has not yet been used in the valuation of intangible assets and fixed assets, in impairment tests for assets, or in fair value measurement in connection with business acquisitions.

Description of the processes to identify and assess material climate-related impacts, risks, and opportunities (IRO-1)

As part of the double materiality assessment, SGL Carbon subjected its strategy and business model to a resilience analysis regarding climate change, incorporating climate-related physical and transition risks, to identify material risks for SGL Carbon. The risk assessment followed the approach outlined in Chapter IRO-1.

Physical risks related to climate can arise from acute and/or chronic changes in weather events or longer-term climate changes. Chronic physical climate hazards were classified according to Delegated Regulation (EU) 2021/2139 and include temperature changes,

changes in wind conditions, precipitation patterns and/or sea levels. Acute physical risks include heat waves, storms, droughts, forest fires, and wildfires.

Such risks can lead to flooding and storm damage to our facilities, interruptions in production processes, infrastructure failures, and potential accidents. For the first time, SGL Carbon modeled future weather scenarios and their impacts on our facilities based on climate scenarios as part of its double materiality assessment in 2023. The results were reviewed again in the 2025 materiality assessment update for the SSP5-8.5 scenario. The assessment also examined potential physical climate risks for our suppliers that could, for example, disrupt supply chains or delay production. The supply chain risks were ultimately not found to be material.

Climate-related transition risks according to TCFD classification include legal and regulatory, technological and market-related impacts, as well as changes in customer preferences and negative stakeholder feedback related to climate change, including tariffs, taxes, and other carbon levies.

To identify transition climate risks, SGL Carbon conducted a scenario-based assessment using 1.5°C-compatible transition scenarios, with a particular focus on regulatory developments. A material transition risk was identified, with climate-related regulations – in particular, increasing prices for greenhouse gas emissions – potentially leading to higher costs. Energy-intensive business activities, in particular, are affected. In the company's view, specific assets beyond that are not affected.

The materiality assessment was updated in 2025, at which time publicly accessible data sources were accessed.

The climate scenarios of the Intergovernmental Panel on Climate Change (IPCC) – in particular, Shared Socioeconomic Pathways (SSPs) – were used to identify and evaluate physical climate risks (acute, chronic). The scenario explicitly used was SSP5-8.5, which is described as follows:

SSP5-8.5 – The fossil path: Social and economic development of a rapidly developing world based on active and increased use of fossil resources is accompanied by an energy-intensive lifestyle worldwide. Actions to prevent climate change are reduced to a minimum. The focus here is on economically driven growth that relies heavily on fossil fuels. Although

the global economy is growing and local environmental problems, such as air pollution, are successfully being combated, dependence on fossil fuels remains high.

The SSP5-8.5 scenario was selected because it assumes the most significant climate-related risks expected and, at the same time, is representative as an emission scenario with high emissions.

The IEA Net Zero Emissions by 2050 scenario and the Orderly Transition scenarios of the Network for Greening the Financial System (NGFS) were used to identify and evaluate climate-related transition risks.

The company considered a long time frame in its application of the climate scenarios. In the SSP5-8.5 climate scenarios, a comparison of the change from 2041 to 2060 with that from 1995 to 2014 was visualized using the IPCC world atlas and used as a data basis for assessment.

The regulation of impacts, risks, and opportunities related to climate change is also part of our strategies, processes and structures for analyzing the resilience of our business model. Further details can be found in the chapter “Material impacts, risks, and opportunities (SBM3).”

The climate scenarios used also form the basis of the risk assessments in the risk management process (category environmental and climate risks) and are therefore consistent with the climate-related assumptions in the Consolidated Financial Statements.

Material impacts, risks, and opportunities and their interaction with strategy and business model (SBM-3)

The qualitative resilience analysis, including consideration of climate scenarios, revealed a significant climate-related transition risk for SGL Carbon regarding the increased pricing of greenhouse gas emissions. Changes in the legal framework and associated price increases for greenhouse gas emissions and/or stricter regulations may be associated with higher costs for SGL Carbon and as such may represent a financial risk for SGL Carbon.

The assessment of the potential financial risk is based on our transition plan (see also section “Transition plan for climate protection – E1-1”) for reducing greenhouse gas emissions (Scope 1 and 2) and our experts' assumptions on the pricing of these emissions.

The medium and long-term emission values for Scope 1 and 2 emissions targeted in our transition plan were multiplied by the forecast prices. The price forecast also considered the three climate scenarios we used (IRO-1).

The resilience analysis considers SGL Carbon's entire upstream and downstream value chains as well as our own operations. In addition, no material physical risks or transition risks were excluded. The time horizon of the scenarios extends to 2060.

In the framework of our qualitative resilience analysis, we identified climate-related risks that affect our business model and assessed their effects on our business model. Based on

the information currently available and the climate scenarios described above, we believe that no material individual risks from climate change exist – neither now nor in the foreseeable future – that could jeopardize the company as a going concern. Even the cumulative consideration of the individual risks does not jeopardize the continued existence of SGL Carbon as a going concern. Thanks to our regionally diversified setup, increased use of renewable energies, and the ability to adapt manufacturing processes in a climate-friendly manner, we consider SGL Carbon's business model to be sufficiently resilient. Ultimately, however, residual risks remain in all entrepreneurial activities and cannot be ruled out even by conducting a comprehensive analysis of resilience.

Resource Use and Circular Economy (E5) – Environmental Matters

Policies related to resource use and circular economy (E5-1)

SGL Carbon requires a wide range of resources (including non-renewable raw materials) to manufacture materials and products. Our manufacturing processes result in resource outflows (products and materials), including various waste streams.

SGL Carbon addresses the following substantive focus areas related to sustainable resource use, the circular economy, and waste management in its Global Environmental Policy: We endeavor to act in a resource-efficient manner by continuously reducing the environmental footprint of our products and processes, promoting recycling and reuse, and extending the life cycle of our products where possible. SGL Carbon implements local and Group-wide initiatives aimed at minimizing consumption of natural resources, including targeted actions to reduce material and resource use. Our waste management approach is focused on waste prevention and reduction. Through our actions in this area, we aim to reduce the waste generated during production and to develop methods for reusing materials.

SGL Carbon's resource inflows primarily come from the chemical industry (e.g., acrylonitrile, special chemicals such as resins) and from the petrochemical and coal chemical industries (e.g., petroleum and pitch coke, pitch materials). Most of the inflows from the petrochemical and coal chemical industries are co-products generated in those sectors and then used by SGL Carbon to produce specialty graphites.

SGL Carbon aims to reduce its resource use and is working on increasing the share of recycled and renewable raw materials, as well as preventing waste or directing it for recycling.

In doing so, the company is addressing the following negative impacts in internal expert assessments based on past experience:

SGL Carbon's procurement and use of fossil and non-renewable raw materials is associated with negative environmental impacts. Because these raw materials are not renewable, extracting and processing them ultimately compromises the availability of natural resources over the long term. This is especially true of petrochemical materials, which are

used in key production processes like the manufacture of carbon fibers and graphite products. The associated use of resources contributes to the depletion of finite raw material reserves. Using these materials across various stages of the value chain leads to additional environmental impact – for example, through energy-intensive precursors, emissions, and waste.

After use, a significant share of the products supplied by SGL Carbon end up as non-recycled waste, due in large part to complex material compositions such as multi-material composites and material contamination. These can only be sorted and their materials recovered for recycling to a limited extent downstream in the value chain, resulting in permanent loss of these materials from the material cycle.

Production at SGL Carbon generates waste at all of its manufacturing sites in the form of material scrap and process losses. Some of the waste can be recycled or reused – by external processing companies, for example. However, any remaining residual materials, including hazardous waste, must be incinerated or disposed of. These disposal methods have an environmental impact through emissions, lost resources, and long-term storage. Despite established disposal processes with certified specialists, the environmental impacts of such processes – particularly in terms of final disposal and incineration – cannot be avoided entirely.

Further information on the processes for identifying material impacts, risks and opportunities can be found in the chapter "General disclosures" under the IRO-1 section. Please also refer to the SBM-2 and 3 sections, where we set out the material resource use and circular economy-related impacts, risks and opportunities and the involvement of our stakeholders. Affected communities were not directly consulted. We have mainly incorporated their assessments through internal expert workshops and by surveying our employees, many of whom live in the direct vicinity of our sites.

Transparency and improved data availability are cornerstones of our corporate strategy regarding resource use and circular economy. SGL Carbon therefore determines its resource consumption by measuring, calculating and managing inflows and outflows at its

global production sites, including energy consumption and the materials needed for its industrial and commercial processes.

The company measures and reports on waste volumes generated at its sites, how this waste is handled and whether the waste is reused or directed for disposal, e.g., via landfill or some other method. A distinction is made here between hazardous and non-hazardous waste.

The Board of Management is responsible for strategy development and policy implementation.

SGL Carbon pursues the use of secondary, recycled raw materials. In particular, residual materials from the company's production process stages are recycled for environmental and economic reasons.

By-products from the production of graphite blocks are ground and then reintroduced into the production process. Residual carbon fibers are used to produce injection-molded parts, among other things. Plastic packaging materials are being replaced by cardboard and other alternatives.

Within the scope of strategic development, SGL Carbon's business units strive for sustainable procurement and the use of renewable resources. Opportunities for these typically arise for SGL Carbon from biologically based raw materials such as bio-based resin systems, which are used in fiber-reinforced components. In these raw materials, petroleum-derived starting materials are replaced with renewable plant-based components. Procurement of such renewable raw materials usually entails additional costs. Accordingly, our approach also includes targeted identification of customers and customer segments willing to pay a premium for greener products.

Discontinuation of in-house carbon fiber production at the Lavradio site in Portugal has eliminated the option to use biologically based acrylonitrile, which means it can no longer be pursued in the future.

With these policies, SGL Carbon strives to reduce and, where technically and economically possible, avoid the use of primary raw materials. As a result, the company expects a relative

increase in the use of secondary (recycled) resources. However, the related projects are still in their early stages.

SGL Carbon's Sustainable Sourcing business process integrates environmental, social, and ethical criteria into purchasing processes. In addition to traditional ESG aspects like environmental management systems and emissions reduction, the company also considers the responsible use of natural resources. Targeted promotion of renewable raw materials is anchored as a strategic target and incorporated into supplier selection and development (for further details, see Chapter G1-2).

Actions and resources related to resource use and circular economy (E5-2)

Actions related to resource use and circular economy are implemented in our four business units and our Corporate unit.

In the area of the circular economy, the Graphite Solutions (GS) business unit is pursuing projects and approaches intended to optimize resource use and close material loops. Waste management, safe methods of disposal and economically feasible recycling activities contribute here.

Where possible, by-products from graphite manufacturing are processed internally and repurposed for other applications, with the aim of reducing waste and increasing production efficiency.

Moreover, graphite-containing dust from mechanical finishing is reintroduced into the production process, thereby reducing the use of primary raw materials in the manufacture of semi-finished graphite products.

The GS business unit is also looking at alternative carbon raw materials, including renewable raw materials and recycled sources. The goal is to replace fossil raw materials with sustainable alternatives and further reduce the company's environmental footprint. Implementation on an industrial scale is not expected before 2030.

Wood-based viscose materials are already being used today as a precursor in the production of soft and hard felt. This is now an established process.

The Process Technology (PT) business unit repurposes production by-products for internal or external use. For example, graphite tubes damaged during production are reworked into column filling material. Graphite dust and chips resulting from mechanical processing are collected and used externally. The amount of resin systems used is being reduced through process optimizations. Reusable shipping crates are being utilized where possible.

During the restructuring phase in the reporting year, the Carbon Fibers (CF) business unit also adapted its sustainability projects. Following closure of the Lavradio site in Portugal, development of a carbon-reduced 50k carbon fiber will no longer continue. The Carbon Fibers business unit's involvement in the Green Carbon project sponsored by the Technical University of Munich, which is examining ways of obtaining green acrylonitrile from algae, came to an end in 2025.

The purpose of the EU-funded ICARUS program (www.icarus.eu.com) is to close material loops in the production of silicon wafers for the solar industry. In collaboration with project partners, the GS business unit is examining ways to reuse recycled graphite from solar silicon processing in synthetic graphite applications. This long-term project is financed with EU funding from the Horizon Europe research and innovation funding program. An industrial implementation is planned from 2026. There are also plans to apply insights from this project to other areas of application beyond the solar industry.

As members of the Composites United e.V. association, our CF and CS business units also take part in exchange relating to resource-efficient carbon fiber production and the ongoing development of end-of-life recycling processes. SGL is already internally processing residual carbon fibers from production today for use in injection-molded materials, among other things.

Since 2023, the CS business unit has stepped up its development activities in the area of sustainable fiber composites. As part of a three-year research project, the CS is working on developing a resource-efficient and recyclable battery housing. The project, a cooperation with a range of industry and research partners, progressed as expected in the reporting year and is set to run until spring 2026. Series of tests were conducted with sustainable materials to compare their technical performance with that of established materials.

Collaboration with various companies from the recycling industry for reprocessing fiber composite components has been continued and expanded to include new approaches. In

the process, carbon and glass fibers are recovered for further use as reinforcement for injection-molded components or molding compounds. While extensive testing of end-of-life components continued in collaboration with partners in the reporting year, these recycled materials are not yet ready for the market.

SGL Carbon is involved in the recycloPreg research project, which aims to develop sustainable composite materials by combining natural fiber nonwovens with glass or carbon fibers and then reinforcing them through a bio-based resin system. Using a closed-loop recycling process, the materials are separated by solvolysis at the end of their life cycle to return the fibers and resins to the manufacturing process. The CS business unit is involved in manufacturing a demonstrator component and producing a life cycle assessment of the entire process in order to identify the CO₂ savings potential compared with conventional materials and processes. The pre-impregnated (Prepreg) material was provided by the CF business unit. The project was launched in November 2024 and is set to run for three years. The project progressed as expected in the reporting year.

The CF business unit is pursuing the idea of reusing and recycling textile production residues from glass and carbon fibers, which are processed by partners and used in new applications. These actions are implemented on an ongoing basis and regularly assessed.

By offering its customers installation, commissioning, inspection, maintenance and remote services, the PT business unit is ensuring optimal usage of equipment at all stages of operation and extending its service life. Operational efficiency at customers is being improved through regular maintenance and routine inspections.

The PT business unit takes a product design approach intended to ensure high reliability and durability and facilitate repairs and upgrades. This helps to reduce resource consumption throughout the product life cycle. PT also offers customers custom end-of-life solutions tailored to their specific requirements. These include refurbishment of equipment or further use of individual components and are intended to improve recyclability and reduce waste.

In the Corporate (Logistics) business unit, polystyrene linings for specific cardboard packaging have been replaced with recycled cardboard bags. This has helped to reduce the amount of packaging material containing plastic. Moreover, paper is now being used

instead of plastic for packing slip envelopes; likewise in 2024, a system for reusing large wooden shipping crates was introduced at the Meitingen site to prevent waste.

A waste management software solution enabling data collection, classification, and tracking has been implemented at the four German sites in Meitingen, Bonn, Wackersdorf, and Willich. By improving data availability, this software is helping to optimize waste management processes and increase resource efficiency.

In a pilot project launched at the Bonn site in 2025, SGL Carbon is taking steps to return packaging to listed collection points in accordance with the regulations of the German Packaging Act (VerpackG).

An environmental management system based on the ISO 14001 standard with integrated waste management has been introduced at the Austrian sites in Ried and Ort, the Wackersdorf site, and the Meitingen site of SGL Technologies GmbH.

Our actions related to resource use and circular economy support Responsible consumption and production (SDG 12) of the United Nations' Sustainable Development Goals (SDGs).

Targets related to resource use and circular economy (E5-3)

Up to the time of reporting, SGL Carbon had not yet set any results-oriented targets related to resource use and circular economy that are measurable across the Group. However, it does plan to set both circular economy and waste management targets by the end of 2027 at the latest.

To review the effectiveness of our strategies and actions related to resource use and circular economy, we track progress on projects for the use of circular raw materials in the business units' development departments. The sites also set specific waste targets, mostly regarding the implementation of waste-related actions. In Germany, the Circular Economy Act (KrWG) stipulates the appointment of waste management officers at site level, who document the respective progress in their annual waste reports. Waste-related targets and actions are also reported on in accordance with the ISO 14001:2015 standard for the ISO 14001:2015–certified sites of Meitingen (SGL Technologies GmbH), Ried & Ort in

Innkreis (SGL Composites GmbH) and Wackersdorf (SGL Composites Materials Germany GmbH).

Resource inflows (E5-4)

SGL Carbon is a manufacturing company. We source a large number of raw and other materials. Our material resource inflows include:

Raw materials such as polyacrylonitrile (PAN) precursor for carbon fiber production; cokes, pitches, and natural graphite for graphite production; chemicals such as epoxy resins and different fiber types; equipment and system parts, including spare parts and consumables (process gases, chemicals, filters, cleaning supplies, non-metal consumables, laboratory supplies, lubricants, oils, adhesives); packaging materials (shipping crates, wood, pallets); IT equipment; tools and personal protective equipment (PPE); building and production equipment (furniture, electrical equipment); and water, which is mainly used for process cooling and is recycled.

Until the beginning of the reporting year, acrylonitrile had been procured for the manufacture of polyacrylonitrile (PAN) precursor, which is used in the production of carbon fibers. With discontinuation of production in Lavradio, Portugal, SGL Carbon also stopped procuring acrylonitrile.

Resource inflows	Unit	2025	2024	Change
Total weight of resource inflows	kt	92.5	112.2	–17.6%
Total weight of the products used	kt	64.0	79.7	–19.7%
Total weight of technical materials	kt	27.6	30.5	–9.5%
Total weight of biological materials	kt	0.9	2.0	–55.0%
Proportion of sustainably sourced organic materials ¹⁾	%	0.0	0.0	
Reused or recycled secondary components, products and materials used in the manufacture of the company's products and services ²⁾	kt	2.0	2.4	–16.7%
Reused or recycled secondary components, products and materials used in the manufacture of the company's products and services ²⁾	%	2.1%	2.1%	

¹⁾ Organic materials (and biofuels used for non-energy purposes) used in the manufacture of the company's products and services (including packaging) that are sustainably sourced, with information on the certification scheme used and the application of the cascade principle

²⁾ Including packaging

In the reporting period, the total weight of the products used and of the technical and biological materials¹ was determined using the SAP purchasing data recorded in the Vendor Spend Report. The SAP Vendor Spend Report is an analysis report that offers an overview of the company funds spent on suppliers. The report provides a detailed list of all the purchasing processes and enables evaluation of suppliers, goods, and services. The weight information was taken directly from the purchasing postings. Weight information from the material master data was used for items for which no weight information was available in the purchasing postings. Where it was not possible to determine the weight information using either of these approaches, an average weight was estimated based on the respective material group and purchase value.

The weight of the reused or recycled secondary components, products, and materials (including packaging) used to manufacture the company's products and provide its services

was estimated as follows: The business units analyzed their purchasing processes and determined the recycled secondary components exclusively when purchasing steel. The share of recycled steel was estimated using regional steel recycling rates. Information was obtained from suppliers for some steel purchasing processes. To estimate the recycled share of the packaging materials acquired, regional recycling rates by packaging material group were used and applied to the company's procurement volume.

We record all of our material inflows in SAP and conduct analysis using our Vendor Spend Report (in SAP Business Warehouse). This report is based on our SAP system, where we record all invoice entries. Individual items can be allocated to specific orders, goods groups and material numbers based on the invoice documents.

As part of collecting data on resource inflows, the volumes required are determined based on the goods receipt postings or the material master data in the SAP system. Estimates are used if no information on volumes is available in the system, with an average specific weight being assigned to the purchase value.

Resource outflows (E5-5)

SGL Carbon strives to increase the share of recycled and reused materials in its products. By-products from production processes are reused internally wherever possible. The aim here is to ensure that materials from the first usage phase do not go unused but are reintroduced into the production cycle. If the by-products cannot be used internally, the company works with external partners to maximize their material or thermal recycling.

Given the specific requirements for our products and materials, the possibilities to fully design them according to the principles of the circular economy are technically limited. To date, there are only a few product lines where circular raw materials can be used and are also in demand by customers.

¹ Biological materials as defined by the ESRS are materials that are of natural origin and not procured from fossil sources. At SGL Carbon, this includes rayon, which is manufactured from plant-based cellulose.

The company is working on recycling projects intended to increase the extent to which products, materials, and waste are recirculated in practice after first use (see the E5-2 Actions).

SGL Carbon's waste management approach addresses both reducing resource use and optimizing resource efficiency. Responsible resource use is part of our environmental management framework. With this in mind, we monitor, separate and document our waste streams and introduce improvements to reduce our waste volume.

In cooperation with plant operators and operations managers, we develop actions based on the European waste hierarchy to prevent waste and ensure efficient resource use. This hierarchy prioritizes prevention of waste, followed by recycling and then disposal. Where possible, we use equipment by-products as raw materials in other production processes to minimize waste and utilize the raw materials deployed to maximum effect.

If we cannot reuse these within operational processes, we look for alternative possibilities for material and thermal recycling. Materials resulting from construction activities are recycled to the extent possible.

The Corporate Environmental, Health and Safety Affairs (EHSA) corporate function conducts regular site audits to monitor compliance with legal and internal requirements. We also inspect the disposal facilities with which we cooperate to ensure proper and environmentally sound disposal.

Employee training is a further component of our waste management strategy. This covers our internal waste balance sheet, waste reduction projects, waste separation guidelines within the company and current legal requirements. At SGL Carbon GmbH in Germany, this training is supplemented by a manual that serves as a reference guide for the logistics and production teams and helps ensure legally compliant waste management. Our international sites observe the respective local laws.

SGL Carbon produces materials, products and solutions in four business units.

The GS business unit produces synthetic fine-grain graphite blocks, expanded natural graphite, specialty graphites (some with high-purity coatings), and parts for fuel cells. Graphite materials are used in carburization during steel production as a recycling process.

The PT business unit produces process solutions and equipment, parts for corrosive applications, components and assemblies, and spare parts. Key components are often made from or with graphite or polytetrafluorethylene (PTFE). In particular, the incorporated steel content is recyclable. The graphite used in the PT business unit undergoes impregnation, rendering it unsuitable for recycling.

The CF business unit produces carbon fibers, nonwoven and woven textiles, and pre-impregnated materials. Carbon fibers and textile acrylic fibers can be recovered as short-cut or ground material, a process termed downcycling. The production of textile acrylic fibers was discontinued in the reporting year.

The CS business unit produces composite components (in large- and small-scale production), friction linings for wet running and insulation materials. Carbon fibers in the components can be recovered through separation from the resin by solvolysis.

We normally use recyclable cardboard boxes and wooden crates as packaging.

SGL Carbon's products are typically not designed based on circular principles.

Resource outflows	Unit	2025	2024	Change
Expected durability of the products marketed by the company in relation to the industry average	0	N/A ¹⁾	N/A ¹⁾	-
Repairability of products, if possible using an established evaluation system	0	N/A ²⁾	N/A ²⁾	-
Recyclable content in products	%	55.9%	56.2%	-0.5%
Recyclable content in packaging	%	94.4%	94.0%	0.4%

¹⁾ The company is not aware of any industry averages

²⁾ The company's products are mostly materials, so repairs are not planned

The rate of recyclable content in our products was determined on a business unit level by evaluating the recyclability of the product groups sold in the reporting year. The sales volumes of all products classified as recyclable were added up and compared with the total weight of the materials used in the reporting period.

Recyclability was assessed on the basis of product condition at delivery. Products are considered to be recyclable if there is an industrial recycling process available for them. This evaluation did not take into account potential limitations resulting from the further processing, use, or application of the products, nor did it consider the economic aspects of recycling processes or the actual recycling rates achieved downstream in the value chain.

The rate of recyclable content in packaging was estimated using the following method: The packaging materials procured in the reporting year were divided into packaging material groups, and research was conducted to find industry information on the recyclability per group. The recyclable content was determined by totaling the recyclable content of all packaging material groups and relating this to the total volume of all packaging material procured.

The volumes of waste generated across the Group are broken down using criteria for recycling and disposal and into hazardous and non-hazardous waste to ensure their proper disposal.

SGL Carbon's typical waste includes materials such as industrial municipal waste, filter dust, packaging emptied of residues, used linings and fireproof materials, construction and demolition materials, and chemicals (organic and inorganic).

The waste and materials contained therein differ across SGL Carbon's four business units.

Typical waste for the GS business unit includes materials diverted from disposal such as scrap wood, paper, glass, scrap metal, plastics, carbon black, machining sludges, mixed municipal waste, bulk waste, washing ethanol, waste oil, electronic waste, filter dust, green waste, phenol resin, operating materials containing oil, sodium sulfate, and plastic with adhesive residues. Kiln bricks, insulation material, lime sludge, lime hydrate, packaging dust, green dust, acids, and alkalies are directed to disposal.

Typical waste for the PT business unit includes materials diverted from disposal such as scrap wood, paper, glass, scrap metal, plastics, carbon black, machining sludges, mixed municipal waste, bulk waste, waste oil, electronic waste, filter dust, and green waste. Contaminated graphite from machines, insulation material, acids, and alkalis are directed to disposal.

Typical waste for the CF business unit includes materials diverted from disposal such as scrap wood, paper, glass, scrap metal, plastics, mixed municipal waste, bulk waste, waste oil, electronic waste, filter dust and carbon fibers. Resins, insulation materials and contaminated operating materials are directed to disposal.

Typical waste for the CS business unit includes materials diverted from disposal such as scrap wood, paper, glass, scrap metal, plastics, mixed municipal waste, bulk waste, waste oil, electronic waste, filter dust and carbon fibers. Resins, insulation materials, and operating materials contaminated with resin are directed to disposal.

Resource outflows are posted in SAP. Within the individual posting transactions, the information collected includes the supplying plant, the materials themselves, and the associated business unit and product line. Analysis is conducted in a consolidated dataset, the total of which corresponds to Group revenue. This rules out double counting in particular.

For posting transactions for which no associated weight could be assigned by the system, this was estimated by assuming an average revenue-specific weight.

SAP BW is used to record and assign waste volumes (see below). The amount of waste generated is recorded monthly at the company's sites and assigned to the relevant waste categories. Disposal documentation from the commissioned specialist disposal companies is used for this. The figures for all sites are totaled in the SAP BW system.

The sites compile waste balance sheets, which serve as an internal control and planning tool. These sheets provide information on internally recorded waste, offering an overview of its nature and volume, disposal methods, and waste-related costs.

The various waste fractions are systematically recorded based on records from daily operations and accounting documents, as well as the provided input registers for the disposal facilities; in the case of the German sites, they are amalgamated with the help of a database to produce the waste balance sheets. The waste generated during manufacturing of salable products is considered, along with special effects from specific project activities.

SGL Carbon also records the waste volumes for all production sites worldwide in a database in SAP BW (Business Warehouse). The local EHS managers ensure this information is recorded each month. Corporate EHSA conducts plausibility checks. The data related to the volumes and how the waste is ultimately disposed of is based on documents from the commissioned disposal companies.

Waste generation of hazardous and non-hazardous waste

Waste generation	Unit	2025	2024	Change
Waste quantities diverted from disposal				
Hazardous waste	t	804	741	8.5%
Preparation for reuse	t	0	0	-
Recycling	t	255	158	61.4%
Other recovery operation types	t	548	583	-6.0%
Non-hazardous waste	t	8,463	9,767	-13.4%
Preparation for reuse	t	0	0	-
Recycling	t	5,664	5,586	1.4%
Other recovery operation types	t	2,799	4,181	-33.1%
Waste quantities diverted from disposal (total)	t	9,267	10,508	-11.8%
Waste for disposal				
Hazardous waste	t	1,998	2,288	-12.7%
Incineration	t	159	208	-23.6%
Landfill	t	907	1,085	-16.4%
Other disposal operations	t	933	996	-6.3%
Non-hazardous waste	t	15,896	14,430	10.2%
Incineration	t	77	73	5.5%
Landfill	t	6,540	6,473	1.0%
Other disposal operations	t	9,278	7,884	17.7%
Waste for disposal (total)	t	17,894	16,718	7.0%
Total quantities				
Total amount of hazardous waste	t	2,802	3,029	-7.5%
Total amount of radioactive waste	t	0	0	-
Total amount of waste generated	t	27,161	27,226	-0.2%
Total amount of non-recycled waste	t	21,241	21,482	-1.1%
Percentage of non-recycled waste	%	78.2	78.9	-0.9%

Information in Relation to Article 8 of the EU Taxonomy

In December 2019, the European Commission presented the “European Green Deal,” which includes the goal of making the European Union climate neutral by reducing net greenhouse gas emissions in the European Union to zero by 2050. Achieving this goal will require action such as redirecting private and public capital into environmentally sustainable activities. This required the development of the EU Taxonomy Regulation (EU 2020/852 or “EU Taxonomy”), a classification system for defining environmentally sustainable economic activities.

For the 2021 fiscal year, companies that publish a non-financial report were for the first time required to provide information on Taxonomy-eligible revenue shares, capital expenditure (capex) and operating expenses (opex) in accordance with the EU Taxonomy. SGL Carbon has been covered under this obligation since 2021 and so published this information for its Taxonomy-eligible economic activities in 2021 in relation to the two published environmental objectives of climate change mitigation and climate change adaptation. The key figures have not yet been assessed in terms of their environmental sustainability for the 2021 fiscal year, as required by the EU Taxonomy.

Starting in the 2022 fiscal year, legal requirements expanded reporting to include Taxonomy-aligned economic activities. SGL Carbon is subject to this obligation. The necessary analyses were adjusted accordingly.

Also in 2023, the internal obligation to assess the Taxonomy eligibility of environmental objectives 3 to 6 (sustainable use and protection of water resources, transition to a circular economy, prevention of pollution and protection of ecosystems and biodiversity) applied for the first time. An assessment of Taxonomy compliance for these environmental targets was required for the first time in the 2024 fiscal year and was therefore performed by SGL Carbon in 2024. The assessment took into account the Delegated Regulations (EU) 2021/2139, (EU) 2022/1214, (EU) 2023/2485, (EU) 2023/2486 and EU C(2023) 3850.

The EU Commission approved a series of actions to simplify application of the EU Taxonomy on July 4, 2025, in the form of a delegated act to amend the EU Taxonomy Delegated Act. The EU Commission had already published the draft of this delegated act in February 2025 as part of the Omnibus I package.

For the financial year 2025, taxonomy reporting was carried out in accordance with Delegated Regulations (EU) 2021/2178, (EU) 2021/2139, and (EU) 2023/2486, in the versions applicable as of December 31, 2025.

After the objection period expired without any objections from the EU Parliament or the Council of the European Union, the delegated act adopted by the EU Commission on July 4, 2025, to simplify reporting under the EU Taxonomy Regulation was published on January 8, 2026 (Delegated Regulation (EU)2026/73) and entered into force on January 28, 2026. SGL Carbon is making use of the optional provision ((EU)2026/73, paragraph 23), will refrain from applying the changes for the 2025 financial year, and will continue with the previous form of reporting.

Determination of relevant Taxonomy codes

For the 2025 fiscal year, SGL Carbon identified the following economic activities and products as Taxonomy-eligible in connection with the climate change mitigation (CCM) goal:

Manufacture of renewable energy technologies (CCM 3.1). This includes carbon fibers for use in the wind industry and specialty graphite products for the wind industry (carbon brushes for wind turbine transmission and control). Due to continued weak demand in the market, revenue with carbon fiber for the wind industry reduced significantly in 2025 compared to the previous year.

The **manufacture of batteries (CCM 3.4)** category includes the graphite anode material (GAM) for lithium-ion batteries produced by the Graphite Solutions business unit, which is used in electromobility. SGL Carbon discontinued GAM production in March 2025 due to continued weak demand in the market, leading to a significant decrease in revenue in 2025 compared to the previous year.

The **manufacture of automotive and mobility components (CCM 3.18)** category includes fiber-reinforced composite battery housings for electric vehicles produced by the Composites Solutions business unit.

Production of heat/cool from bioenergy (CCM 4.24). This includes steam generation from biomass at the Carbon Fibers business unit's Lavradio site. With the closure of the production site in Lavradio, Portugal, steam generation from biomass also ended at this site in June 2025.

Transport by motorbikes, passenger cars and light commercial vehicles (CCM 6.5). This includes, without limitation, company-leased vehicles (cars).

Taxonomy-eligible activities identified as part of the **construction of new buildings (CCM 7.1)** activity include the construction of two production halls at the Meitingen (Germany) site for use by Brembo SGL Carbon Ceramic Brakes and a non-consolidated subsidiary as well as the construction of production facilities in Bonn (Germany) and Saint Marys (US).

Renovation work at the Bonn (Germany) site was identified in the **renovation of existing buildings (CCM 7.2)** activity.

In connection with the environmental objective of transforming to a circular economy (CE), the **repair, remanufacturing and refurbishment (CE 5.1)**, and, within that, the service and repair services for heat exchangers in the Process Technology business unit were identified as Taxonomy-eligible.

No Taxonomy-eligible SGL Carbon activities were identified under the environmental goals of adaptation to climate change, sustainable use and protection of water resources, prevention of pollution and protection of ecosystems and biodiversity.

Determination of the Taxonomy metrics

Reporting on the nature of Taxonomy-eligible as well as Taxonomy-aligned economic activities is carried out in accordance with the Taxonomy Regulation (EU) 2020/852. The metrics to be reported are the shares of Taxonomy-eligible and Taxonomy-aligned revenue, investments and operating expenses. SGL Carbon does this using the reporting forms provided in Annex II of Regulation (EU) 2021/2178 and updated in Regulation (EU) 2023/2486.

The data collection is based on consolidated Group data. Double counting in the allocation of revenue, investments and operating expenses is avoided. If data could not be clearly allocated when determining the metrics, suitable allocation keys were used.

The EU Taxonomy defines **revenue** as net sales of goods or services including intangible assets. The share of revenue associated with Taxonomy-eligible economic activities is divided by net sales. To determine the Taxonomy-eligible revenue, the respective SGL Carbon products were allocated to the Taxonomy-eligible economic activities. For the products identified in this way, the corresponding revenue with third-party customers for the 2025 fiscal year (numerator) was determined and compared to the revenue reported in the consolidated income statement (denominator).

Capital expenditures (capex) as defined by the EU Taxonomy comprise additions to property, plant and equipment and intangible assets in the fiscal year under review before depreciation, amortization and revaluations. In addition, there are cash inflows from capitalized leases, to investment property and to agricultural items; however, these three categories of expenditure do not exist at SGL Carbon. Taxonomy-eligible capital expenditures relate to assets or processes associated with Taxonomy-eligible economic activities or that are part of a plan to expand Taxonomy-aligned economic activities or transform Taxonomy-eligible economic activities into Taxonomy-aligned economic activities or that relate to the acquisition of products from Taxonomy-aligned economic activities and individual actions that carry out the target activities in a low-carbon manner or reduce greenhouse gas emissions. SGL Carbon refers to capital expenditure on property, plant and equipment and intangible assets (denominator). From this, the share of Taxonomy-eligible capital expenditures is to be determined (numerator). For this purpose, the products identified via the Taxonomy-eligible economic activities were related to the corresponding capital expenditures and, in addition, individual capital expenditures from the purchase of products from Taxonomy-eligible economic activities and the implementation of individual measures to reduce greenhouse gas emissions were taken into account. The various Taxonomy-eligible capital expenditures were compared to the investments reported in the Annual Report (see Annual Report, cash flow from investing activities).

Operating expenses (opex) as defined by the EU Taxonomy comprise direct, non-capitalized costs relating to research and development and maintenance and repair, short-term leases and rentals and the maintenance and repair of tangible and intangible assets. Taxonomy-eligible operating expenses relate to assets associated with Taxonomy-eligible economic activities or that are part of a plan to expand Taxonomy-aligned economic activities or transform Taxonomy-eligible economic activities into Taxonomy-aligned economic activities, or that relate to the acquisition of products from Taxonomy-eligible economic activities and individual actions that carry out the target activities in a low-carbon manner or reduce

greenhouse gas emissions (such as individual building renovations). SGL Carbon refers to expenses for maintenance and repair, rentals and leases, renovations and research and development (denominator). For this, the share of Taxonomy-eligible operating expenses is determined (numerator). For this purpose, the products identified via the Taxonomy-eligible economic activities were related to the corresponding operating expenses and, in addition, individual operating expenses from the purchase of products from Taxonomy-eligible economic activities and the implementation of individual measures to reduce greenhouse gas emissions or building renovations were taken into account. This metric is determined exclusively as part of Taxonomy reporting as there is no equivalent to financial reporting metrics defined elsewhere.

Verification of Taxonomy alignment

To be considered Taxonomy-aligned, an economic activity must satisfy the technical screening criteria (TSCs) as follows: it must make a substantial contribution to at least one of the six environmental objectives (satisfying the criteria in the Substantial Contribution section) and must not cause significant harm to the other five environmental objectives (satisfying the criteria in the Do No Significant Harm (DNSH) section). In addition, the minimum safeguards for occupational safety and human rights must be observed and respected. Verification of the Taxonomy alignment of the economic activities and products with regard to the climate goal Climate Change Mitigation (CCM) requires a climate risk analysis to be carried out. For carbon brushes used in the transmission and control of wind turbines (Manufacture of renewable energy technologies (CCM 3.1)), this analysis was carried out in 2024 in accordance with legal requirements and the DNSH criteria are being complied with. As there have been no relevant changes since then, the climate risk assessment was not updated in 2025.

First, the product portfolio of each business unit was reviewed with regard to the description of the activity according to (EU) 2021/2800 Annex I. For this purpose, business unit experts from the sustainability, product management, development and application technology business units were consulted. If there was agreement, the technical evaluation criteria were reviewed with the same group of experts with regard to a material contribution to climate change mitigation and the transition to a circular economy. Environmental experts from Corporate EHSA were consulted for the subsequent review of "Do no significant harm (DNSH)." The results were recorded and documented.

In the 2025 fiscal year, capital expenditures were made related to the acquisition of products from Taxonomy-eligible and Taxonomy-aligned economic activities and individual actions that carry out target activities in a low-carbon manner or reduce greenhouse gas emissions. Verification of the alignment of this investment (CapEx (c)), including compliance with the minimum safeguards, must already be performed at the supplier level if SGL Carbon cannot answer the relevant questions itself. Questionnaires with relevant questions were sent to suppliers for this purpose. A questionnaire with specific questions was sent to suppliers in 2024 to gather relevant data. The responses that were received were reviewed. The process was not repeated in the reporting year.

Minimum safeguards

The minimum social safeguards for SGL Carbon as a whole were assessed across all activities as part of ensuring Taxonomy alignment in accordance with Article 18 of the EU Taxonomy Regulation.

Minimum safeguards as defined by the EU Taxonomy include the OECD Guidelines for Multi-national Enterprises, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Core Labor Standards and the International Bill of Human Rights. As a signatory to the UN Global Compact and in its internal guidelines (SGL Carbon Code of Conduct, Human Rights Guideline, and Supplier Code), SGL Carbon is committed to respecting and protecting human rights and upholding the principles of the UN Global Compact, which are based on the above-mentioned sets of rules. SGL Carbon has introduced a Human Rights Management System, which is part of the overarching and certified Compliance Management System. For the elements of the Human Rights Management System, please refer to the chapters on respect for human rights, responsibility in the supply chain, occupational health and safety and compliance management in this CSR report.

Categorization of the following reporting templates

The following tables show the Taxonomy-eligible (eligible) and Taxonomy-aligned (aligned) portions of SGL Carbon's revenue, capital expenditures and operating expenses for the 2025 fiscal year in the presentation required by lawmakers (see Regulation (EU) 2021/2178, updated in Regulation (EU) 2023/2486).

SGL Carbon has no economic activities in the areas of fossil gas and nuclear energy within the meaning of the EU Taxonomy Regulation. Due to the scope of reporting templates 1 to

5 of the Delegated Regulation (EU) 2022/1214, they are not presented in tabular form since there is no Taxonomy eligibility, and all reporting forms would therefore contain “no” or zero.

Reporting form: Share of revenue from goods or services connected to Taxonomy-aligned economic activities — Disclosure for 2025

[illegible]

Reporting form: Share of OpEx from goods or services connected to Taxonomy-aligned economic activities — Disclosure for 2025

Economic activities	Code(s)	Absolute Opex	Proportion of Opex	Substantial contribution criteria						DNHS criteria ('Does Not Significantly Harm')									Taxonomy-aligned proportion of Opex, year N-1	Category (enabling activity)	Category (transitional activity)
				Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimum safeguards					
	€ million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)																					
thereof enabling activity																					
of which transitional activity (T)																					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Manufacture of renewable energy technologies	CCM 3.1.	1.1	2.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.3%				
Manufacture of batteries	CCM 3.4.	0.3	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.1%				
Manufacturing of automotive and mobility components	CCM 3.18.	3.3	6.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.6%				
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4.7	9.6%														14.0%				
Total (A.1 + A.2)		4.7	9.6%														14.0%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Opex of Taxonomy-non-eligible activities (B)		44.3	90.4%																		
Total (A + B)		49.0	100.0%																		

The disposal group (assets held for sale) SGL Composites S.A., Lavradio (Portugal), is included in the key figures for sales revenue, CapEx, and OpEx.

Y: Yes, taxonomy-compliant activity that conforms to the relevant environmental objective;
N: No, taxonomy-compliant activity, but not taxonomy-compliant with the relevant environmental objective
EL: "eligible", taxonomy-eligible activity for the respective target
N/EL: "not eligible", activity not eligible for taxonomy for the respective environmental objective

Proportion of turnover / total turnover

Abbreviation	Environmental target	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	Climate change mitigation	1.1%	1.8%
CCA	Climate change adaptation	0%	0%
WTR	Water	0%	0%
CE	Circular economy	0%	0.6%
PPC	Prevention and reduction of environmental pollution	0%	0%
BIO	Biodiversity	0%	0%

Proportion of capex / total capex

Abbreviation	Environmental target	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	Climate change mitigation	0.0%	25.4%
CCA	Climate change adaptation	0.0%	0.0%
WTR	Water	0.0%	0.0%
CE	Circular economy	0.0%	0.0%
PPC	Prevention and reduction of environmental pollution	0.0%	0.0%
BIO	Biodiversity	0.0%	0.0%

Proportion of opex / total opex

Abbreviation	Environmental target	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	Climate change mitigation	0%	9.7%
CCA	Climate change adaptation	0%	0%
WTR	Water	0%	0%
CE	Circular economy	0%	0%
PPC	Prevention and reduction of environmental pollution	0%	0%
BIO	Biodiversity	0%	0%

Nuclear and fossil gas

Template nuclear and fossil gas related activities

Row	Nuclear energy related activities	Yes/No
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Own Workforce (S1) - Employee Matters and Respect for Human Rights

Information in relation to ESRS 2 (SBM-3)

The process to identify material impacts, risks, and opportunities (double materiality) in relation to our own workforce can be found in the chapter “Description of the processes to identify and assess material impacts, risks, and opportunities” ESRS 2 IRO-1.

The 2025 double materiality assessment did not identify any materials risks or opportunities related to our own workforce materiality assessment.

We consider our entire workforce in the updated materiality assessment, as well as in our final reporting. In this context, SGL Carbon has considered both the upstream and downstream value chain and its own business activities, including our products and services and their direct impact on the workforce. Where information in our report refers only to parts of our workforce, we specify this in the relevant sections. Additional information on our business model and products can be found in the “Group Fundamentals” chapter of the Group Management Report 2025.

SGL Carbon’s workforce is composed of two main groups, employees and non-employees. Our employees are those who have a direct employment contract with SGL Carbon. This includes regular employees, interns, and trainees, unless certain provisions expressly exclude this. Passive employees, such as those in partial early retirement (ATZ) in Germany or those on leave, are excluded, unless stated otherwise (see the additional information in chapter S1-6).

The second group includes non-employees, such as individual contractors supplying labor (“self-employed people”) and people provided by undertakings primarily engaged in employment activities (“third parties”). These non-employees include fixed-term employees, temporary employees, and self-employed people. They work under the supervision of SGL Carbon and perform activities where SGL Carbon bears the risk, but are not in a direct employment relationship with SGL Carbon (see the additional information in chapter S1-7).

As a manufacturing and internationally active company, SGL Carbon identified both systemic and individual negative impacts in its 2025 materiality assessment. Workplace accidents can have a systemic negative impact on our own workforce across various departments. SGL Carbon has implemented a variety of concepts and measures to mitigate these potential systemic negative impacts. Nevertheless, individual workplace accidents occurred during the reporting year, negatively impacting some employees. Isolated workplace accidents were analyzed, leading to targeted prevention measures to avoid similar incidents in the future.

Furthermore, there are systemic risks to the workforce relating to changing economic conditions. Individual measures in the 2025 fiscal year also had a negative impact on employees, for example, in connection with structural adjustments within the company.

Where we report on activities that have positive impacts, we refer to our entire workforce, unless expressly stated otherwise. In the 2025 fiscal year, the most significant positive impacts will result from the continued implementation and integration of company-wide guidelines for the protection of human rights. This includes, in particular, the Human Rights Policy, the Code of Conduct, and the Business Partner Code of Conduct, which are described in the chapter “Strategies Related to Own Workforce” (see chapter S1-1 for more information). These positive effects impact the entire workforce, as the principles apply across the group.

No material risks or opportunities arising from the impacts and dependencies related to our own workforce were identified during the reporting year. This also applies to any material impacts from the transition plan that could result from measures to reduce negative environmental impacts, or to transition to climate-neutral business activities. Further information on the corresponding measures can be found in chapter S1-4.

SGL Carbon's business activities do not indicate any activities or sites where there is a significant risk of incidents of forced labor, child labor, human trafficking, or modern slavery.

Strategies related to own workforce (S1-1) ²

With the transformation of SGL Carbon in 2025, which included restructuring the Carbon Fibers business unit and the withdrawal of operationally unprofitable activities, combined with adjusting administrative functions to the new company size, managing our own workforce is becoming increasingly important. Not least, SGL Carbon's success is based on the dedication, commitment, and strong team spirit of our employees. A values-based corporate culture based on respect, trust, and a sense of responsibility continues to be the basis for our long-term success. SGL Carbon is committed to fair working conditions, upholding human rights, and promoting health and safety in the workplace. Fair working conditions at SGL Carbon include fair wages, reliable and transparent employment, reasonable working hours, the promotion of social dialog, and respect for freedom of association. These principles are firmly rooted in our corporate strategy and culture and aim to create attractive working conditions, making us a preferred employer. This includes identifying and mitigating potential risks to our employees at an early stage (see also the chapter "Material impacts, risks, and opportunities and their interaction with strategy and business model" – ESRS 2 SBM-3). SGL Carbon's company-wide policies and guidelines apply to and are mandatory for all employees of its own workforce worldwide.

Health and safety

Occupational health and safety is incorporated in our codes of conduct and our corporate strategy. All relevant guidelines are reviewed, approved, and signed by the Board of Management, the highest decision-making body, prior to implementation. We are responsible for creating a safe working environment for all employees. This is the core objective of our Group guideline on occupational health and safety and the basis on which we prevent, diminish, and eliminate impacts and risks relating to health and safety. A safe working environment is also essential for an undertaking's performance. In this regard, the Code of Conduct and the globally applicable EHSA Guidelines (Environmental Health and Safety Affairs) set out the requirements, guidelines, and processes that are binding on all employees.

Regular feedback, training, and the active participation of all employees serve to improve the health and safety of all employees on a continuous basis. The Board of Management is responsible for implementing the Group guideline, and all management levels and

employees are responsible for complying with the same. In addition, we also use a Group-wide incident management system (based on the Incident Management Procedure), that serves to systematically record and investigate safety-related incidents and derive remediation actions whose effectiveness will subsequently be reviewed.

Working conditions and remuneration

As part of SGL Carbon's realignment, which includes restructuring the Carbon Fibers business unit, withdrawal of unprofitable activities, and adjusting administrative functions to the company's new size, jobs were cut in 2025, potentially impacting employees affected. Further personnel cost adjustments or job cuts as part of the ongoing realignment cannot be ruled out for 2026. This can also negatively impact the remaining workforce. SGL ensures fair compensation worldwide, consistently exceeding the minimum standards for each country, even during economically challenging times.

In Germany, the industry collective agreement model ensures that the parties to the collective agreement find practical, industry-specific solutions on remuneration matters, among other issues. Our methodology for determining fair salaries includes the definition of the activities performed and the measurement of their value. At the two largest SGL sites in Meitingen and Bonn, the vast majority of employees are bound by collective agreements for the metal and electrical industry. Responsibility for implementing compensation lies with the Board of Management, the management of each subsidiary, and the Human Resources department.

Achieving work-life balance is not only in our employees' interests, but also crucial for their health, motivation, and long-term performance. A key component of this is the prospect of making work more flexible in terms of both space and time, where possible. This will also be consistently maintained as part of the ongoing realignment (voluntary disclosure).

In most countries with SGL sites, including Germany, France, Italy, Austria, Poland, Portugal, Spain, and the United Kingdom, employees in administrative roles have the option to work remotely. The scope and specific details of this option vary depending on local regulations. In China, Japan, and the USA, remote working has been introduced at individual sites or formalized in national collective agreements. The "Remote Work" general works agreement, implemented in Germany in October 2022, allows for flexible workplace arrangements in that

² The term "own workforce" always refers to SGL Carbon's own employees and is binding for them.

country, covering up to 40% of working time in consultation with management, if allowed by the relevant position. Employees can also choose from a wide range of work schedules. In this context, part-time work models, flexible working time accounts, and autonomy in managing working hours promote a better work-life balance. The latter applies to non-tariff employees who can independently manage their working hours within the framework of legal and company guidelines. Responsibility for implementation lies with senior management, managers, and the human resources department (voluntary disclosure).

Working conditions are also influenced by SGL's corporate culture, which is based on common values. A group composed of the top management and selected employees identified five values in October 2022 that are essential for interaction and cooperation at SGL: integrity and honesty; respect and appreciation; responsibility; trust; and passion for success. These SGL values were communicated across the undertaking immediately afterwards and are described in more detail in the "SGL Value Carta." The ongoing employee survey THE VOICE records the extent to which the workforce believes these values are being put into action (see ESRS 2 SBM-2 and S1-2). The next employee survey is scheduled for the first half of 2026. All employees and, in their role-model function, in particular the Board of Management, managing directors, all managers, and Human Resources are responsible for implementing a values-based performance culture.

Human rights and compliance

SGL Carbon respects and supports the human rights of all relevant stakeholders throughout the value chain. Our engagement extends to the implementation of in-depth due diligence processes in order to identify and mitigate actual or potential impacts on human rights. SGL Carbon is a global undertaking and is therefore exposed to human rights risks and impacts in all business units along the value chain. We are committed to ethical conduct both in our direct business activities and in our upstream and downstream value chains. This is established in our Code of Conduct, the Business Partner Code of Conduct, and the Human Rights Policy. These SGL Carbon guidelines, which apply across the entire group, prohibit all forms of discrimination. Protection covers all legally protected characteristics, including age, origin, gender, disability, religion, and sexual orientation. Additionally, other factors such as marital status or union membership are considered. This list is not exhaustive, and it is further established that this protection relates to all grounds of discrimination that are inadmissible under applicable law. All of the aforementioned guidelines were reviewed, approved, and signed by the Board of Management, the highest decision-making body, prior to implementation.

In order to control and minimize our risks and impacts, we use a Group-wide management system to ensure observance of human rights in our own workforce. This system forms part of SGL Carbon's higher-level compliance management system, which is certified in accordance with ISO 37301.

As a signatory to the UN Global Compact and in its internal guidelines (SGL Carbon Code of Conduct, Human Rights Policy), SGL Carbon is committed to respecting and protecting human rights. SGL Carbon also upholds the principles of the UN Global Compact, based on the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Labour Organization's (ILO) Core Labor Standards, and the International Bill of Human Rights.

In the statement of human rights principles, SGL Carbon explicitly commits to upholding respect for human rights. This commitment is also reflected in other internal company guidelines and is designed to meet the requirements of the statutory due diligence duties under the LkSG. The statement outlines SGL Carbon's human rights and environmental expectations for its own operations, as well as those of its subsidiaries, business partners, and suppliers. It also outlines the due diligence measures implemented within the risk management framework, in accordance with the requirements under the LkSG.

Our long-standing Human Rights Policy applies to all external stakeholders, both direct and indirect, including SGL Carbon employees and business partners. It addresses key human rights issues in the workplace, such as

- Respect and diversity
- Working conditions and working time
- Complaints procedures
- Prohibition of child and forced labor
- Freedom of assembly
- Occupational health and safety
- Environmental protection
- Interaction with security workers
- Engaging with local communities and indigenous peoples

The Human Rights Policy is available in all nine SGL languages and is provided to new employees worldwide upon joining via the SGL People Portal. Training is mandatory for all employees. Employees can digitally confirm that they have read and accept the policy on the SGL People Portal, as well. As of December 31, 2025, the confirmed acknowledgment response rate was 98% (2024: 97% for administrative staff, 43% for production staff).

To underscore the importance SGL Carbon places on human rights, and in response to increasing demands for corporate due diligence, a Human Rights Officer has been appointed with a direct reporting line to the Board of Management.

The Chief Compliance Officer (CCO) is responsible for this function. The CCO regularly updates the Board of Management on the status of human rights due diligence, as required by the Supply Chain Due Diligence Act (LkSG).

Processes for engaging with own employees and employee representatives (S1-2)

Involvement and dialog with the workforce

Dialog with the workforce is particularly important, especially in the context of transformation measures to realign SGL Carbon and the associated business and organizational changes. To minimize uncertainty and stress, and to involve employees in the transformation process whenever possible, we prioritize regular communication with employees at all levels. The goal is to strengthen trust in the realignment while also addressing the concerns and needs of our employees.

- **Communication formats:** To promote transparency and employee engagement, the Board of Management has introduced various communication formats. This includes, for example, the "BoM Direct" digital meeting of the Board of Management, where middle and upper-level specialists and managers receive quarterly updates from the Board of Management on company-relevant topics and have the opportunity to address questions to the Board of Management. All employees worldwide are also informed about financial figures and important topics through the "BoM Update" wall newspaper. We will communicate this in both print and digital formats, alongside the "SGL PEOPLE" notice, which addresses employee concerns. The Board of Management maintains regular communication with its management team through a quarterly BU/Corporate Function Heads Meeting.

- **Management dialog:** a monthly exchange format has been introduced for non-tariff employees in which managers and employees make time for a targeted exchange of information, feedback, and joint solutions to challenges.
- **Social dialog:** SGL Carbon maintains a social dialog with employee and union representatives. We work in accordance with local statutory requirements and the applicable collective agreements in all countries in which we operate. Our aim is to operate at all our sites worldwide in line with the relevant state and national laws, locally applicable collective agreements, and regulations governing operations and industrial relations. A social dialog takes place at least once a year with employee and/or union representatives at production sites worldwide in accordance with the applicable laws.
- **Global employee survey "THE VOICE":** SGL Carbon has conducted the global, anonymous, digital employee survey known as "THE VOICE" regularly since 2022. It aims to measure the implementation of the SGL active values and the development of the company's performance culture. One key indicator is the performance culture index, which measures aspects such as employee engagement, leadership quality, and value orientation. The results serve as the foundation for site-specific improvement initiatives, which are implemented collaboratively with employees. The survey results are actively utilized and have led to specific actions across all sites, including team events, targeted training such as "Employees Train Employees," and organizational changes. The next regular employee survey is scheduled for the first half of 2026. A cycle of 12 to 18 months has proven effective in gathering meaningful and actionable feedback from our own workforce.

The managing directors of the individual legal entities, the relevant HR managers, and social partners are responsible for the social dialog.

If a reduction in carbon emissions and the transition to more environmentally friendly and climate-neutral activities impacts our workforce, we will inform the employee representatives and employees at the relevant sites as needed, in accordance with the locally applicable laws. There are various channels for this, such as in a works meeting or via the SGL Intranet. There were no such impacts in reporting period.

As a European stock corporation (Societas Europaea, SE), SGL Carbon has an SE works council that represents the interests of SGL employees in transnational matters.

The SE works council is therefore composed of elected employee representatives from SGL in EU member states. The SE works council has eleven members from five countries and

member representatives for the term 2021–2025. Following new elections in October 2025, the inaugural meeting of the SE works council took place in November 2025. Twelve members from four countries have been elected for the 2025-2028 term. The details of the SE works council's responsibilities are defined in the involvement agreement which was signed by the SE works council and the undertaking in February 2018. The involvement agreement also governs employee representation on the Supervisory Board of SGL Carbon SE.

As outlined in section 10 of the SGL involvement agreement, the Board of Management of SGL Carbon SE is responsible for informing and consulting the SE works council on the development of the business situation and the SGL Group's prospects in an annual meeting. According to section 11 of the SGL Involvement Agreement, the SE works council will be informed and consulted by the Board of Management in a timely manner, even in exceptional circumstances that have a significant impact on employees in at least two member states.

SGL Carbon does not currently identify any specific groups within its workforce as particularly vulnerable or marginalized. Accordingly, no separate analyses or surveys are conducted based on these criteria. The current dialog and feedback formats are designed for all employees equally, with the goal of incorporating the perspectives of the entire workforce.

Processes to remediate negative impacts and whistleblowing system (S1-3 and S1-17)

SGL Carbon's process for identifying material negative impacts on its own workforce follows the materiality assessment process (see chapter ESRS 2, IRO-1). Measures to mitigate significant negative impacts are identified, implemented, and evaluated as needed (see chapter S1-4).

Whistleblowing system at SGL Carbon

Since 2014, SGL Carbon has operated a globally established whistleblowing system, which employees, managers, and company outsiders can use to report possible violations, including anonymously. This includes, in particular, violations of laws and regulations, violations of the Code of Conduct, anti-corruption or antitrust policies, and indications of human rights or environmental risks within our own business operations or supply chain.

SGL Carbon is committed to protecting the confidentiality of data and the identity of whistleblowers and will not tolerate any sanctions or disadvantages against employees for reports submitted in good faith, regardless of the outcome of the investigation. This is based on the whistleblowing policy and the whistleblowing system procedure. Both were updated to comply with the Whistleblower Protection Act on January 1, 2024, and also incorporate the requirements of the Supply Chain Due Diligence Act.

The policy and guidance are available in all nine local languages at SGL's sites, accessible on the intranet and the compliance page, and available to third parties via the company website. They will also be made available to all employees digitally via the PEOPLE portal for their information. For employees without a PC workstation, whistleblowing posters with QR codes are also available at central locations at the sites.

Whistleblowing is a topic covered in the mandatory Code of Conduct compliance training. Following the revision of the Code of Conduct in 2024, the online training for all office workers was also fundamentally revised and assigned to the target group in the 2025 fiscal year. This meant that the target group of 1,567 employees received another training session on whistleblowing. As of December 31, 2025, the participation rate was 98% (2024: not reported). For production employees, information about the whistleblowing system is also included in the online Code of Conduct training implemented for this target group. Additionally, a training curriculum covers anti-corruption, antitrust, export control, and human rights. This training concept is part of the compliance and anti-corruption system, which is certified according to ISO 37301 and ISO 37001.

Detailed information must be documented confidentially and processed in accordance with data protection regulations. In the event of serious violations, such as corruption or bribery, the Group Compliance department conducts independent investigations and, in collaboration with local HR departments, determines appropriate sanctions based on the severity of the violation and in accordance with local labor law. We reserve the right to take legal action and to assist investigative authorities.

Group Compliance reports to the Board of Management and Supervisory Board at least annually on the number and results of reports. The report also provides information on the regional distribution of reported incidents, the group of whistleblowers, and the reporting channels used. This demonstrates that the whistleblowing system is utilized by various stakeholders.

In fiscal year 2025, six out of a total of 12 (2024: ten out of 14) submissions received at the confidential central reporting office were complaints concerning human rights and the Code of Conduct (for example, possible discrimination or potential violations of our values-based conduct and management principles).

In two (2024: two) cases the accusations were confirmed following an internal investigation and punitive action was taken commensurate with the severity of the violation. In three (2024: seven) cases, an internal investigation could not confirm the violation, while one case (2024: one) is still being investigated.

SGL Carbon is not aware (2024: not aware) of any complaints submitted against SGL Carbon to the OECD's National Contact Point for Multinational Undertakings.

In the 2025 reporting year, there were no serious human rights incidents involving our own workforce.

Targets and actions related to own workforce (S1-4)

In the 2025 fiscal year, SGL Carbon identified three material impacts on its own workforce:

- Health and safety risks in the workplace
- The impact of economic conditions due to the restructuring process
- Ensuring and upholding human rights

Through targeted measures and programs, SGL Carbon is working to limit negative impacts and promote positive developments over the long term. Unless explicitly stated otherwise, all SGL Carbon measures are implemented, monitored, and regularly evaluated as an ongoing process.

Health and safety

Promoting health and safety in the workplace is a key priority for SGL Carbon and an integral part of our group-wide safety management system. Our goal is to systematically prevent workplace accidents, ensuring the physical and mental well-being of our employees and making a positive contribution to our workforce. To achieve this goal, we operate a group-wide, standardized management system for occupational health and

safety. This is intended to provide a standardized approach for recording, evaluating, and handling all safety-related incidents – including reportable workplace accidents, near misses, and minor safety-related events. Furthermore, the Ried, Ort, and Wackersdorf sites, as well as SGL Technologies GmbH at the Meitingen site, all have an occupational health and safety management system in place that complies with ISO 45001. Coverage of the ISO 45001-certified sites – measured by the number of the employees there in relation to the total number of employees as of December 31, 2025 – was 12% in the year under review (2024: not reported).

It is mandatory to centrally document all occupational safety incidents (incident notification), classify them according to defined criteria regarding their severity, and report them to the responsible authorities. Additionally, 97% of our production sites (2024: not reported) undergo a risk assessment in the area of Environmental, Health and Safety Affairs (EHSA).

The root cause analysis must be conducted systematically and is aimed at identifying sustainable preventive measures. Improvement suggestions should be developed and implemented immediately based on the evaluation of the incidents. In doing so, we specifically utilize proven measures to prevent accidents (incident report). This approach aims to ensure that lessons learned from past incidents are actively incorporated into the ongoing improvement of our safety standards.

The central corporate EHSA unit prepares a comprehensive monthly safety report (HSE report) in accordance with the incident management procedure. This will be made available to the Board of Management, the management of the business units and sites, and EHS managers throughout the Group. The report includes relevant metrics and statistics on occupational safety. In addition, a weekly group-wide status report on the current safety situation ("Status Employee Safety") is issued, detailing new workplace accidents and their initial assessments. Regular monitoring enables the timely identification of risks and supports proactive accident prevention.

The procedure described ensures consistent implementation and monitoring of the Group-wide health and occupational safety policy. Countermeasures are to be taken immediately in the event of negative developments or identified violations. At the same time, we are continuously developing existing safety measures to effectively prevent workplace accidents. A key tool for this is the monthly "EHSA Incident Review." In this format, the

central EHSA unit systematically communicates with local EHS managers regarding cross-site issues. The objective is to ensure compliance with all relevant legal requirements and internal company standards, and to review and improve the effectiveness of the systems implemented at our sites. In 2025, all reportable accidents involving downtime, including cause analysis and corrective actions, were presented and analyzed as part of these reviews. In addition, eight near misses (2024: 8) and 16 best practice examples (2024:11) were shared to promote the Group-wide learning curve in safety work.

Additionally, the central EHSA unit conducts regular internal audits in collaboration with local EHS managers. They oversee the implementation and progress of Group-wide occupational safety standards, as well as compliance with energy and environmental regulations. Audits are typically conducted every three years. If there is a high number of security incidents, the sites will be inspected more frequently. In 2025, 15 production sites (2024: four) were audited by the central EHSA unit.

Three times a year, the global EHSA team updates the HSE Council (Health, Safety and Environment Council) on current developments and site-specific measures in the area of occupational safety. The committee is led by the CEO and includes members of the Board of Management of SGL Carbon, the heads of the business units and central corporate units, and the global corporate EHSA team. It is responsible for managing and overseeing health and safety measures across the company.

To achieve occupational safety goals and effectively manage relevant impacts, risks, and opportunities, SGL Carbon relies on the active involvement of its employees. Through site-specific incentive systems and idea programs, they are encouraged to submit proposals to improve safety and eliminate accident risks. In 2025, a total of 258 safety-related reports (2024: 390) were received at the Bonn, Meitingen, Limburg, Wackersdorf, and Willich sites. Of these, 101 recommendations (2024: 173) were implemented in accordance with Group EHSA's general works council agreement.

To promote a culture of safety, SGL Carbon annually presents a Safety Award to sites that have remained accident-free for the past three years. In 2025, 19 production plants received this award (2024: 16). In addition, another Group-wide Safety Day was held, with active participation also by the Board of Management and the management team. The objective is to further strengthen awareness of occupational safety among the entire workforce.

Regular employee training is a key component in promoting workplace safety. These are conducted by EHSA experts and supported by local managers, who are committed to communicating and actively supporting safety-related topics within their teams. Furthermore, SGL implements the following measures, among others, to create the most ergonomic work environment possible and to prevent pain or discomfort due to repetitive movements and overuse ("Repetitive Strain Injury"): Workshops on ergonomics and posture, instruction in manual handling of loads, and ergonomic assessment of repetitive strain on the upper limbs.

Since 2017, SGL Carbon has implemented a group-wide Process Safety Policy and a corresponding management system to manage the impacts and risks associated with process safety. The system includes, among other things, process safety analyses, incident investigations, and the implementation and tracking of countermeasures. Additionally, the occupational health and safety management system requires that every incident be recorded, analyzed, and classified. This is done to differentiate between workplace and process safety events and to determine appropriate measures.

SGL Carbon uses a group-wide, standardized risk management system to identify and minimize occupational safety risks, specifically those related to health and safety in the workplace, within its production processes. This involves analyzing the extent and hazard potential of possible crisis events and calculating their economic consequences – such as the costs of eliminating environmental harm or loss of sales revenue due to production downtime. Specific mitigation measures have been defined for all materials risks and will be implemented as needed.

SGL Carbon conducts annual safety analyses at selected sites in cooperation with a property insurance company. The focus is particularly on fire protection risks and potential business interruptions. The results are evaluated, documented, and, if necessary, translated into specific improvement measures. In 2025, on-site inspections were conducted at five locations (2024: seven): Ried, Ort, Muir of Ord, Grenoble, and Chedde.

Working conditions and remuneration

SGL Carbon is committed to its employees' wellbeing. Even during times of changing economic conditions and societal realignment, we place a high priority on fostering stability, security, and favorable working conditions for our workforce. This commitment is reflected in our efforts to maintain positive working conditions and strengthen employee trust, even

in the face of organizational changes. This particularly applies to issues such as working time, fair pay, social dialog, freedom of association (including the right to form works councils), collective bargaining, and health and safety. Furthermore, SGL offers senior specialists and managers an individual health check-up every two years, provided by a private health prevention service in Germany (personalized, life-phase-specific, gender-appropriate, and gender-sensitive). In addition, SGL offers occupational health care at its production and office sites.

The prevailing economic conditions, the transformation and realignment of SGL Carbon, and the associated measures to reduce personnel costs posed particular challenges for our company in 2025. Our goal was to minimize the impact on our workforce and act in a socially responsible manner. For example, in Germany, a volunteer program was implemented to provide the best possible support to departing employees, including targeted training and qualification opportunities, professional outplacement counseling, higher severance pay than legally required, and the voluntary extension of notice periods.

SGL Carbon also places great importance on fair pay for employees worldwide, which is based on the national minimum wage³ in the relevant location. A large portion of employees in Germany is employed under collective agreements, which play a key role in maintaining a stable and fair working environment, particularly during restructuring. Moreover, some employees also benefit from additional company pension options that are intended to supplement public pension schemes and guarantee long-term financial protection. During the reporting period, all SGL Carbon employees (100%) received remuneration that we believe is fair (see S1-10 for more information).

Flexible work models, additional voluntary social benefits, and site-specific benefit programs are designed to boost employee satisfaction and motivation. This includes, for example, bicycle leasing models in Austria, Germany, and the United Kingdom, as well as corporate benefits in Poland, Austria, and Germany. In the United States, employees have access to a comprehensive benefits package that includes pension plans, health care, and

paid time off. Additionally, performance reviews are conducted in several countries including Austria, China, Germany, and France. In all countries except the US, income losses for all employees are mitigated by public programs or additional benefits, such as parental allowance. Entitlement to parental allowance in the US is limited in terms of social protection through public programs. Female employees are being compensated for the period of “incapacity to work”, which is defined by a medical certificate and usually covers six to eight weeks after giving birth (voluntary disclosure).

Digitization is increasingly affecting employees’ working conditions. The “Access for all” project has given all SGL employees at all sites worldwide access to the SGL PEOPLE Portal since 2024. Here, all employees can complete online training or apply for internal positions with just a few clicks. Our goal is to strategically expand our digital offerings and to empower and engage our employees to the fullest extent possible, even during this realignment. (Group) Human Resources is responsible for the implementation of this portal.

Public programs or benefits offered ensure that all employees in SGL’s own workforce have social protection against loss of income resulting from illness, unemployment, workplace accidents, disability, and retirement. “All” refers to all employees who satisfy the eligibility criteria set out in local legislation. This may include contributions to the social security system, citizenship, and attendance at mandatory appointments at public offices. All affected employees are eligible (voluntary disclosure in accordance with ESRS 1.114).

Professional training remains a key component of our personnel strategy. We offer training courses in technical and commercial professions in four countries (Germany, Austria, the United Kingdom, and Poland) as well as internships for students in Germany (voluntary disclosure in accordance with ESRS 1.114).

All employees can access the learning management system through the SGL PEOPLE portal, which offers training (e-learning), information, and guidelines that can be used as

³ Interns and trainees are not considered part of the group of employees. The statutory minimum wage or collective agreement in force in the region was used as a comparative figure. The data was collected again for the 2025 fiscal year in a global data survey.

mandatory or individually tailored learning opportunities (voluntary disclosure according to ESRS 1.114).

Programs like Top Talent and Leadership4Performance specifically foster leadership skills and help strengthen responsibility and commitment within the organization. These measures serve not only to qualify, but also to stabilize the workforce during this transformative phase and to strengthen a trust-based corporate culture. Responsibility for these measures lies with the Board of Management, the managing directors, managers, and Human Resources (voluntary disclosure in accordance with ESRS 1.114).

Human rights and compliance

SGL Carbon endeavors to uphold human rights through its Group-wide strategies, actions, and targets.

Based on a comprehensive risk analysis performed in 2024 – a Human Rights Impact and Risk Assessment for all SGL sites and operating companies via the IntegrityNext digital platform – a corresponding action plan was adopted in coordination with the Group HR and Corporate EHSA departments.

The analysis was based on the requirements of the Supply Chain Due Diligence Act (LkSG) and aimed to systematically assess human rights and environmental risks throughout the entire supply chain.

The approved action plan includes additional process steps that Corporate EHSA implemented and processed during the reporting year. The results of the risk analysis and the implemented measures are included in the annual report to the Board of Management regarding compliance with corporate due diligence obligations under the Supply Chain Due Diligence Act (LkSG).

Following comprehensive training on human rights standards for all employees in administrative and production roles in 2022, 2023, and 2024, the training concept was fundamentally revised in 2025. The training aims to raise awareness of human rights in the workplace and demonstrate how responsible behavior can help everyone avoid human rights risks and prevent inappropriate conduct.

The existing online training for office employees has been updated with new content and expanded to include practical case studies with suggested solutions. Since 2025, it has been mandatory basic training and is available in German, English, Chinese, and French through the SGL PEOPLE portal.

A new online training program has been developed for production employees, which will replace the current combination of in-person and online formats starting in the first quarter of 2026. This training also includes specific case studies with corresponding recommendations for action, in addition to human rights fundamentals, and is available in all eight SGL languages.

As part of the 2024 risk assessment, expert interviews identified sites using critical or hazardous substances as higher risk.

In line with the risk-based approach of the Supply Chain Due Diligence Act (LkSG), the Corporate EHSA (Environmental Health & Safety Affairs) department has expanded the existing protective measures at these sites with additional control mechanisms. The goal was targeted prevention in the areas of environmental, health, and occupational safety. In two follow-up meetings in 2025, the Group Compliance department received a progress report on the implemented measures. The implemented measures include: EHSA audit catalog for regular audits and the verification of measurement data.

The existing LCR compliance questionnaire, which covers various aspects of ILO labor standards, remained unchanged in the 2025 reporting year. It serves to ensure regular, site-specific reporting on human rights issues. As part of the questionnaire, the sites confirm, among other things, that they do not employ anyone under the age of 18 – except for legally permissible training programs that are subject to strict legal requirements.

SGL Carbon aims to provide sufficient personnel and financial resources, as this has a material impact on its own workforce. The management of material impacts and the resources allocated to them are described for each measure. Responsibility lies with the Board of Management, the management of the operating companies, and the respective specialist departments, such as Group HR. SGL Carbon is strategically investing in measures to ensure occupational safety, fair pay, and the promotion of social dialog, as well as supporting restructuring efforts to minimize negative impacts and encourage positive developments.

Actions to regulate impacts, risks, and opportunities (S1-5)

Targets related to own workforce

To further strengthen our positive contributions to upholding human rights, while minimizing health and safety risks and the impact of SGL Carbon's realignment measures on our workforce, we have set the following goals:

Working conditions

Our primary goal is to be an attractive employer, minimize any potential negative impacts on our workforce, and amplify positive effects. Performance-based compensation, reliable and transparent employment conditions, fair working time, the promotion of social dialog, and respect for freedom of association should support this goal. SGL Carbon has not defined a quantifiable target for reducing negative impacts related to changing economic conditions; however, various policies and measures are in place to mitigate potential negative impacts on its own workforce (see S1-1 and S1-4 for more information).

Targets related to occupational health and safety (incl. S1-14)

SGL Carbon is committed to actively promoting the health of its workforce and designing workplaces and processes to prevent work-related injuries and illnesses and minimize health and safety risks. We have defined specific targets to manage significant negative impacts and risks in the area of occupational safety. These help us measure the success of our efforts and drive continuous improvement. SGL Carbon aims to reduce the Lost Time Incident Frequency Rate (LTI FR) by 5% annually compared to the base year of 2022. All reportable workplace accidents resulting in lost time (Tier 4 and Tier 5 accidents) are included in the company-wide metric. Additional key figures can be found in the chapter "Health and safety metrics (S1-14)".

Over the past few fiscal years, SGL Carbon has consistently reduced the number of lost-time incidents (LTIs). The LTI frequency rate measures the number of accident-related absences among employees and temporary workers per one million hours worked. In the 2025 fiscal year, the LTI frequency rate was 0.8 (2024: 1.5), well below the target of 2.0. Target achievement is evaluated and reported weekly at both the group and business unit levels. Our reporting also includes the serious near miss frequency rate. This is calculated based on the number of Tier 1 incidents reported across all locations per one million work hours. In the 2025 reporting year, the rate was 8.6 (2024: not reported, 2025: voluntary disclosure in accordance with ESRS 1.114).

In many sites, occupational safety is an integral part of individual annual goals. Furthermore, it is a fixed target for variable compensation for the four management levels below the Board of Management (see chapter ESRS 2 GOV-3).

Targets related to human rights and compliance

The primary objective is to increase awareness of human rights among all employees and stakeholders. A secondary objective is to train all SGL Carbon employees worldwide on the Code of Conduct and the Human Rights Policy to prevent potential violations. In 2025, the existing human rights training for office workers was replaced with an updated version and assigned to all new employees in this target group. As of December 31, 2025, the participation rate was 93%. It will continue to be part of the mandatory training for new hires. This revised Human Rights Online training replaces previous in-person training sessions, which were discontinued in 2025.

Furthermore, all employees in the administrative area (office workers) were also made aware of human rights through the updated online training on the Code of Conduct, which includes a dedicated chapter on this topic. In the past fiscal year, 1,542 employees received training, representing 98% (2024: not reported) of the target group.

The existing online training on the Code of Conduct, including Human Rights for production employees, continued unchanged for all new employees in the target group in 2025. In the past fiscal year, 50 employees received training (by 2024: a total of 2,598 employees), representing 86% of the target group. The previous in-person training on human rights was discontinued for new employees in 2025.

The strategic targets for the company's own workforce (ESRS S1 Standard) are developed by the relevant departments and presented to and discussed with the Board of Management, the highest decision-making body. The targets are confirmed and implemented globally once they are approved by the Board of Management.

Performance and progress made toward these targets is regularly evaluated and analyzed by the relevant committees including the ESG Steering Committee and, where necessary, actions are agreed and implemented to ensure the targets are achieved.

These goals are intended to support, among other things, the United Nations' Sustainable Development Goals (SDGs). SGL Carbon's global sustainability goals are not limited to

individual products or markets but apply across the entire group. Our activities contribute to the achievement of various SDGs within our own workforce:

In upholding human rights within our workforce, we specifically address the issues of decent work (part of SDG 8) and gender equality (SDG 5). We also offer programs and initiatives such as Top Talent and Leadership4Performance for managers, as well as various e-learning courses on the SGL People Portal for all our employees and trainees (SDG 4), which in turn can promote economic growth (SDG 8). Our commitment to equality, diversity, and professional development is reflected in our objective of maintaining at least a 20% representation of women in senior management (voluntary disclosure per ESRS 1.114).

As part of our company-wide occupational safety program, we set measurable goals for health and wellbeing (SDG 3). High occupational safety standards and a low accident rate can also support the objective of decent work and economic growth (SDG 8). (Voluntary disclosure according to ESRS 1.114).

Characteristics and metrics for SGL Carbon's employees (S1-6 to 16)

Characteristics of the undertaking's employees (S1-6)

All active employees at SGL Carbon are included as "employees" as defined by the disclosure requirements set out in ESRS S1, including trainees and interns who are employed for training purposes. Although trainees and interns are not considered active "employees" under the laws of some countries, we include them for transparency reasons but report them as a separate group in the total. Consequently, most passive employees (e.g., employees on leave, partial early retirement in Germany) are not included in the employee numbers. Passive employees were only included in order to calculate the turnover rate as they also leave the undertaking (after the end of the release phase in partial early retirement, for example).

All data is sourced from our group-wide SAP-based HR platform. This system centrally manages the master data for all employees. For reporting purposes, the relevant data is exported from the system as of the reporting date to ensure a consistent and comparable dataset. For data relating to a specific point in time, the year-end headcount is used. For example, if average values are required to calculate shares or quotas, the average headcount at the end of the four reporting quarters is used.

Region	Country	Number of employees (headcount) by country/region	
		Dec 31, 25	Dec. 31, 24
Germany	Germany	1,862	2,052
Europe excluding Germany	United Kingdom	140	188
	Austria	240	255
	France	228	241
	Portugal	61	295
	Spain	38	40
	Italy	24	24
	Poland	103	189
Total Europe		2,696	3,284
North America	United States	564	754
China	China	400	414
Rest of Asia	Japan	46	48
	Korea	5	3
	Malaysia	2	2
	Taiwan	6	6
Total Asia		459	473
Total		3,719	4,511

	Dec 31, 25	2025 Average ¹⁾
Number of employees (headcount)	3,719	4,042

¹⁾ Average provided in addition to Year End headcount as it is used in subsequent calculations

Number of employees (headcount) by gender¹⁾

Gender	Dec. 31, 25	Dec. 31, 24	Change
Female	707	816	-13.4%
Male	3,012	3,695	-18.5%
Other ¹⁾	0	0	-
Undisclosed	0	0	0.0%
Total employees	3,719	4511	-17.6%

¹⁾ Gender as specified by the employees themselves

Number of employees by contract type¹⁾ and gender²⁾ (Dec. 31, 25)

	Female	Male	Other	Undisclosed	Total
Number of employees (headcount)	707	3,012	0	0	3,719
Number of permanent employees	688	2,889	0	0	3,577
Number of temporary employees	19	123	0	0	142
Number of non-guaranteed hours employees	0	0	0	0	0

¹⁾ We include our US employees with “at-will” employment contracts in both on-call and permanent positions, as they meet both definitions.

²⁾ Gender as specified by the employees themselves

Number of employees by contract type¹⁾ and gender²⁾ (Dec. 31, 24)

	Female	Male	Other	Undisclosed	Total
Number of employees (headcount)	816	3,695	0	0	4,511
Number of permanent employees	776	3,501	0	0	4,277
Number of temporary employees	40	194	0	0	234
Number of non-guaranteed hours employees	0	0	0	0	0

Employees of our US subsidiaries are hired under the US legal principle of employment at-will. This is an employment relationship without a contractually defined weekly work schedule. Because this group works a comparable number of hours per week to full-time employees at other international locations, they are classified as such within SGL Carbon for reporting and analysis purposes.

The changes in headcount observed during the reporting period are primarily due to the restructuring of the Carbon Fibers business unit and the subsequent closure of the production sites in Lavrado, Portugal, and Moses Lake, USA. Additionally, positions were eliminated as part of the withdrawal from unprofitable business activities and the adjustment of administrative functions to the company’s size. These measures resulted in a reduction in the number of employees and temporary shifts in the composition of the workforce.

Employee Turnover

	Number of employees 2025	Percentage ¹⁾ 2025	Number of employees 2024	Percentage ¹⁾ 2024
Total	1,006	24.1%	729	15.4%

¹⁾ Number of employees who left the undertaking divided by average headcount (including passive employees)

In the notes to our financial reports we use the average number of employees as prescribed by the German Commercial Code (HGB). This is calculated by adding the number of employees for each quarter and then averaging the result by dividing it by four.

Characteristics and metrics for non-employee workers in SGL Carbon’s own workforce (S1-7)

Non-employees are defined as both individual contractors supplying labor to SGL Carbon (“self-employed people”) and employees hired through external service or recruitment agencies (“third parties”). This group includes, in particular, temporary workers, agency workers, and self-employed contractors.

Data on non-employees is recorded in full-time equivalents (FTEs). The locally applicable definition of full-time is used, as working times vary by site and shift model. These figures are collected at the end of the reporting period for the last month of the year.

Number of non-employees (FTE)¹⁾

	Dec 31, 25	Dec. 31, 24
Total	148	193

¹⁾ Number of employees who left the undertaking divided by average headcount (including passive employees)

Collective bargaining coverage and social dialog (S1-8)

In the 2025 fiscal year, a total of 65% (2024: 65.8%) of all employees were covered by collective agreements. These figures are collected at the end of the reporting period for the last month of the year.

To determine this data, a global survey was again conducted at all SGL Carbon sites for the 2025 fiscal year, involving the respective country/site HR managers. All active employees at SGL Carbon are included as “employees” as defined by the disclosure requirements set out in ESRS S1, including apprentices and interns who are employed primarily for training purposes.

	Dec 31, 25		Dec. 31, 24	
	Collective bargaining coverage			
Coverage	Employees - EEA ¹⁾	Employees - non-EEA ²⁾	Employees - EEA ¹⁾	Employees - non-EEA ²⁾
0 - 19%		China		China
20 - 39%	Portugal	United States		United States
40 - 59%				
60 - 79%	Germany	United Kingdom		United Kingdom
80 - 100%	Austria, France, Poland		Austria, France, Germany, Poland, Portugal	

	Dec 31, 25		Dec. 31, 24	
	Social dialog			
Coverage	Representation at work (EEA only) ¹⁾			
0 - 19%	Portugal			
20 - 39%				
40 - 59%				
60 - 79%				
80 - 100%	Austria, France, Germany, Poland		Austria, France, Germany, Poland, Portugal	

¹⁾ For countries with >50 employees representing >10% total employees

²⁾ Estimate for regions with >50 employees representing >10% total employees

Adequate wages and social protection (S1-10)

Globally, SGL pays its employees salaries higher than the minimum remuneration deemed sufficient in the European Union. This assessment by the EU includes, within the European Economic Area (EEA), at least the payment of national minimum wages or, in EEA countries without a statutory minimum wage, the minimum wage of a neighboring country with a similar socioeconomic status. For countries outside the EEA, the assessment also considers legal, (sub)national minimum wages. Alternatively, a wage level established by law, official standards, or collective bargaining agreements, as well as benchmarks aligned with the Sustainable Trade Initiative (IDH), is also valid. For further details, see the chapter “Strategies related to own workforce (S1-1)”.

Percentage of employees paid below applicable adequate wage benchmark

Dec. 31, 25		Dec. 31, 24	
Country	Percentage	Country	Percentage
None	n/a	None	n/a

Data was requested globally from all SGL Carbon sites for the 2025 fiscal year to collect the data for this data point. HR managers at the national and site levels provided the relevant information. All active employees at SGL Carbon are included as “employees” as defined by the disclosure requirements set out in ESRS S1, excluding apprentices and interns who are employed primarily for training purposes. As a guideline for appropriate remuneration, either the region’s statutory minimum wage was used, or, if no statutory minimum wage existed, collective agreements. The headcount as at year-end was used for reporting purposes.

Health and safety metrics (S1-14)

The following legal entities are certified according to ISO 45001:2018: SGL Technologies GmbH (Meitingen site, Germany), SGL Composites GmbH (Ried and Ort im Innkreis sites, Austria), SGL Composites Materials Germany GmbH (Wackersdorf site). In addition, SGL Carbon's health and safety management system, which is based on legal requirements and recognized standards and guidelines, covers 100% of its own employees. Information on

strategy, objectives, and measures in the area of occupational health and safety management can be found in chapters S1-1 and S1-4.

In the 2025 fiscal year, there were 97 accidents (2024: 94) as defined by ESRS (88)(c) (Tier 3, 4 and 5 accidents), corresponding to an accident rate of 14.6 (accidents per million hours worked, 2024: 12.1).

There are no findings on reportable work-related ill health at SGL Carbon or the competent supervisory authorities that is directly correlated to and caused by the working environment.

In 2025, there were 723 calendar days of lost time (2024: 736) for the internal and external workforce.

Social Matters

(Information in accordance with ESRS 1.114)

SGL Carbon is an international company, but also a local neighbor in various regions of Europe, Asia, and North America. Our goal is to be a reliable partner and to assume social responsibility for the people around our locations beyond our business activities. In doing so, we primarily support projects that have a local or thematic connection to the company, with a focus on promoting education and training topics.

The formal basis for SGL Carbon's social commitment is the Sponsorship and Donations Policy. This sets out the group-wide and binding standard for all SGL Carbon employees. This ensures that the selection and promotion of projects is transparent and based on uniform guidelines. The management of the respective location decides on the promotion of specific projects, initiatives, institutions, or associations up to an individual amount of €5,000. If the amount for sponsorship and donations exceeds this, the Executive Board must give its approval. The Investor Relations, Communications & Corporate Sustainability department must also be informed. As in the previous year no violations of this guideline were identified.

As part of our double materiality analysis, we also analyzed the topic of “affected communities,” i.e., the potential impact of our business activities at our sites on people and the environment in the neighborhoods surrounding our sites. We also considered potential risks and opportunities for SGL Carbon. This analysis also includes our upstream and downstream value chain. Further details on how we conducted our double materiality analysis can be found in the chapter General Information under "Description of the processes to identify and assess material impacts, risks, and opportunities" (ESRS 2 IRO-1). These explanations also cover the inclusion of our stakeholders' interests. No significant impacts, risks, or opportunities were identified regarding the social issues presented here.

To promote education and training, we are involved in schools in the regions where we operate. At our Meitingen site, for example, we have school partnerships that give students an insight into the corporate world and are also designed to promote understanding of technical and skilled trades. As part of a project week, for example, 120 students from a local secondary school gained insights into everyday working life at our plant in Meitingen. A collaboration with the educational initiative “Zukunft in Bayern” (Future in Bavaria) enabled 12 young female researchers to learn more about practical technical apprenticeships and courses of study. We are also involved in social projects in the regions where we

operate. A book project for children at the elementary school in Wiesbaden, for example, aims to improve children's safety in road traffic. At the Morganton site (USA), colleagues helped with clean-up campaigns in their city, and in Charlotte (USA), colleagues support local aid organizations in their work. These are just a few examples of our commitment in these regions.

Moreover, we provide special “neighborly assistance” at our Meitingen site. Due to the upcoming comprehensive energy-efficient renovation of the town hall, the Meitingen town hall staff moved into the former SGL Carbon headquarters building at the Meitingen site until the construction work is completed.

In addition to this selection of current projects, we particularly support sports and youth clubs, charitable initiatives, and local projects around our sites that offer direct added value to the local community.

Business Conduct (G1) – Measures to Combat Corruption and Bribery

Strategies relating to business conduct and corporate culture (G1-1)

To be successful as a global company, SGL Carbon relies on trust, ethical conduct, and compliance throughout its entire organization and value chain. Employees, customers, suppliers, business partners, shareholders, the public, and we ourselves expect SGL Carbon to comply with applicable laws, uphold ethical principles, and act sustainably at all times and in all places.

Compliance with applicable laws, regulations, and policies helps minimize negative impacts and risks and supports positive impacts. Our corporate policy and culture can also foster responsible business practices, contributing positively to society and the environment. We strive to positively impact the fight against bribery, corruption, and human rights abuses through our actions, thereby helping to improve social security, well-being, and fair treatment in society. To achieve our goals, we have implemented the following key internal guidelines across the Group:

- Code of Conduct
- Whistleblowing Policy
- Anti-corruption and Bribery Guideline
- Hospitality Spending Policy
- Antitrust Policy
- Human Rights Policy
- Business Partner Code of Conduct
- Procurement Guideline

SGL Carbon implemented a global whistleblowing system as early as 2014, which employees, managers, and company outsiders can use to report possible violations of the law. Anonymous reports are also accepted. Indications of legal violations include possible violations of law, illegal conduct or conduct that is inconsistent with our Code of Conduct or other internal policies, such as violations of our anti-corruption or antitrust policies. SGL's whistleblower system can also be used to report possible human rights violations or potential human rights or environmental risks, whether in SGL Carbon's own business or in our supply chain.

SGL Carbon is committed to protecting the data disclosed through the whistleblowing system and the identity of the whistleblower. In accordance with the Code of Conduct and the provisions of the SGL Whistleblowing Policy, SGL Carbon will not tolerate any form of punishment, recrimination, or discrimination against SGL employees as a consequence of making a report in good faith. This applies in all cases, regardless of whether a reported incident ultimately proves to be a violation. This is also laid down in our SGL Whistleblowing Policy and the guidance on the whistleblowing system.

In 2024, we revised the SGL Whistleblowing Policy to comply with the legal requirements of the German Act on the Protection of Whistleblowers (HinSchG), which implements the corresponding EU Directive (EU 2019/1937) into German law. As part of this revision, we have also published guidance on the whistleblowing system.

In the past fiscal year, an internal control was established and integrated into our ICS system. This control verifies adherence to the four-eyes principle when documenting received reports in the internal whistleblowing report.

The responsible hotline operators confidentially collect, document, and process all incoming reports of possible legal violations in accordance with data protection regulations. If there are indications of possible severe compliance violations, including, but not limited to, indications of possible corruption or bribery, the Group Compliance department must be involved and must conduct an independent investigation with the necessary expertise. Once the internal investigation has been completed, which may be conducted confidentially with the assistance of subject-matter experts, the appropriate and permissible punishment under labor law will be determined in conjunction with the local HR departments based on the severity of the violation. SGL Carbon reserves the right to take legal action against employees involved in violations and to assist authorities in criminal investigations. On a regular basis, but at least once a year, Group Compliance reports on the information received and the results of internal investigations to the Board of Management as part of the semi-annual Compliance Report and to the Supervisory Board as part of the annual Compliance Report.

The SGL Whistleblowing Policy and guidance are available in all nine local languages at SGL's sites. They are available to all SGL employees on the SGL intranet. In addition, the directive was distributed to all SGL employees for their personal digital information via the individual learning plan in the SGL People Portal. Failure to participate will be reported to the respective supervisor, who will ensure that the policy is acknowledged. Third parties can access the guidance in the Compliance section of SGL's website. Information on how to access the central hotline and its address can be found on the SGL website and on the SGL intranet, where it can be accessed with a single click.

To ensure that SGL production employees without individual PC workstations have easy access to the whistleblowing system, posters in their respective national languages were posted at the sites. These display a QR code that links directly to the appropriate reporting address. These posters also serve to inform not only all SGL employees, but also service providers and visitors to the sites, about the possibility of reporting potential legal violations to the responsible and accountable authority.

The mandatory compliance training on the SGL Code of Conduct, which all SGL employees have to complete, also includes a separate training chapter on whistleblowing. The respective manager can see the learning status as completed or not completed in the "My Team" functionality in the SGL People Portal. If the learning content is overdue, the manager is required to ensure participation.

The Group Compliance department has, in addition to the Code of Conduct training, also defined a compliance training curriculum on SGL's internal learning portal, LMS, which brings together the other mandatory compliance training on anti-corruption, antitrust law, export control, and respect for human rights. The target groups and frequency of refresher courses are defined as rules and documented in the Compliance Manual. Supervisors will also be notified of non-participation in these training sessions and are responsible for ensuring that they are completed. The SGL compliance training program is an integral part of SGL Carbon's ISO 37301 and ISO 37001 certified compliance management system and anti-corruption system (issued on 25 October 2023 valid until 25 October 2026). For more information on preventing and detecting corruption and bribery, see the information in chapter G1-3.

The target group for the compliance training includes all employees in the administrative area (in the SGL PEOPLE Portal "Office Worker") because this group represents a risk-bearing function within SGL.

Management of relationships with suppliers (G1-2)

(voluntary disclosure in accordance with ESRS 1.114)

As part of our supplier relationships, our goal is to minimize supply chain risks while building a sustainable and resilient procurement structure. We also aim to promote positive effects on society in our value chain by including environmental and social criteria in the selection of our suppliers.

We have implemented our Business Partner Code of Conduct (BPCoC) along with comprehensive procedures and systems to ensure that our suppliers share SGL Carbon's standards and values. These range from signing our BPCoC to signify its acceptance to a structured supplier management and audit process to a risk assessment system and clearly defined escalation processes. We also integrate training and guidelines that are designed to foster both the contractually agreed upon treatment of suppliers and compliance with legal and ethical standards. We consider and evaluate not only economic and quality aspects, but also social, environmental, and human rights issues.

The first step in our supplier management lifecycle is the supplier selection, which consists of the selection, nomination, and qualification of suppliers. SGL Carbon is committed to equal opportunity in the selection, nomination, and qualification of suppliers. We select

our suppliers based on economic factors, quality, and supplier performance as well as, where verifiable, compliance with legal provisions and standards such as the German Supply Chain Due Diligence Act (LkSG), the United Nations Universal Declaration of Human Rights, and anti-corruption laws.

One goal of the supplier selection process is to ensure that suppliers align themselves with SGL Carbon's sustainability standards and that they are familiar with and accept these standards by signing the BPCoC. This careful screening process includes an evaluation of suppliers with respect to their environmental impact, their compliance with labor and human rights, and their ability to support the standards required by SGL Carbon in their business activities. Suppliers are nominated and qualified using the IT-supported platforms "Onventis" and "IntegrityNext." While Onventis is used for the collection of master data, all suppliers that generate an annual turnover of more than €2,500 with SGL Carbon and are classified in a relevant material group according to the procurement guideline and are subject to an ESG risk assessment via IntegrityNext.

In the second step of the supplier management lifecycle, our suppliers undergo an annual evaluation process that includes a financial and a non-financial risk assessment. This includes a risk analysis using IntegrityNext, a digital sustainability platform based on various sustainability matters:

- a) Abstract risks (industry and country risks)
- b) Specific risks (suppliers' self-assessment in occupational health and safety, environmental protection, business continuity, conflict minerals, cybersecurity, responsibility in the supply chain, people and labor rights, and anti-corruption and anti-bribery), and a requirement to provide certifications (e.g. quality management ISO 9001) as well as c) ESG risks identified on IntegrityNext.

The non-financial risk assessment is based on SGL Carbon's proprietary heat map, which was specifically developed to systematically evaluate suppliers based on the risks listed in a), b), and c). The results of this risk assessment are used to develop specific actions. These

include contacting and consulting with suppliers, defining actions to minimize risk and taking further steps all the way up to on-site audits. If the agreed-upon corrective actions are not implemented rigorously enough and deficiencies persist, the supplier performance escalation process implemented by SGL Carbon will be initiated. It includes recommended consequences, criteria for ending escalation, and information on involving relevant stakeholders. This may result in termination of the business relationship.

The third step in the supplier management lifecycle involves conducting on-site visits and audits. These are used both to meet our quality standards (modeled on ISO 9001, for example) and to check our suppliers' ESG performance to encourage improvement where necessary.

Furthermore, SGL Carbon has established a comprehensive system of training, guidelines, processes and testing mechanisms to ensure our suppliers adhere to SGL standards. This includes mandatory training for procurement department employees on the SGL Code of Conduct (CoC) and the Business Partner Code of Conduct (BPCoC). The signing of the Code of Conduct for Business Partners (BPCoC) by our relevant suppliers is also particularly applicable, as they are required to accept it in order to work with SGL Carbon. This policy was also reviewed, approved and signed by the Board of Management, the highest decision-making body, prior to implementation.

The BPCoC requires our business partners to uphold human rights, prevent slavery, child labor, forced labor and human trafficking and ensure occupational health and safety in all workplaces. Suppliers are also encouraged to establish a management system to continuously improve these standards.

As part of our supplier management efforts, 41% of suppliers identified as relevant to a material group in our risk analysis underwent a sustainability assessment in 2025. For 30% of the evaluated suppliers, corrective actions were mandated or capacity-building programs were initiated to address identified deviations and improve sustainability performance⁴.

⁴ The valuations determined by IntegrityNext were not part of the audit conducted by KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main.

Of the suppliers assessed, 75% were classified as low risk (Level 1), 22% as medium risk (Level 2) and 3% as high risk (Level 3). For potential non-compliance issues, all internal and external stakeholders (including business partners and suppliers) have access to SGL Carbon's whistleblowing system.

If we purchase minerals that fall under the conflict materials, the relevant suppliers must demonstrate a conflict-free supply chain in accordance with the Responsible Minerals Initiative (RMI), based on the CMRT (Conflict Minerals Reporting Templates). We will review the feedback against our expectations and take appropriate action if there are any discrepancies.

Preventing, detecting, and responding to incidents of corruption and bribery (G1-3 and 4)

SGL Carbon's principles for combating bribery and corruption are firmly established in SGL's Anti-Corruption Program, which has long been implemented throughout the Group. SGL Carbon's anti-corruption management system was successfully certified to ISO 37001:2016 by an external organization for the first time in the 2023 fiscal year. In the 2025 fiscal year, the second surveillance audit was successfully completed under ISO 37001:2025.

By signing the UN Global Compact, SGL Carbon has made a commitment to Principle 10 of the UNGC to combat corruption in all its forms, including extortion and bribery. This commitment is also enshrined in our Code of Conduct and Anti-Corruption Policy. We have outlined this commitment to our business partners and suppliers in our Business Partner Code of Conduct.

During the past fiscal year, a bottom-up and top-down compliance risk assessment was conducted for the anti-corruption and business ethics risk category. This assessment included both an abstract and a specific risk analysis. The abstract analysis included evaluating the sites based on defined parameters, such as the corruption index. The specific risk analysis included a questionnaire completed by all local compliance representatives at the sites as part of the semi-annual LCR compliance questionnaire. In addition, all BU compliance representatives and selected corporate functions completed a questionnaire for their area of responsibility. The result does not include any further adjustments beyond the already implemented update to the anti-corruption policy. The policy adjustments involve aligning the value limits with the Hospitality Spending Policy.

Any indications of possible corruption or bribery are potentially severe compliance violations that must be reported to Group Compliance in accordance with the SGL Whistleblowing Policy. Regional hotlines receiving such reports are required to escalate them to Group Compliance. SGL Carbon wants to ensure that these matters can be investigated and processed with the necessary expertise and organizational independence from any SGL company or department that may be affected.

Group Compliance reports to the Board of Management on any whistleblowing reports it may have received, as well as the results and findings of internal investigations as part of its semi-annual Compliance Report, and to the Audit Committee of the Supervisory Board as part of the annual Compliance Report. For more information on whistleblowing and SGL's whistleblowing system, please refer to chapter G1-1.

The SGL Anti-Corruption Policy, for which the Chief Compliance Officer is responsible, is distributed worldwide to the target group via the SGL PEOPLE portal (see chapter G1). This digitalized process requires employees to acknowledge receipt of the policy and confirm that they have read it. A total of 99% of the target group confirmed having read the policy by the end of 2025.

The Anti-Corruption Policy was slightly revised during the past fiscal year, aligning the value limits for permissible gifts or invitations with the guidelines of the Hospitality Spending Policy. The changes were communicated to all members of the compliance network for further dissemination into the organization. Additionally, a post was published on the SGL intranet site regarding the compliance community. The policy is available in eight languages and can be accessed on the intranet by all SGL employees at any time. For more information on anti-corruption, please visit the Compliance pages on the SGL intranet.

As previously mentioned in chapter G1-1, the compliance training catalog includes anti-corruption training. This mandatory training is currently available on our SGL PEOPLE portal in German and English. The target group includes all office workers.

This training explains what corruption is, what forms it can take, and what criminal acts are defined in applicable laws and regulations, including those under the Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act. In addition to these basics, the training will cover SGL's Anti-Corruption Policy as well as permissible and impermissible approaches to

invitations, gifts, and business meals. All new employees in the target group were assigned the training in 2025. Of these, 100% have completed the training.

The target group for these anti-corruption training courses also includes members of the Board of Management and managing directors of SGL subsidiaries. The target group was deliberately defined broadly, as both administrative employees and managers need to be made aware of potential corruption risks.

The training curriculum requires that existing employees in the target group must complete a mandatory refresher course every two years. According to the LMS training plan, the participation rate is 100%.

SGL Carbon has a Group-wide “Business Partner Compliance” (BPC) process to monitor risks and manage all processes that relate to dealing with sales agents. The target groups for the BPC process are currently sales agents and distributors. The process requires that new business partners in the target group undergo a multi-stage review before any contracts are signed. This process is also part of an internal control mechanism within the framework of the internal control system (ICS). The nominated business sponsors from the business units are responsible for starting this process. Additionally, the SGL Business Partner Code of Conduct and the Anti-Corruption Statement are part of the contracts.

As in the previous year, there were no reports received via the whistleblower system or other channels during the reporting period regarding possible cases of corruption or bribery involving SGL Carbon or any of its employees. There were no convictions for corruption or bribery offenses. The whistleblower system is a measure implemented by SGL that was described in full in S1 and is implemented, monitored, and regularly evaluated as an ongoing process (see S1-3).

Supplementary report to the Sustainability Statement (in accordance with ESRS 1 section 7.3)

On February 28, 2026, an armed conflict broke out in Iran. The conflict is leading to increased geopolitical risks, potential disruptions to supply chains, and volatile energy and commodity markets. At the time of reporting, there are no significant impacts on our supply of raw materials or energy. No significant effects on impacts, risks, or opportunities, nor any information in our Sustainability Statement, were identified at the time of preparation; however, further developments are being monitored on an ongoing basis.

Wiesbaden, March 18, 2026

SGL Carbon SE The Board of Management of SGL Carbon SE

Andreas Klein

Dr. Stephan Bühler

Thomas Dippold

The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the consolidated non-financial reporting included in the Annual Report

To the SGL Carbon SE, Wiesbaden

Assurance Conclusion

We have conducted a limited assurance engagement on the separate non-financial group report of SGL Carbon SE, Wiesbaden, for the financial year from January 1 to December 31, 2025, prepared to fulfil the requirements of Sections 315b and 315c of the HGB [Handelsgesetzbuch: German Commercial Code] including the information contained in this consolidated non-financial statement to fulfill the requirements of Article 8 of Regulation (EU) 2020/852 (hereinafter the "consolidated non-financial reporting").

Not subject to our assurance engagement were the external sources of documentation or expert opinions mentioned in table "Additional information" in the section "Basis for preparation (BP-1 and 2)" of the consolidated non-financial reporting which are marked as unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying consolidated non-financial reporting for the financial year from January 1 to December 31, 2025 is not prepared, in all material respects, in accordance with Sections 315b and 315c HGB, the requirements of Article 8 of Regulation (EU) 2020/852 and the supplementary criteria presented by the executive directors of the Company.

We do not express an assurance conclusion on the external sources of documentation or expert opinions mentioned in table "Additional information" in the section "Basis for preparation (BP-1 and 2)" of the consolidated non-financial reporting which are marked as unassured.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

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

Our responsibilities under ISAE 3000 (Revised) are further described in the section "German Public Auditor's Responsibilities for the Assurance Engagement on the consolidated non-financial reporting".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Emphasis of Matter – Principles for the preparation of the consolidated non-financial reporting

Without modifying our audit opinion, we refer to the disclosures in the consolidated non-financial reporting, which describe the principles for the preparation of the consolidated non-financial reporting. Accordingly, the Company has applied the European Sustainability

Reporting Standards (ESRS) to the extent specified in Section “Basis for preparation (BP-1 and 2)” of the consolidated non-financial reporting.

Responsibilities of the Executive Directors and the Supervisory Board for the consolidated non-financial reporting

The executive directors are responsible for the preparation of the consolidated non-financial reporting in accordance with the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a consolidated non-financial reporting in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the consolidated non-financial reporting) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the consolidated non-financial reporting, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the consolidated non-financial reporting.

Inherent Limitations in Preparing the consolidated non-financial reporting

The applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. Therefore, the executive directors have disclosed their interpretations of such wording and terms a. o. in section “Information in Relation to Article 8 of the EU Taxonomy” of the consolidated non-financial reporting. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in section “Basis for preparation (BP-1 and 2)” of the consolidated non-financial reporting, the quantification of the non-financial performance

indicator on Scope 3 category 112 is also subject to inherent uncertainties due to a high degree of determination and/or measurement uncertainty.

These inherent limitations also affect the assurance engagement on the consolidated non-financial reporting.

German Public Auditor’s Responsibilities for the Assurance Engagement on the consolidated non-financial reporting

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the consolidated non-financial reporting has not been prepared, in all material respects, in accordance with the applicable German legal and other European requirements and the supplementary criteria presented by the company’s executive directors, and to issue an assurance report that includes our assurance conclusion on the consolidated non-financial reporting.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the consolidated non-financial reporting, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the consolidated non-financial reporting.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity’s control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity’s control, as both the entity’s executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we a.o.:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the consolidated non-financial reporting
- inquired of the executive directors and relevant employees involved in the preparation of the consolidated non-financial reporting about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the consolidated non-financial reporting, and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the consolidated non-financial reporting
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain
- Conducted site visits

- performed analytical procedures and made inquiries in relation to selected information in the consolidated non-financial reporting
- considered the presentation of the information in the consolidated non-financial reporting
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated non-financial reporting.

Restriction of Use/Clause on General Engagement Terms

This assurance report is solely addressed to SGL Carbon SE, Wiesbaden.

The engagement, in the performance of which we have provided the services described above on behalf of SGL Carbon SE, Wiesbaden, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 (www.kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to EUR 4 million specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Frankfurt am Main, 18. March 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Pritzer
Wirtschaftsprüfer
[German Public Auditor]

Hermanns
Wirtschaftsprüfer
[German Public Auditor]

SGL Carbon in the Capital Markets

SGL Carbon’s share price performance in 2025 was significantly impacted by weak demand in the semiconductor business

Investors in the stock markets can look back on a good year in 2025. High uncertainties stemming from geopolitical crises, sluggish economic growth in many regions of the world and trade restrictions created by US tariff policies had little impact on stock markets. Interest rate cuts in the US and Europe have further supported the positive trend in the stock markets.

The stock markets of the **United States** closed 2025 with significant gains, demonstrating strong resilience despite political and economic fluctuations. While the Dow Jones Industrial Index rose 13%, the technology-focused Nasdaq stock index surged over 20%, driven by the artificial intelligence (AI) boom.

Despite a subdued economic outlook in **Europe**, the European benchmark index STOXX Europe 600 improved by a good 16% in 2025. The technology, defense and banking sectors stood out in this development. Key drivers included the European Central Bank’s (ECB) monetary easing and a significant increase in government spending on defense and infrastructure.

Despite the economic stagnation in **Germany**, the German stock index DAX gained 23% in 2025, its largest increase since 2019. Companies in the defense, energy and finance sectors were particularly influential in the DAX’s performance. Hopes for an economic recovery and continued interest rate cuts also supported the stock market. The MDAX and SDAX indices representing medium-sized and smaller companies performed on par with the leading DAX index, with year-on-year gains of a good 19% and 25%, respectively.

In 2025, both the Federal Reserve and the European Central Bank pursued a policy of monetary easing to support the economy as inflation declined. The ECB lowered the **prime rate** (deposit rate) by 100 basis points to 2.00% until June 2025. The Fed kept interest rates stable until August 2025, before beginning a cycle of easing in September 2025. Driven by a cooling labor market, it lowered the prime rate by 75 basis points to between 3.50% and 3.75% by the end of the year.

By 2025, the **inflation rate** in both the US and Europe will have stabilized at a significantly lower level than in previous years. The annual average inflation rate in the US was 2.7%. In the eurozone, inflation averaged 2.1% in 2025, close to the ECB’s 2% target. The Deutsche Bundesbank forecasts an average inflation rate of 2.3% in Germany for 2025.

Key figures for SGL Carbon SE shares

	2025	2024
Number of shares at year-end	122,341,478	122,341,478
High (€)	4.6	7.53
Low (€)	2.59	3.86
Closing price at year-end (€)	3.13	4.00
Market capitalization at year-end (€m)	382.4	489.4
Average daily turnover in Xetra trading (number of shares)	204,418	131,982
Free float at year end (%)	approx. 46	approx. 46
Dividend per share (€)	-	-

SGL Carbon’s share price and publications

SGL Carbon shares closed out 2024 at €4.00 and showed no clear trend in the following weeks. The ad hoc announcement on February 18, 2025, regarding the decision to significantly restructure the Carbon Fibers (CF) business unit, was well received by the capital markets, leading to a nearly 10% increase in the share price over the following days. Overall, the SGL share reached its annual high of €4.60 on March 18, 2025. The announcement of the 2025 outlook on March 20, 2025, as part of the 2024 annual report release, was negatively received by the capital market. In the days that followed, the stock price fell by a double-digit percentage. At its peak, the stock was down 34%, closing at €3.01 on April 4, 2025. In the following weeks, SGL’s share price recovered slightly. The next step in CF’s restructuring process was announced with the closure of the Lavradio production site in Portugal on May 5, 2025. Shortly thereafter, on May 8, 2025, the results for the first three months of 2025 were published. Overall, the capital market responded positively to both announcements, causing the share price to rise to just under €4.00.

The ad hoc announcement on July 14, 2025, which revised our 2025 revenue forecast downward while maintaining our guidance for adjusted EBITDA, led to a share price increase of approximately 10%. Following this positive market reaction, the presentation of the first-half results of 2025 on August 7, 2025, led to a nearly double-digit decline in the share price.

Performance of the share



On September 4, 2025, index provider Deutsche Börse AG announced that SGL Carbon's stock will be removed from the SDAX on the next regular rebalancing date, September 22, 2025, due to an insufficient ranking position.

We reported on the completion of the production capacity expansion at our joint venture BSCCB in Meitingen on September 15, 2025. Following the construction of two new buildings in 2024, BSCCB equipped them with facilities for manufacturing carbon-ceramic brake discs in 2025. The news had only a minor impact on the stock price.

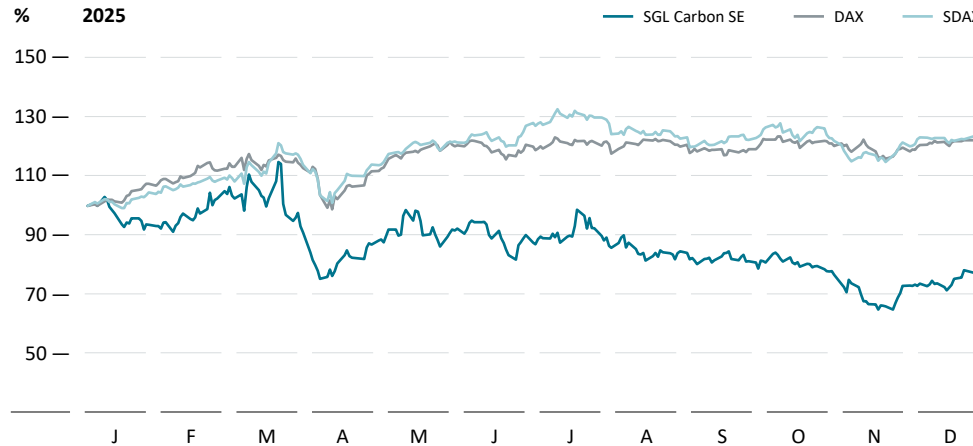
On November 6, 2025, we released our results for the first nine months of 2025. While the share price initially responded positively in the days following the publication date, increased selling activity resumed after three days, causing the share to reach its lowest price of the year at €2.59 on November 18 and 24, 2025.

On November 18, 2025, we reported on progress in developing new coating materials for the semiconductor industry, in collaboration with Linköping University in Sweden. This project will test new materials, such as tantalum carbide (TaC), and investigate the production of thin layers of this material on graphite substrates. Compared to the previous standard silicon carbide coating, TaC offers advantages as a coating material. The stock price showed little reaction to the news.

After a large sell order expired, the stock price recovered slightly at the end of the year. The SGL Carbon share closed out 2025 at €3.13, down 21.8% from a year earlier.

SGL Carbon's shares also significantly underperformed the German stock indices, DAX and SDAX. While SGL's share price only weakened slightly in the first months of the year, until the new outlook for 2025 was presented on March 20, 2025, a clear trend reversal began from that point, leading to a significantly weaker performance of the SGL share during the year. While the broader DAX and SDAX indices each rose by 23.0% and 25.3% respectively over the year, the price of SGL shares fell by 21.8%.

Relative performance of the share



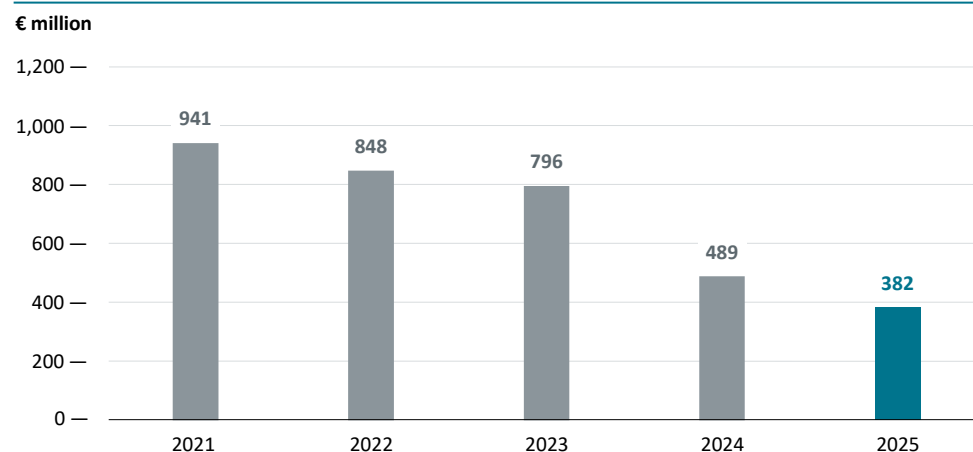
In our view, the relative under-performance of SGL Carbon shares primarily reflects low demand from the semiconductor business, mostly for silicon carbide semiconductors, which are mainly used in electric vehicles. Uncertainty regarding the success of the restructuring efforts initiated in the Carbon Fibers business unit is also likely to have had an impact on the share price performance.

Key data of SGL Carbon SE shares

Trading venues	Xetra, Berlin, Dusseldorf, Frankfurt, Hamburg, Hannover, Munich, Stuttgart
German securities identification number (WKN)	723 530
International Securities Identification Number (ISIN)	DE 000 723 5301
Stock index	SDAX until September 22, 2025
Market segment	Prime Standard

Decline in market capitalization

Market capitalization



The market capitalization of SGL Carbon declined during 2025 in line with the development of the share price. After €489.4 million in the previous year, it amounted to €382.0 million at the end of the reporting year. As of the end of 2025, the free float market capitalization of SGL Carbon SE amounted to €174.9 million (2024: €214.2 million). The number of shares outstanding has remained constant over the past year at 122,341,478.

Stable shareholder base

SKion GmbH remains the company's largest shareholder with a shareholding of around 28.5%. In addition, based on the respective notifications of voting rights or other notifications, BMW AG and Volkswagen AG hold the following shareholdings subject to reporting obligations:

BMW AG	October 15, 2014 ¹⁾	18.44 %
Volkswagen AG	February 6, 2018 ²⁾	7.41 %

¹⁾ Date of the most recent voting rights notification

²⁾ Other notification

Overall, these anchor investors hold approximately 54% of the share capital. The relatively low free float of 46%, combined with rather low trading volumes, often leads to high price swings in both directions.

The following table provides an overview of the shares held by the Board of Management and the Supervisory Board (reporting date: December 31, 2025).

Shares held by Board of Management and Supervisory Board		2025
Executive Board		
Andreas Klein		10,451
Thomas Dippold		116,750
Dr. Stephan Bühler		16,408
Supervisory Board		
Members of the Supervisory Board in total		62,346
Total		205,955

Dividend development

Due to the distributable accumulated losses of SGL Carbon SE parent company in fiscal year 2025, the company will not be able to pay a dividend.

2025 Annual General Meeting

SGL Carbon SE's Annual General Meeting took place on May 21, 2025, as a virtual annual general meeting.

The Annual General Meeting was broadcast using a password-protected AGM internet service, which shareholders or their representatives used to dial in. Shareholders connected electronically to the Annual General Meeting had the right to exercise their shareholder rights in full at the meeting. In particular, the video communication enabled shareholders to exercise their right to speak and ask questions. The AGM internet service also allowed shareholders to exercise their voting rights by mail, have their voting rights exercised in accordance with the instructions they had given through the voting rights representative appointed by the company, submit statements in response to agenda items and object to resolutions of the Annual General Meeting.

Of the company's share capital of €313,194,183.68, divided into 122,341,478 shares, a total of 74,739,938 shares were represented at the 2025 Annual General Meeting, which corresponds to 61.09% of the registered share capital. All items on the agenda were approved with an overwhelming majority.

In addition, the speech given by the chairman of the Board of Management, Andreas Klein, was broadcast publicly on the SGL website. The speech and all AGM voting results are available to shareholders and interested parties on the SGL website (at www.sglicarbon.com/Hauptversammlung).

The next Annual General Meeting of SGL Carbon SE will take place on May 20, 2026.

In-depth capital market communication

At the end of the reporting period, SGL Carbon shares were covered, analyzed and rated as follows by four German and international financial analysts (previous year: seven). Three

analysts rated the stock as neutral or hold, while one analyst rated it as buy (as of December 31, 2025).

Analyst coverage (as of December 31, 2025)

Alphavalue
Deutsche Bank
Jefferies
Kepler Cheuvreux

A summary of the analysts who regularly cover SGL Carbon is available on SGL Carbon's Investor Relations website under the "Share" menu item.

SGL Carbon provides all capital market participants with transparent, timely and comprehensive information on the Company's business situation and future prospects. Around 150 one-on-one meetings were held with analysts and investors in Germany and abroad.

The following topics were at the center of the investor meetings: the impact of lower growth rates for electric cars on our graphite business with components for the production of semiconductors, in particular silicon carbide-based semiconductors. Furthermore, the progress of the comprehensive restructuring program in the Carbon Fibers business unit was discussed with capital market participants. The investors were also informed about the development and expectations for the other two business units of SGL Carbon. Also of interest were the development prospects for new applications and markets to ensure SGL Carbon's future growth. The company's sustainability strategy was a key topic in many conversations with investors. Ambitions and measures to improve ESG performance were of particular interest.

As usual, capital market conferences and roadshows were central instruments for intensive exchange with institutional investors. In total, SGL Carbon took part in eight investor conferences and two roadshows in 2025. Quarterly reports and the conference calls held on the same day are further tools for providing capital market participants with comprehensive information in a timely manner. The conferences are broadcast live on SGL Carbon's Investor Relations website and are also available as a recording.

The Investor Relations website offers a wide range of information, in particular for private investors and interested third parties. In addition to the financial reports, further documents

such as presentations, press and ad hoc announcements as well as information on capital market's sales and earning expectations are made available to SGL Carbon there. All reports on share transactions by the Board of Management and Supervisory Board as well as voting rights reports are also available online. Interested parties also have the option to be included on the mailing list for financial reports or press releases.

We look forward to hearing from you!

A comfortable financial structure, even in 2025.

Overall, SGL Carbon reported lower net financial debt of €98.9 million as of December 31, 2025, compared to the previous year (€108.2 million). This is mainly due to positive free cash flow. The leverage ratio remained unchanged at 0.7 as of December 31, 2025, compared to the end of the previous year (December 31, 2024: 0.7). Furthermore, there is an undrawn and unsecured syndicated credit line of €100.0 million, which matures in March 2028 as of the balance sheet date.

An overview of SGL Carbon SE bonds

The prices of SGL Carbon's two convertible bonds were less volatile last year than in the years before, remaining with a narrow range. This can also be inferred from the price performance of the SGL share, which moved away from the conversion prices (€8.33 for the convertible bond maturing in 2027 and €9.71 for the instrument maturing in 2028). Therefore, a change is unlikely. At the end of 2025, the two financial instruments, the 2027 convertible bond and the 2028 convertible bond, were trading slightly below their nominal values. This is because the capital market considered the yield on the convertible bonds to be quite attractive for a relatively short term.

Convertible bonds

WKN	ISIN	Nominal volume	Coupon	Maturity
A30VKB	DE000A30VKB5	101.9	5.75%	September 21, 2027
A351SD	DE000A351SD3	118.7	5.75%	June 28, 2028

Performance of the convertible bond (matures on September 21, 2027)



Performance of the convertible bond (matures on June 28, 2028)



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Sales declined by 17.2% to €850.2 million (2024: €1,026.4 million), primarily due to lower demand from the semiconductor business and the withdrawal of unprofitable business activities as part of the restructuring of the Carbon Fibers business unit.

Mainly lower volumes resulted in a 17.1% decrease in adjusted EBITDA to €135.0 million compared to 2024 (2024: €162.9 million).

Despite weaker business performance, the adjusted EBITDA margin remained stable at 15.9% (2024: 15.9%) due to extensive cost-cutting measures.

Despite liquidity-impacting restructuring costs of €34.9 million, free cash flow remained clearly positive at €37.0 million (2024: €38.7 million).

Group Fundamentals

Group business model

Business activity and company structure

SGL Carbon is a technology-based company and a global leader in its focus markets in the development and manufacture of materials and products made from special graphite, carbon fibers, and composites. With its sophisticated and in some cases customized solutions, SGL Carbon serves many industries that are shaping future trends: mobility (especially electromobility), semiconductor technology, LED, solar energy, and fuel cells. We also develop customer-oriented solutions for the chemical industry and numerous other industrial applications with our 3,635 employees and 84 trainees at 29 sites in Europe, North America, and Asia.

The 2025 fiscal year marked a year of transformation for SGL Carbon. As part of the restructuring of the Carbon Fibers business unit, the company withdrew from loss-making business activities such as the manufacture of acrylic fiber and its own precursor as a feedstock for carbon fibers. Production processes at the Lavradio site (Portugal) were terminated and the final closure of the plant was initiated. Production at Moses Lake (USA) was completely shut down. Furthermore, the loss-making production of graphite anode material at the Raciborz site (Poland) was discontinued, thereby dissolving the Battery Solutions business. As a result, the administrative and sales areas began adapting to the company's new size as early as 2025. At the same time, SGL Carbon has implemented a strategic project to expand its existing portfolio with new applications and markets, such as the defense and security sector.

SGL Carbon SE, based in Wiesbaden (Germany), is listed on the Frankfurt Stock Exchange. The shares are listed in the Prime Standard market segment of the German Stock Exchange. Together with its subsidiaries, SGL Carbon SE forms the management holding company SGL Carbon (a detailed overview of the shareholdings of SGL Carbon SE can be found in the Notes to the Consolidated Financial Statements under [Note 32](#)).

In the 2025 fiscal year, the operative business of SGL Carbon is managed by four business units with their own responsibility for financial results: [Graphite Solutions \(GS\)](#), [Process Technology \(PT\)](#), [Carbon Fibers \(CF\)](#), and [Composite Solutions \(CS\)](#). Together with the corporate functions that are bundled in the Corporate reporting segment, the four operating business units make up the company's five reporting segments.

The Board of Management defines the Group's strategy and decides on financing and resource allocation. The globally active business units are responsible for the development, production, and marketing of their products and solutions, while all service and administration activities are bundled in the central functions.

Our business units⁵

Graphite Solutions (GS) business unit

Graphite Solutions (GS) generates the highest sales and earnings among all of SGL Carbon's business units. GS develops, produces, and markets a wide range of graphite-based solutions and products. Tailor-made graphite materials and components are manufactured, cleaned, impregnated and sometimes further refined with special coatings based on the needs of our customers. Key customers in the GS business unit come from the semiconductor, LED, and solar industries, the automotive and transport segment including fuel cells, and various other industrial applications.

The focus here is on products with a high added value. Components made of synthetic specialty graphite, some with highly specialized coatings, play an important role along the entire value chain of silicon and silicon carbide-based semiconductors, for example. The growth of single crystals requires heating elements and crucibles made of synthetic graphite as well as hard and soft felts for heat insulation, while wafer carriers with silicon carbide coating enable the further processing of semiconductors. High-performance silicon

⁵ The section "Our business units" is also part of the SGL Carbon SE Group Sustainability Statement 2025. It contains information regarding ESR5 2 SBM-1, Section 40a(i), and S1 ESR5 2 SBM-3, Section 13.

carbide semiconductor components in particular are increasingly in demand in sustainable growth fields such as electromobility and renewable energy infrastructure. Gas diffusion layers are essential parts of fuel cells – another key technology for modern energy infrastructure. Durable graphite materials are used in the latest wind turbines. Solutions for the automotive industry and other processing industries are produced using graphite-based bearing and pump components, as well as sealing rings. Expanded graphites based on natural graphite are also used in a large number of industries. Special graphite of exceptional quality is also required in small modular nuclear reactors. In January 2026, SGL Carbon signed a three-year contract to supply specialty graphite with a total volume of USD 100 million to a US developer of a new generation of reactors, thus taking its first step into this young industry. However, we discontinued another market segment, “Battery Solutions,” in fiscal year 2025. Due to economic conditions and intensified competition,

particularly from Asia, SGL Carbon has discontinued the production of graphite anode material for the battery industry.

The main raw materials in the GS business unit are petroleum cokes and pitches. SGL Carbon sources these raw materials primarily from global suppliers on the basis of framework agreements with whom the company has long-standing business relationships. The production of graphite is energy-intensive. The energy required is covered by electricity and natural gas for the manufacturing processes, the procurement of which is secured in part by long-term contracts with supra-regional and local energy supply companies.

	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions
Products	• Synthetic fine grain graphite • Expanded graphite • Porous graphite • Graphite-based felts and foils • Gas diffusion layers as part of fuel cells • Graphite coatings • Graphite specialties	• Components made of impermeable synthetic graphite • Graphite heat exchanger, synthesis equipment, columns, and built-in equipment • Process solutions • Spare parts, maintenance, services	• Non-wovens and woven textiles • Pre-impregnated materials • Carbon fibers • Thermoplastic composite materials	• Composite components e.g. underfloor panels, battery boxes, leaf springs • Friction materials and components • Insulation materials
Markets	• Mobility • Semiconductor • Industrial Applications • Chemicals • Energy	• Chemicals	• Mobility • Industrial Applications • Energy	• Mobility • Industrial Applications

Process Technology (PT) business unit

The Process Technology (PT) business unit focuses on the construction and repair of components and large systems for industrial applications. In addition to individual components and equipment, PT also offers complete systems and engineering know-how: from hydrochloric acid synthesis to concentration and dilution systems for a wide variety of acids, to absorption and desorption systems. The main focus is on the design and manufacture of graphite heat exchangers, syntheses, columns, and column internals, as well as pumps and systems that are exposed to corrosive media. Employing heat exchangers helps ensure that energy is used efficiently, among other things, thereby reducing a plant's overall energy consumption. The "Spare parts and services" product

segment is becoming increasingly important. PT provides support with commissioning, operation and maintenance, system expansions and even taking back used equipment and system parts to ensure long-term customer loyalty. The chemical industry is one of the business unit's most important customer groups. The systems and expertise of PT are also used in other industries with corrosive and caustic processes.

Carbon Fibers (CF) business unit

The production facilities for textile fibers and precursors, the intermediate products for carbon fiber production, were shut down at the Lavradio site (Portugal) in 2025, and the closure process was initiated. Similarly, production of standard carbon fibers at the Moses

Lake site (USA) was completely discontinued in August 2025. Specialty carbon fibers, including those for downstream production facilities, will continue to be produced at the Muir of Ord site in Scotland.

Following the restructuring, the Carbon Fibers (CF) business unit will primarily produce intermediate products for downstream value chains, such as carbon-ceramic brake discs, as well as textile and pre-impregnated materials. These products exhibit greater differentiation from the competition, allowing SGL Carbon to better leverage its innovation and expertise to serve its customers. The main raw material is a polyacrylonitrile (PAN) precursor, which is then processed into carbon fibers and fabrics in subsequent production steps.

The joint venture Brembo SGL Carbon Ceramic Brakes, which is recognized using the equity method, is allocated to the CF business unit. The joint venture with the Italian Brembo S.p.A. develops and produces carbon-ceramic brake discs, especially in the market segment for luxury vehicles and sports cars. In addition to its expertise in carbon fiber processing, CF also supplies the joint venture with carbon fiber products that form the basis of the carbon-ceramic brake.

Composite Solutions (CS) business unit

The Composite Solutions (CS) business unit bundles composite solutions based on carbon fibers and fiberglass. For high-tech applications that require high strength and rigidity at a low weight, these solutions are practically invaluable. They also offer excellent thermal protection. Composite components, which are usually customized, are used primarily in the automotive industry.

Based on many years of experience, knowledge, and competence from the areas of design and engineering up to fully automated series production, small to medium construction volumes can be custom-made. These are used in medical technology as well as large-volume serial automotive applications. Furthermore, composite components are also used

in defense applications due to their properties. We are currently developing products and solutions to expand this market segment over the long term.

Aggregation of the Carbon Fibers (CF) and Composite Solutions (CS) business units effective January 1, 2026

Following a successful restructuring and the significant reduction in carbon fiber business activities, the Carbon Fibers (CF) and Composite Solutions (CS) business units will be aggregated into the new Fiber Composites (FC) business unit, effective January 1, 2026.

The use of similar raw materials, as well as overlaps in production technologies and the market segments served, particularly the automotive industry, links the two former business units.

The new Fiber Composites (FC) business unit will not only continue the business activities of CF and CS but will also serve as a strong platform to drive the development of new composite applications and markets, such as in the defense and security industry.

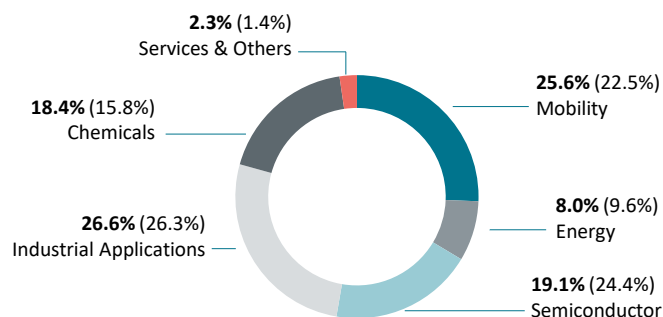
As of January 1, 2026, the combination will reduce the number of business units from four to three, which, together with Corporate, will form the four reporting segments of SGL Carbon.

Major sales markets⁶

The following graphic shows the main sales markets of SGL Carbon:

⁶ The section "Major sales markets" is also part of the SGL Carbon SE Group Sustainability Statement 2025. It contains information on ESRS 2 SBM-1 para. 40a ii.

Sales by market segments 2025 (2024)



SGL Carbon's Group revenue in the 2025 fiscal year was €850.2 million, of which 26.6% was generated with customers in the largest market segment Industrial Applications, which encompasses a wide range of solutions across various industries (2024: 26.3%). Also included are sales from the textile fibers business, which was discontinued in summer of 2025 due to lack of profitability.

With a share of sales of 25.6% (previous year: 22.5%), the Mobility market segment is SGL Carbon's second-largest. For this market segment, we produce a wide range of solutions from almost all business units, primarily for customers in the automotive and aerospace industries.

Semiconductors were the second-largest market segment in the 2024 fiscal year, accounting for 24.4% of sales. Due to lower demand from our semiconductor customers, this segment's share has decreased to 19.1%. It includes, in particular, specialty graphite products for the semiconductor industry and LED customers. Over the past two fiscal years, products for silicon carbide-based semiconductors, used primarily in electric vehicles, have become increasingly important for the GS business unit.

The contribution to sales from customers in the chemical industry increased to 18.4% compared to the previous year (15.8%), reflecting the relative strength of this business compared to other market segments. Products made by the business unit include heat

exchangers, which are employed to more efficiently use energy and thus reduce our customers' energy consumption and CO₂ emissions.

The revenue share contributed by the Energy segment decreased from 9.6% in the 2024 fiscal year to 8.0% in the reporting year, primarily due to continued weak demand from our wind energy customers. Revenue from customers in the solar energy sector is also attributed to this market segment.

The development, production, sales, and marketing of products for electric vehicles, LED, and solar applications supports our strategy of not only wanting to reduce CO₂ emissions in our own business activities, but also to grow with products that are designed to help mitigate climate change.

The sales shares by specific market segment of the business units are presented in the segment reporting section.

Objectives and strategies

The long-term objective of SGL Carbon is to increase the enterprise value through sustainable, result-oriented growth. To achieve our long-term goal, we implemented extensive restructuring and cost-cutting measures across the entire company in the 2025 fiscal year. Generating the capital costs, having sufficient financial capacity, and maintaining an adequate financing structure are necessary prerequisites for enabling long-term entrepreneurial ability to act. In addition to ensuring our financial strength, we want to contribute to environmental and climate protection, as well as to social development. This includes responsibility for our employees, our supply chains, customer data, and information security, as well as unconditional compliance with laws, regulations, and standards. The Group strategy of SGL Carbon is aimed at achieving these objectives.

Corporate strategy

The 2025 fiscal year was dedicated to securing our profitability, including through extensive restructuring and cost-cutting measures. These primarily involved withdrawing from loss-making business activities, such as the production of acrylic fibers and our own precursor

as an intermediate product for carbon fiber. This included closing the Lavradio site in Portugal, phasing out production at Moses Lake in the United States, and making other significant adjustments to personnel and cost structures. Furthermore, production of graphite anode material at the Racibórz site in Poland was discontinued in 2025, thereby dissolving the Battery Solutions business. The decision to withdraw from these product groups was necessary due to declining demand, global overcapacity, and uncompetitive prices. Demand for these products is not expected to increase in the future.

By implementing these restructuring and adaptation measures to align SGL's structures with the company's new size and our robust core business, we have created a sustainable platform to best leverage growth opportunities in both existing and new markets.

Our corporate strategy is based on three pillars:

- Further market penetration in existing markets.
- Focused expansion of our position in new market segments with above-average growth potential using existing materials and products.
- Expanding our product portfolio through innovations in both existing and new materials.

SGL Carbon stands for advanced materials, technological expertise, and a focus on customer needs. With these strengths, we have established a strong market position in many of our customer segments and built a diversified business. This also forms the foundation for future growth.

Operational strength as a foundation for further growth in established markets.

With its high-performance materials, SGL Carbon already serves many industries that are shaping future trends: mobility (especially electromobility), semiconductor technology, solar energy, and fuel cells. We also develop customer-oriented solutions for the chemical industry and numerous other industrial applications.

In the mobility market segment, the automotive industry is a key customer, utilizing both graphite and composite materials across all business units. The same applies to the chemical industry. Our product portfolio includes graphite materials, components, systems,

and complete systems for processes in extremely corrosive environments. We also provide services throughout the entire product lifecycle of our components and systems. A key strategic market for SGL Carbon is the semiconductor industry, where we aim to benefit from its long-term, above-average growth prospects. As a global specialty graphite manufacturer, we offer a broad product portfolio for the production of semiconductor wafers, particularly high-purity components for silicon carbide-based high-performance semiconductors. These are primarily required for electromobility and, increasingly, for AI applications and data centers.

Following a period of weak demand for specialty graphite components in 2024 and 2025, we anticipate a return to higher volumes in the medium term. In particular, electromobility and the increasing use of AI are driving the demand for high-performance semiconductors, the production of which requires specialized graphite.

In our other established markets, we anticipate growth at a rate no higher than GDP.

Experience and expertise as the foundation for developing new market segments

Building on our existing portfolio of high-performance materials and products in our traditional markets, we have identified new applications that offer future growth prospects for our company. We are focusing on three growth areas:

1. Materials for energy production. These are, in particular, certified specialty graphites for small modular nuclear reactors (SMRs), for a technology that generates climate-friendly, safe energy and can be built directly at the point of use. SGL Carbon can supply all types of graphite required for this innovative industry. Drawing on our extensive experience in this product segment, we can leverage existing material data and certifications for nuclear applications to support our customers in commercializing their projects.

A first success is the collaboration with X-energy in the US, a leading SMR technology developer. Our capabilities and capacities are an important factor in scaling X-energy's SMR technology to meet growing energy demands, e.g., for AI solutions.

2. Our capabilities, core competencies, and extensive experience as a supplier to the automotive industry offer significant growth potential in the defense and security industry.

The growing demand for composite materials, such as those used in drones, military vehicles, or protective gear, presents a wide range of potential applications for our materials. We aim to leverage our expertise and experience in developing and manufacturing customized lightweight materials solutions to attract new customers from the defense industry. We can support our customers with both prototype development and serial production. However, the unique properties of graphite, such as its heat resistance, are also required for applications in the defense industry, for example, in rockets and missiles.

3. Another identified growth market is the aerospace industry. We already have qualified materials and have been supplying carbon fiber materials and components to the aircraft industry for several years. We plan to further expand this sector in the future and develop new applications for non-structural components. In addition to aviation, the aerospace industry also offers growth potential for SGL Carbon. Heat- and pressure-resistant materials are also needed here, for example, in the construction of launch vehicles for satellite transport or heat shields.

SGL Carbon has realigned itself in recent months, creating a future-oriented platform for new, profitable growth. This allows us to strategically develop and leverage new market opportunities, such as in the nuclear energy, aerospace, or defense and security industries. SGL Carbon has previously been active in some of these markets and can draw on extensive experience and product expertise. Therefore, over the next five years, we will focus primarily on developing these markets, without neglecting our core business. However, we will continue to examine new market trends for emerging growth opportunities.

Growth through targeted innovation

Technology and material expertise, especially our longstanding experience with high-temperature processes, are strengths of SGL Carbon. We develop new materials and solutions for our customers' demanding applications in line with their requirements. With the focus of our existing portfolio, the robust balance sheet and financing structures developed in recent years, and our company's employees, we have the basis for profitable organic and inorganic growth.

Our Vision

We have established a business model that is both forward-looking and expandable. Building on this, we want to achieve our profit-driven growth by:

- expanding our existing business,
- tapping into new market segments, and
- developing new innovative solutions for our customers.

We will not neglect our sustainability ambitions. Decarbonizing our business will therefore continue to be a key task. Many of our new applications are also designed to contribute to the responsible treatment of the climate and the environment, for example in the areas of electromobility or CO₂-neutral energy production.

Our long-term goal is to establish SGL Carbon as one of the leading suppliers of high-performance materials. Our ambition is to become a company with a billion-dollar turnover again by 2030, with an attractive, profitable, and sustainable portfolio.

Corporate culture as a success factor

The implementation of our corporate strategy is supported by our corporate culture. Our "Formula Carbon" work guideline is designed to reinforce an approach that focuses on efficiency and economic performance. The following principles guide us:

- Business comes first
- Dare to be simple
- Keep promises
- Act quickly, think differently

Our daily actions are guided by our company values.

- Integrity and honesty
- Respect and esteem
- Responsibility
- Trust
- Passion for success

We have been exploring the importance of these values for employees and the extent to which they have been adopted in a Group-wide employee survey conducted regularly since their introduction at the end of 2022. The aim of our performance culture is to continuously improve both our economic performance and our corporate culture. Further information on the “Performance Culture” initiative can be found in the sustainability statement in the “Own workforce” section of this Annual Report.

Corporate governance

SGL Carbon’s corporate governance aims to secure and increase the economic and sustainable performance and profitability and therefore the enterprise value of SGL Carbon. SGL Carbon assesses its success based on defined financial performance indicators. We measure our sustainability ambitions using selected non-financial performance parameters relating to the environment, social welfare, and corporate governance (environmental, social, and governance, ESG).

Management and control

A description of the relationship between the Board of Management and the Supervisory Board can be found in the Corporate Governance and Compliance Report (unaudited). The Board of Management determines the Group’s strategic orientation. The Supervisory Board advises and monitors the Board of Management in managing the company.

Internal control system

Significant management tools include monthly management reporting based on the annual plan, which covers both the actual development and the forecast development for the rest of the year. The target/actual deviation analyses and the monthly rolling forecast incorporate new findings on business development, including key assumptions. In addition to annual planning, we also do medium-term planning which covers a period of four years. Planning is done by the four business units and all relevant corporate functions based on centrally defined key parameters. The Group’s personnel, investment, and financial plans are derived from the consolidated plan. The budgeted figures, including target/actual comparisons and the current forecast, are regularly presented to the Supervisory Board.

The non-financial performance indicators are also regularly captured, evaluated, and reported to the Board of Management and the Supervisory Board.

In addition to monthly management reporting, the top management levels and commissioned steering groups hold regular meetings in which they control and monitor special investment projects, possible transactions, and defined areas of responsibility such as personnel issues, occupational safety, and compliance, as well as environmental and climate protection.

Financial control key performance indicators

SGL Carbon uses the following key performance indicators to determine and monitor financial success:

In addition to sales, adjusted EBITDA (earnings before interest, taxes, depreciation and amortization, adjusted for one-off effects and non-recurring items) is the most important key performance indicator for measuring SGL Carbon’s profitable growth. This allows us to depict the sustainable cash-effective earning power of the operating business units and the Group.

We are also providing our earnings forecast for the 2026 fiscal year on the basis of adjusted EBITDA. The following effects are adjusted:

- Impairment losses (IAS 36) and amortization of purchase price allocations (IFRS 3) and assets held for sale (IFRS 5);
- Restructuring expenses;
- Proceeds from the sale of land and buildings;
- Income from insurance compensation, to the extent that this is not offset by corresponding expenses in the respective reporting period;
- Other significant one-off effects that do not reflect operational business development.

Free cash flow and net debt is used to manage the Group’s liquidity and financial strength. SGL Carbon’s profitability is measured on the basis of ROCE (return on capital employed). ROCE is defined as adjusted earnings before interest and taxes (adjusted EBIT) divided by average capital employed (total of goodwill, other intangible assets, property, plant and

equipment, investment property, investments accounted for using the equity method and working capital).

The variable remuneration of senior management (first three levels after the Board of Management) is based, among other things, on adjusted EBITDA and cash generation (short-term incentive) and return on capital employed (ROCE) (long-term incentive). Other target variables for the short-term incentive (STI) include both individual personal targets for each manager and a Group-wide sustainability goal. In the 2025 fiscal year, this target was the achievement of a lost time injury rate of 2.0 or better. Further information on the remuneration structure can be found in the audited remuneration report.

Supplementary financial key performance indicators are the leverage ratio, as the ratio of net financial debt to adjusted EBITDA, as well as the equity ratio. The target is ≤ 2.5 for the medium-term leverage ratio and $\geq 30\%$ for the equity ratio.

Non-financial performance indicators

In addition to financial key figures for corporate management, SGL Carbon also uses non-financial key figures.

- Occupational safety, in particular the frequency of accidents. The key indicator here is the lost time injury rate (LTI rate). The LTI rate measures lost-time injuries per million hours worked. We intend to reduce the LTI rate by 5% each year compared to the base year of 2022. The LTI rate was 0.8 in 2025, well below our target of 2.0 for the reporting year.
- Energy consumption and CO₂ emissions, as well as energy intensity as the ratio of energy consumption to sales (economic output). As an energy-intensive company at various locations worldwide, we strive to reduce our energy consumption and CO₂ emissions out of ecological and economic responsibility. SGL Carbon has therefore set itself targets for CO₂ reduction and developed a long-term roadmap to climate neutrality by 2038. We also aim to improve our energy intensity by 1% each year.
- The proportion of women in the top three management levels after the Board of Management was 21% as of December 31, 2025. This means we have met the 20% target set for 2025. We intend to maintain this level in the coming years.

To improve the performance culture and thus employee satisfaction, we have been conducting a Group-wide employee survey and defining a performance culture index since late 2022. This will be improved through targeted measures and regularly reviewed by means of employee surveys.

See the sustainability statement in this Annual Report for more details.

Non-financial Group report

Further information on sustainability, environmental and climate protection, and other important ESG aspects can be found in the sustainability statement in this Annual Report. The sustainability statement also represents the separate non-financial Group report of SGL Carbon SE, which was also subjected to a limited assurance audit by KPMG AG Wirtschaftsprüfungsgesellschaft.

Research and development

Research and development activities are customer-oriented and take place in the operating business units

Research and development activities are carried out in the operating business units. This further promotes the proximity of development to the customer and focuses strategic research and development projects with more intensity on near-term market opportunities.

The development activities of the business units derive directly from the strategic objectives of the product groups or business lines and are shaped by the market trends, customer requirements, and market environment in each case.

Highlights from the business units (unaudited)

GS business unit – Continuing the successful development strategy

Semiconductors, mobility, and energy are the strategic market segments of the GS business unit. Our development projects are designed to consistently meet the high demands of our customers in these market segments.

The Electronic and Industrial Solutions business line focus on applications in the semiconductor industry. The properties of products made of isostatic graphite, porous graphite, as well as of insulating materials made of hard and soft felt have been further developed to meet the stringent specifications of semiconductor processes. This has a positive impact on the optimized use of raw materials and the lifespan of products in customer processes. Innovative coating solutions, essential for the efficiency of epitaxy processes in the semiconductor industry, among other applications, complete the comprehensive product range of the Electronic and Industrial Solutions business line.

The Mechanical Solutions business line develops electrical contact materials, among other things. Wind turbines with higher power outputs and new automotive applications are the focus of development activities.

The GS business unit is developing next-generation gas diffusion layers for fuel cell and electrolysis applications. Furthermore, bipolar plates represent another key area of development for the Fuel Cell Components business line.

For applications in sealing technology, the Expanded Graphite Products business line has developed products using a novel surface treatment system. This innovative approach reduces leakage rates while improving non-stick properties. The production of PFAS-free products is another key development topic.

The development and certification of graphite materials for modern fourth-generation nuclear reactors, particularly small modular reactors (SMRs), was also a key focus of development work within the Graphite Solutions business unit. Initial successes were achieved with the conclusion of a three-year supply contract for the delivery of graphite material for four SMRs.

Across all product groups, we are investigating alternative raw materials, material cycles, and energy-efficient production processes to sustainably secure raw material supply and to promote resource-efficient manufacturing.

PT business unit – Achieving market leadership through technological innovation

The PT business unit continues to focus on technological differentiation, which remains a key success factor and therefore a long-term goal. Continuous development and innovation at various levels contribute significantly to achieving this objective. Competitiveness is strengthened through product refinements, cost optimization, and compliance with new requirements and regulations. Product refinements enable access to new applications and markets.

For example, as part of a research project funded by the Bavarian Hightech Agenda, we are working with strategic partners to develop the fundamentals for evaluating inhomogeneous materials using artificial intelligence. The results inform the development of novel calculation methods and standards for the mechanical design of pressure-bearing components made of materials such as graphite. Material savings can help optimize costs and conserve resources.

In addition to improving resource efficiency, key principles for the PT business unit's development activities include reducing emissions and waste streams and using alternative and renewable energy sources.

CF business unit – Focus on technologies to improve sustainability

Over the past year, the CF business unit has been involved in the processing of various natural fiber materials. In the textile manufacturing sector, the focus was on developing and optimizing fabrics and fabrics made from flax, hemp, and basalt, as well as their further processing.

In the field of pre-impregnated materials (prepregs), we have developed products based on flax fibers for various customer projects and accelerated their market readiness.

In addition to our work on sustainable reinforcement fibers, we have also launched projects to develop bio-based and recyclable resin systems, enabling further CO₂ savings in fiber composite components.

CS business unit – future areas of mobility and defense

The CS business unit's core activities remain in composite components for automotive applications in the mobility sector. Despite a regionally delayed ramp-up, the transition to climate-friendly powertrains remains the primary driver in the development of new electrified vehicle architectures within the automotive industry.

For applications such as battery housings or underbody protection components, the focus is increasingly on cost-effective and mass-producible manufacturing processes, in addition to the mechanical requirements that are excellently met by composite materials. This is because the market is particularly demanding cost-effective solutions for electromobility. The highly efficient processes for manufacturing composite components in both small and large series, which have been successfully used at SGL Carbon for many years, are therefore being further developed specifically for the use of thermoplastic matrix materials. These materials combine the advantages of fast cycle times for high-volume production with expanded design possibilities. Additional strengths of these materials include sustainability through more efficient material use due to near-net-shape fabrication, as well as improved recyclability for manufacturing waste and end-of-life components.

To meet the special requirements regarding impact and fire exposure of these battery housing components, our specially developed test benches were used and the material and component development was accelerated. For fire protection applications, the newly developed process chain based on powdered phenolic resins and continuous glass fiber reinforcement, which was awarded the prestigious Innovation Prize of the Reinforced Plastics Industry Association (AVK), has been further improved and tested by customers.

Crash structures are another area where composites are used in automotive chassis. Since the engine compartment is no longer a classic crumple zone in electric vehicles, completely new crash concepts must be developed for frontal impacts. These concepts utilize composite structures as absorbing elements to prevent obstacles from penetrating the passenger compartment. Composite materials can also be used in the powertrain of electric vehicles. Carbon fiber-based reinforcement sleeves, for instance, are being developed for the rotors of high-performance electric motors. These wound components offer particularly good resistance to centrifugal forces due to their ideally aligned fiber reinforcement, enabling increased motor speeds with low weight.

Further development work has begun to supply the additional growth area of the defense industry with innovative composite solutions. Composite materials are used here for various applications based on specific requirements. For example, they are used in the automotive sector due to their low weight, in protective systems due to their good ballistic properties, or in systems that are difficult to locate due to their good thermal or electromagnetic insulation properties.

In order to be a technical leader and provide our customers with the support they need, we have closely aligned our development to the needs of our customers. This means we can answer the most important customer questions and establish precisely defined development objectives from the very start of a project. We supplement our material expertise with component design know-how, system knowledge, and simulation capabilities so that we can offer our customers solutions up to the finished product from a single source.

We continued to work intensively in the area of sustainable composites, fiber-reinforced composites with a reduced carbon footprint, and improved recyclability. The focus here was on the use of thermosetting resins based on renewable raw materials, which can be chemically broken down into their constituents at the end of their service life. Furthermore, the intensive collaboration with various companies from the recycling industry for reprocessing fiber composite components was continued and expanded to include new approaches.

Industrial cooperation and research networks as the key to success (unaudited)

SGL Carbon continues to be an active member of the executive committees of the international scientific carbon societies. SGL Carbon is also an active member of Composites United e.V. This association of companies and research institutions covers the entire value chain of high-performance fiber composites in Germany, Austria, and Switzerland.

SGL Carbon is also represented on the board of the DAI - Deutsches Aktieninstitut.

In addition, SGL Carbon is a member of the Working Group on Carbon (Arbeitskreis Kohlenstoff, AKK) and is represented on its board. This is an independent interest association in both the German Ceramic Society and the European Carbon Association that aims to promote research in the field of carbon.

Economic Report

Overall economic and industry-specific underlying conditions

Economic conditions

Uncertainty about the stability and development of the [global economy](#) remained resilient, according to analyses by the International Monetary Fund (IMF) in October 2025 and January 2026, as well as by the OECD (December 2025, OECD Economic Outlook). However, the world's economies, institutions, and markets have adapted to an environment marked by increased protectionism and fragmentation. After a strong start in 2025, the global economy slowed in response to trade policy changes and growing uncertainty. In its April 2025 outlook, the IMF revised its global growth forecast for 2025 downward by 0.5 percentage points to 2.8%. This was based on the assumption that tariffs would create a supply shock for the countries imposing them and a demand shock for the affected countries. In July 2025, announcements of tariff reductions from April's peak led to a slight upward revision to 3.0%. Inflation forecasts remained largely unchanged overall, but rose in the USA and fell for many other economies. According to the IMF, the global economy demonstrated stronger-than-expected resilience to adverse influences, resulting in a stable global growth rate of 3.3% in 2025 compared to the previous year.

According to IMF calculations, 2025 growth in developed economies was slightly weaker than the previous year at 1.7% (2024: 1.8%). On the other hand, growth in developing and emerging economies improved slightly in 2025, reaching 4.4% (2024: 4.3%).

According to IMF calculations, growth in the [USA](#) is expected to slow to 2.1% in 2025, a slight improvement from expectations in October 2025, driven by lower effective tariffs, fiscal stimulus, and easing financial conditions. This forecast still reflects a significant slowdown compared to the previous year (2024: 2.8%) and the January 2025 forecast of 2.7%. The downward revision from January 2025 is primarily due to increased political uncertainty, higher trade barriers, and slower growth in both the labor force and employment.

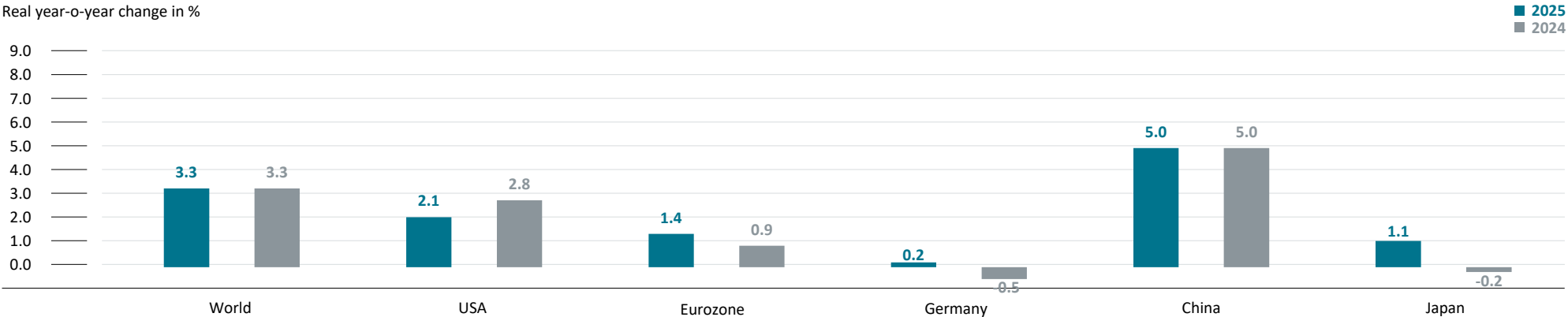
2025 was a year in which external shocks such as tariffs, geopolitical uncertainty, and exchange rate movements affected growth in the [euro area](#). At the same time, the domestic economy and fiscal policy provided robust support. According to the IMF, the bottom line was 1.4% growth in 2025, which was 0.5 percentage points higher than the previous year (2024: 0.9%) despite adverse global conditions. Fiscal measures in the euro area, increased investments in technology and AI, lower trade risks than initially feared, and a generally more resilient global economy are likely to have had a supportive effect.

[Germany's](#) economy grew by 0.2% in 2025, according to IMF calculations, following a decline of 0.5% in the previous year. Overall, Germany's expansive fiscal policy contributed to increased growth in 2025. However, goods exports from major European economies – particularly Germany – to the United States have declined significantly. The recovery in private consumption, driven by higher real wages and tax relief in Germany, only partially offset this.

[China's](#) economic growth stabilized at 5.0% in 2025, remaining at the same level as the previous year (2024: 5.0%), according to the IMF analysis. Compared to the October 2025 calculations, the expectation has been slightly revised upward by 0.2 percentage points, due in part to economic stimulus measures and additional government loans for investment.

Although there may still be some setbacks on the path to price stability, the IMF expects total global [inflation](#) to continue to decline, from an average of 6.7% in 2023 to 5.7% in 2024 and 4.1% in 2025. In the USA, inflation began to rise in the second half of 2025, as the impact of tariffs was no longer absorbed by supply chains but passed on to consumers. By the end of 2025, inflation had reached 2.7%, a significant increase from 2.3% in April 2025, but still lower than the peak of 3.0% in September. By the end of 2025, the inflation rate in the euro area was 2.0%, which was lower overall and less volatile throughout the year than in the USA.

Gross domestic product in 2025 (2024) at a glance



Source: IMF, World Economic Outlook (Update) January 2026

Development of important customer industries

Market segment: Mobility

Global growth driven by electromobility

The mobility and automotive industry in 2025 was undergoing a period of transformation amid economic challenges and supply chain uncertainties. According to a PwC analysis, the global automotive market is projected to grow by 3.8% to 70.6 million vehicles by 2025. Electric vehicles grew by 18.0% to 31.0 million units, while vehicles with other drive types, especially those with internal combustion engines, declined by 5.1%. As a result, electromobility has become increasingly relevant, even though growth in some markets was slower than expected.

Regionally, the growth of **electromobility** varied significantly: Europe (8.4 million vehicles) experienced strong growth of 20.3%. In the USA, growth reached 11.8% to 3.5 million vehicles. China was by far the world's largest market for electric mobility, with 14.8 million vehicles and an 18.0% growth rate.

Pure battery electric vehicles (BEVs) have increased their market share. The prices of new electric cars have fallen significantly compared to last year, while the prices of gasoline and diesel cars have increased. Globally, this vehicle class grew by 29.8% in 2025, reaching 13.7 million vehicles. China led the way with 32.9% growth, followed by Europe at 29.7%. In contrast, BEVs in the USA declined by 0.3%, likely due to the political environment. In 2025, BEVs accounted for around 33% of all vehicle sales in China, across all drive types. This market share was significantly lower globally and in Europe, at 19.4% and 19.5% respectively. Given the strong market growth in China, it is important to consider that this often involves small and medium-sized vehicles, for which the SiC semiconductors relevant to SGL are less well-adapted. This makes the Western European and North American automotive markets more relevant for SGL Carbon.

Overall, the global automotive industry is growing moderately, with electrification remaining the most important driver. China and Europe are the leading markets for battery-powered electric vehicles. Overall, growth expectations in the European and North American electric vehicle markets have weakened over the past two years.

SGL Carbon supplies both graphite and fiber-based products to the automotive industry. Examples include battery boxes for electric vehicles, structural components made of composite materials, gas diffusion layers for fuel cell vehicles, and rotors for brake booster pumps. SGL is both a manufacturer of specialized materials and a provider of solutions for customers in the automotive industry.

Market segment: Energy

Wind industry: Growth to continue to weaken in 2025

According to analyses by the Ember analysis institute, global wind energy production is expected to have grown in 2025 by the smallest amount in over 20 years. Global wind energy production reached 2,158 terawatt-hours (TWh) in the first ten months of 2025. While this is a record, it represents only a 7% increase over the same period in 2024, compared to an average annual growth rate of 14% between 2015 and 2024. This makes 2025 one of the weakest years for growth, due to major political shifts (e.g., in the USA), upheavals in the corporate world, and below-average electricity generation in key markets like Europe and North America.

In addition to being the leader in many areas of the global supply chain, Chinese suppliers will still account for over 40% of the onshore and offshore market in 2025 (and are mainly served locally by national OEMs). All OEMs now have large components or key semi-finished products manufactured in China for export to take advantage of the cost benefits. Production facilities in Europe and America were closed and supply chains reorganized. This also applies to the carbon fiber value chain.

SGL has been feeling the increasing competition from Asian suppliers (overcapacity, low prices) for several years and therefore made the decision in August 2025 to discontinue production of standard carbon fibers at the Moses Lake (USA) site, which were mainly supplied to customers in the wind industry.

Solar / polysilicon: Continued growth in photovoltaic systems

The market for polysilicon plays a crucial role in the solar energy sector, since polysilicon is a key component in the production of solar modules. Renewable energy targets set by various governments and organizations, as well as the declining cost of photovoltaic components and systems, have led to increased demand for solar energy capacity, which in turn creates a growing need for polysilicon.

By the end of 2024, global photovoltaic installations reached 2261 GW, a 29% increase compared to the previous year. Therefore, the demand for polysilicon is expected to be high in the future to support the expansion of renewable energy.

With components made of special graphite, SGL Carbon offers solutions for the highly sensitive process of crystal growth in the manufacturing of solar cells for the photovoltaics industry. These include heaters, crucibles, and heat shields made of high-purity fine-grain graphite or carbon fiber-reinforced carbon, as well as insulation components made of graphite felts.

Fuel cells: A niche market with attractive medium-term growth prospects

Over the past three years, fuel cell vehicles have faced increased competition from battery-electric vehicles, as declining prices for lithium-ion battery systems have given the latter a significant competitive advantage. According to Hydrogen Insight, sales of fuel cell vehicles have steadily declined from their peak of 20,704 units in 2022. In comparison, global sales from January to September 2025 totaled 8,970 vehicles (9M 2024: 9,948 vehicles). Projected for the full year 2025, this would be approximately 12,000 vehicles. In contrast, electric-powered vehicles continued their double-digit annual growth during the same period (2025: 31.0 million vehicles) according to PwC.

In the medium term, fuel cell vehicles are gaining importance as part of the global energy transition. According to MarketsandMarkets (MaM), a market research outfit, government measures, and subsidies for research and development, as well as applications such as the introduction of a new generation of fuel cell vehicles, play a key role in the growth of the fuel cell market. Rising demand for fuel cell vehicles will be one of the factors driving the fuel cell market.

SGL Carbon develops and produces carbon-based products for polymer electrolyte membrane (PEM) fuel cells, including, for example, gas diffusion layers (GDL) and foils as separator plates for fuel cells and redox batteries (expanded graphite).

Nuclear energy: Modular small nuclear reactors with promising long-term growth prospects

Nuclear power generation is a long-term growth market for meeting global energy needs without emitting greenhouse gases. Small modular reactors will particularly benefit from these growth prospects, as they offer a very high level of safety and can be manufactured cost-effectively.

Since the serial production of small modular reactors is only now entering the commercialization phase and the first plants are being built, the success of individual reactor concepts can only be anticipated at a later date.

SGL Carbon has been working in the field of graphite for nuclear applications for decades and offers products certified for these safety-critical applications.

Semiconductor market segment (formerly digitization)

Semiconductors / polysilicon: Positive development supported by AI applications

The semiconductor industry is the second big processor of polysilicon after the photovoltaics industry. Smartphones, computers, power supply units, LEDs, the internet, solar cells – all of these only work with semiconductors. According to futuremarketinsights, the polysilicon market is projected to grow by 10.1% from USD 15.8 billion to USD 17.4 billion by 2025.

According to preliminary results, PC shipments increased by 9.1% in 2025 (previous year: +1.3% increase) to around 270 million units. Gartner expects PC demand to pick up in 2025, driven by updates to PC operating systems and demand for PCs for artificial intelligence.

In a recent publication based on preliminary data, the International Data Corporation (IDC) forecasts 1.25 billion smartphone shipments, which corresponds to an increase of 1.5% for 2025. This represents a significant slowdown in growth compared to the previous year (2024: 6.2%).

According to preliminary results from Gartner, global semiconductor sales increased by 21.0% in 2025 (previous year: +18.8%) to USD 793 billion, driven by higher demand, particularly for logic and memory semiconductors used in data centers, including for artificial intelligence.

After several years of weakness, primarily due to excessive customer inventories, IDC anticipates a slight growth of 3.0% for semiconductors in the automotive sector in 2025. The automotive semiconductor market continues to be supported by the increasing number of semiconductors per vehicle, as well as the use of SiC and GaN semiconductors for electrification and power supply. IDC forecasts growth of 11.0% for industrial semiconductors in 2025, following a 13.9% decline in 2024.

According to predictions by SEMI, the association for the microelectronics industry, sales of semiconductor manufacturing equipment by OEMs will reach a new record of USD 125.5 billion in 2025, up 7.4% compared to 2024. Following a 6.5% increase in 2024, strong demand for AI applications is expected to drive sales of semiconductor manufacturing equipment and new manufacturing technologies.

With components made of specialty graphite, SGL Carbon offers solutions for the manufacture of semiconductors. Examples include graphite crucibles, heating elements, and susceptors made of graphite as well as silicon carbide-coated products and special graphite felts for thermal insulation.

LED: an energy-saving solution in traditional lighting applications

LEDs are durable, economical, ecofriendly, and flat. They replace conventional technologies and make a large number of innovative applications possible in lighting and electronics, in automotive engineering, and in various industrial processes including medical uses.

According to the latest report from TrendForce, the tariffs imposed by the USA in April have led to a decline in corporate investment and economic activity. In the first half of 2025, the overall LED lighting market did not recover as expected. The number of new installations remained low, and demand for replacement products for already installed systems decreased, leading to a continued market decline and weak sales results for market participants.

According to TrendForce, the global LED market is expected to slow to 4.4% growth in 2025, reaching an estimated USD 53 billion in revenue. This decline is primarily driven by demand in various sectors, including automotive lighting and displays, general/architectural/agricultural lighting, LED video screens, and UV/IR LEDs.

With components made of specialty graphite, SGL Carbon offers solutions for the manufacture of LEDs. Silicon carbide-coated susceptors (rotating wafer carriers) made of graphite are essential for quality.

Market segment: Chemicals

Global growth, primarily driven by China

According to calculations by the German Chemical Industry Association (VCI, as of January 2026), after bottoming out at +0.9% in 2022, global chemical industry growth recovered to +1.5% in 2023 and +.2% in 2024. From January to November 2025, growth was 3.7%.

The increase in global growth in 2025 was mainly due China. The world's largest chemical market grew 7.9% in the first 11 months of 2025, compared to 9.1% the previous year. Growth in the USA recovered to 1.6% in the first 11 months of 2025, up from just 0.1% growth the previous year. In the countries of the European Union (EU-27), chemical demand declined by 2.4% between January and November 2025, whereas it had increased by 2.4% in the previous year.

According to VCI analyses, Germany showed a slight recovery in 2023 with 3.0% growth, following the double-digit percentage decline in chemical production (minus 12.1%) the previous year. However, this was short-lived, as demand for chemical products declined by 3.3% in 2025.

The German chemical industry continues to be particularly hard hit by the weak economy and structural problems. In particular, high energy costs have led to a further deterioration in Germany's competitive position in the international arena. According to the Ifo Institute, capacity utilization in Germany's chemical industry was at 72.7% in 2025 and thus still well below the long-term average of 80.9% over the past ten years.

According to the VCI, production of petrochemicals and their derivatives and of polymers in Germany declined by 2.4% and 5.3%, respectively, in the 2025 reporting year. Inorganic basic chemicals also declined by 4.6%. Fine and specialty chemicals also declined, falling 2.6%.

SGL Carbon's business involving chemical plant investments (Process Technology business unit) is typically late-cycle and has also experiences stabilization from maintenance orders that normally take place during periods of lower capacity utilization.

Significant events for the business development

Restructuring of the Carbon Fibers (CF) business unit

The Board of Management decided on February 18, 2025, with the approval of the Supervisory Board, to restructure the loss-making Carbon Fibers (CF) business unit. The Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB) joint venture, which is assigned to the Carbon Fibers business unit, is not affected by the closure of our carbon fiber business. In this context, a restructuring plan was developed that included closing unprofitable sites to focus CF on a profitable core. This includes the closure of our acrylic fiber production plant and SGL's own precursor in Lavrado, Portugal, which was largely completed during the reporting period. Furthermore, production at our Moses Lake (USA) plant, which manufactured carbon fibers, was shut down in August 2025, and the site was decommissioned. The reduction in business activities also led to a reduction in administrative functions. As of December 31, 2025, SGL Carbon had recorded €65.8 million in restructuring expenses for CF in the consolidated income statement, of which €34.9 million was cash-effective.

Impairment tests

As part of the impairment test, impairment risks were identified in the following business units:

The Composites Solutions (CS) business unit, with its medium-term plan updated in the fourth quarter of 2025, significantly underperformed initial expectations. Continued weak demand, largely driven by the automotive sector, and delays in launching new production lines have dampened growth prospects. Therefore, an impairment test was conducted, and a non-cash impairment loss of €12.8 million was identified for fixed assets.

In the Graphite Solutions (GS) business unit, a capacity expansion under construction was halted due to a significant and sustained decline in prices and market overcapacity. Commissioning is no longer planned. The corresponding machines have been depreciated, resulting in an impairment loss of €10.6 million.

For reporting purposes, impairments losses, restructuring expenses, and other one-time expenses or income are grouped under the heading “non-recurring items and one-off effects.” In the 2025 fiscal year, these non-recurring items and one-off effects totaled a minus €92.8 million (previous year: minus €118.5 million), including restructuring expenses of €65.8 million (previous year: €19.0 million) and impairment losses of €23.6 million (previous year: €91.2 million).

Deferred taxes

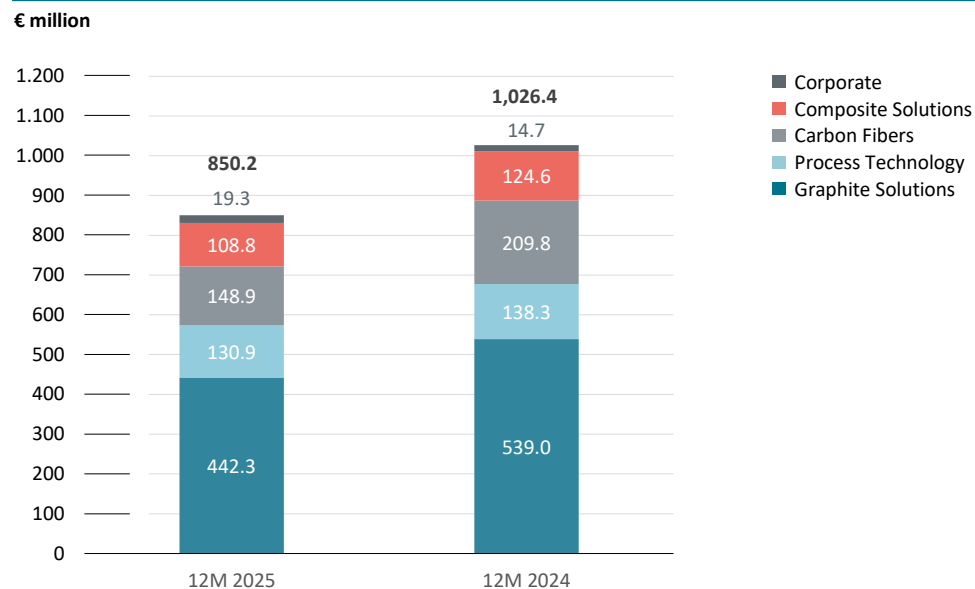
Due to a significant reduction in the forecasts in the 2025 fiscal year for future tax results compared to the previous year's budget, deferred tax assets were assessed for impairment risks. The adjusted earnings prospects in the Graphite Solutions (GS) business unit is primarily influenced by lower growth expectations for the following years in sales of electric vehicles and the associated delay in our focus market of semiconductors. Additionally, the restructuring of the CF business unit, which was approved in 2025, and the related discontinuation of production at the Moses Lake (USA) site, also contributed to the negative variance from plan. This resulted in an impairment loss of €32.5 million.

Group business development

Declining demand across all four operating business units is weighing on the Group's revenue performance.

SGL Carbon generated consolidated sales revenue of €850.2 million in the 2025 fiscal year (2024: €1,026.4 million). This represents a slight decrease of €176.2 million or minus 17.2% compared to the same period of the previous year. Adjusted for currency translation, the decline in sales revenue was less pronounced, at minus 15.9%. This is primarily due to the US dollar's weakness against the euro.

Group sales revenue development

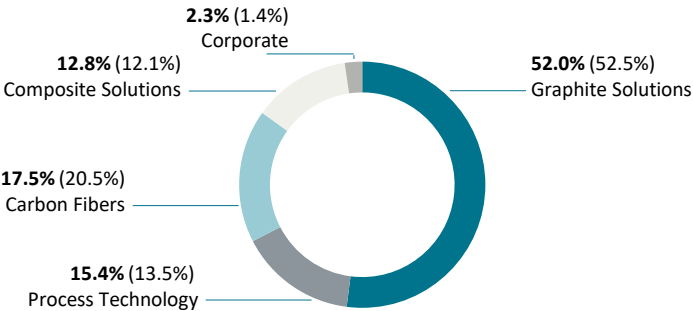


The decline in Group sales revenue is primarily due to negative volume effects. These results are primarily due to the discontinuation of unprofitable business activities within the Carbon Fibers business unit. Foreign exchange and price effects played only a minor role in revenue performance. In addition to market-specific developments such as declining demand and high levels of uncertainty in the automotive industry, which is important for SGL Carbon, the weak economic environment, and the unpredictability of global trade relations also weighed on demand for our products. Furthermore, the withdrawal from unprofitable business activities, particularly in the Carbon Fibers business unit, contributed to the Group's decline in sales revenue.

With 52.0% (2024: 52.5%) of Group revenue, Graphite Solutions (GS) business unit is the Group's largest revenue driver, followed by Carbon Fibers (CF) with 17.5% (2024: 20.5%). The Process Technology (PT) and Composite Solutions (CS) business units contributed 15.4% (2024: 13.5%) and 12.8% (2024: 12.1%) to Group revenue, respectively. The Corporate

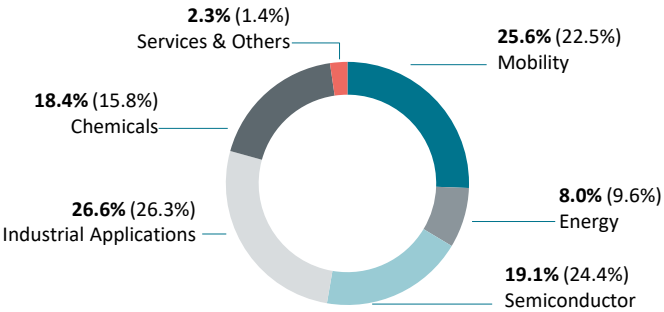
segment's revenue share increased to 2.3% (2024: 1.4%), primarily due to the lease of new production buildings to the joint venture Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB) at the Meitingen site.

Sales by business units 2025 (2024)



Our customers are assigned to specific market segments based on their business activities or industry affiliation. For example, the mobility market segment includes our sales to customers in the automotive and aerospace industries. By the end of 2025, the definitions of individual market segments were standardized at both the Group and business unit levels. The naming of the business unit market segments now follows the Group's classification. Market segments that are no longer significant due to restructuring or market conditions are no longer reported separately, but are integrated into other market segments. For example, sales to customers in the solar industry are now assigned to the energy market segment.

Sales by market segments 2025 (2024)



Group sales were primarily impacted by weak demand in the semiconductor market segment (formerly digitalization), which accounted for the largest share of the decline in group revenue, with a decrease of €88.0 million, or 35.1%. Sales revenue in this market segment are particularly driven by the demand for specialty graphite components from the GS business unit for semiconductor manufacturing. Expectations of annual growth rates of around 30% for battery-powered electric vehicles, the primary application for silicon carbide-based power semiconductors, were not met in 2025. In addition, our customers continue to have high inventory levels. This has also negatively impacted demand for our products, significantly reducing GS sales revenue compared to the previous year.

The Industrial Applications market segment, at 26.6%, is SGL Carbon's largest market segment and demonstrates the wide range of applications for our products. Due to weak economic conditions and resulting cautious demand from our customers, sales to our industrial clients decreased by €44.2 million, or 16.4%. This market segment also includes sales from the former Textile Fibers market segment, which will be discontinued after production ceases in 2025.

The Energy market segment, which primarily serves customers in the solar and wind industries, experienced the third-largest decline in sales within the Group, with a decrease of €29.6 million (down 30.2% compared to the previous year). This is due to continued weak demand for carbon fibers from this industry. High overcapacity in carbon fiber

production, particularly in Asia, coupled with a continuously declining price level, led to the decision to restructure the CF business unit.

Other important market segments include Chemicals and Mobility, whose sales remained nearly unchanged compared to the previous year. Customers in our PT business unit account for the majority of sales revenue in the Chemicals market segment. Despite the challenging market environment, particularly in the chemical industry, PT managed to stabilize its sales at a high level in the 2025 reporting year, reaching €130.9 million compared to the previous year (2024: €138.3 million). This was achieved thanks to the strong order backlog from the previous year and PT's international market development efforts. Overall, sales in the Chemicals market segment remained nearly flat year-over-year, at €156.2 million compared to €161.9 million in the previous year.

The Mobility market segment primarily comprises sales to customers in the automotive and aerospace industries, and is a key sales area for our graphite business as well as for CF and CS. The correlation between the development of the automotive industry and the demand for our products is correspondingly high. Overall, sales to mobility customers declined only slightly (minus €13.3 million or 5.8%).

The newly introduced Services and Other market segment is the smallest within SGL Carbon, with sales of €19.3 million (plus €4.6 million or 31.8%). It is included in the Corporate reporting segment (2024: €14.7 million). As previously mentioned, this includes service and rental income.

Further details on the sales performance of the business units can be found in the segment reporting section of this Annual Report.

Regional development of consolidated sales revenue: Increase in European sales share

Europe was again the core focus of SGL Carbon's business with sales revenue of €416.0 million, representing 48.9% of the total (2024: 46.0%). Germany continued to be the largest single market with a share of €252.9 million, or 29.7% of the total (2024: 25.7%).

Sales revenue by target region

€m	2025	Share	2024	Share	Change
Germany	252.9	29.7%	263.9	25.7%	- 4.2%
Europe excluding Germany	163.1	19.2%	208.6	20.3%	- 21.8%
USA	160.6	18.9%	226.5	22.1%	- 29.1%
China (incl. Hongkong)	114.0	13.4%	134.2	13.1%	- 15.1%
Other Asia	122.9	14.5%	144.8	14.1%	- 15.1%
Rest of world ¹⁾	36.7	4.3%	48.4	4.7%	- 24.2%
Total	850.2	100.0%	1,026.4	100.0%	- 17.2%

¹⁾ Latin America, Africa, Canada, Australia

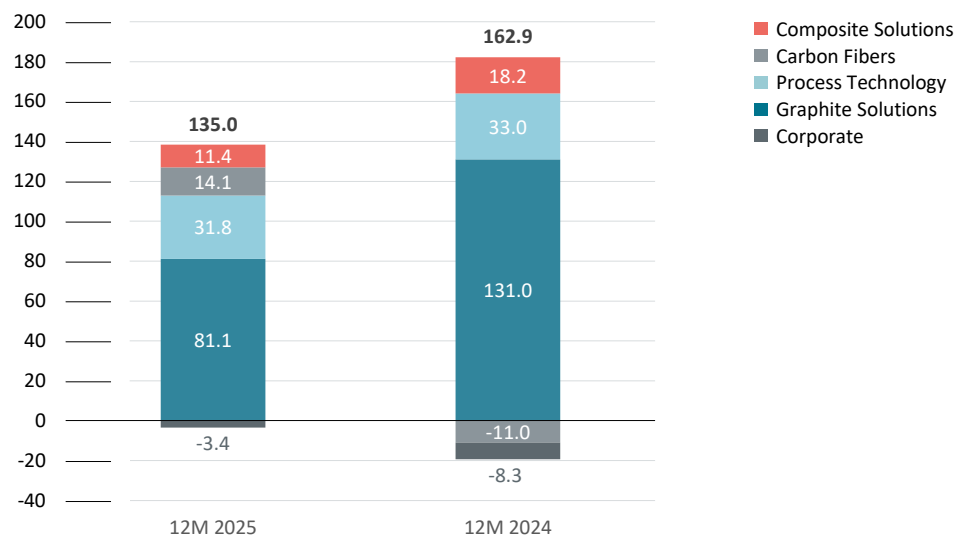
Financial performance of the Group

Due to significantly lower demand and the resulting decline in sales, SGL Carbon's adjusted EBITDA decreased by 17.1% compared to the previous year to €135.0 million (2024: €162.9 million). The lack of revenue contributions led management to focus on securing profitability during the reporting period through a package of quickly and consistently implemented countermeasures. This includes discontinuing unprofitable business activities and the associated closure of sites, adjusting staffing levels, and implementing strict cost management.

The adjusted EBITDA margin remained stable at 15.9%, consistent with the previous year (2024: 15.9%).

Earnings development – EBITDA adjusted

€ million



The Group's profitability was primarily impacted by a decline in adjusted EBITDA from the GS business unit. The decline in high-margin sales to semiconductor customers resulted in a significantly lower earnings contribution. Following €131.0 million in the previous year, GS achieved an adjusted EBITDA of €81.1 million in the 2025 reporting year. This represents a decrease of €49.9 million or minus 38.1%.

Following capacity adjustments and the discontinuation of unprofitable product lines as part of the restructuring plan approved in early 2025, CF's adjusted EBITDA improved from a loss of €11.0 million in the previous year to a profit of €14.1 million in the reporting period. This was achieved through a significant reduction in fixed costs and strict cost management.

The increasingly short-term and cautious demand from the automotive industry weighed on both sales revenue and earnings for the CS business unit in the 2025 fiscal year. Additionally, the first quarter of 2024 still included revenue from a profitable contract that

had already ended. Compared to the previous year, adjusted EBITDA decreased by 37.4% to €11.4 million (2024: €18.2 million).

The PT business unit continued to build on the profitability of the previous year in the 2025 fiscal year. Large, customized, and technologically advanced projects helped stabilize earnings at a high level. At €31.8 million, adjusted EBITDA remained nearly stable compared to the previous year (2024: €33.0 million).

Strict cost management, particularly for indirect costs, the adjustment of processes and functions to the company's new size, and lower expenses for variable salary components increased the adjusted EBITDA in the Corporate reporting segment by €4.9 million to minus €3.4 million (2024: minus €8.3 million).

Further details on the development of adjusted EBITDA for all four operating business units can be found in the segment reporting section of this Annual Report.

Income statement (presentation adjusted)

€m	2025	2024	Change
Sales revenue	850.2	1,026.4	-17.2%
Cost of sales	-649.3	-793.6	-18.2%
Gross profit	200.9	232.8	-13.7%
Selling expenses	-79.7	-91.3	-12.7%
Research and development costs	-20.0	-25.7	-22.2%
General and administrative expenses	-29.4	-34.7	-15.3%
Other operating income/expense	2.5	7.3	-65.8%
Result from investments accounted for At-Equity	7.3	15.8	-53.8%
EBIT pre	81.6	104.2	-21.7%
Non-recurring items and one-off effects	-92.8	-118.5	-21.7%
EBIT	-11.2	-14.3	-21.7%
Financial result	-30.4	-32.6	-6.7%
Result before income taxes	-41.6	-46.9	-11.3%
Income tax expense / income	-36.7	-32.5	12.9%
Non-controlling interests	-0.9	-0.9	0.0%
Consolidated net result (attributable to the shareholders of the parent company)	-79.2	-80.3	-1.4%
Earnings per share, basic (in €)	-0.65	-0.66	-1.5%

Improved gross margin

Compared to the decline in sales (minus 17.2%), the cost of sales fell slightly disproportionately by minus 18.2% to €649.3 million, resulting in an increase in the gross margin from 22.7% to 23.6% compared to the previous year. Lower factor costs (primarily energy, indirect costs, and slightly reduced raw material costs), along with reduced personnel costs resulting from the restructuring, were the main contributors to this development.

Selling, R&D, and administrative expenses

The lower selling expenses compared to the previous year were mainly due to lower delivery volumes in the CF business unit resulting from the restructuring, and, to a lesser

extent, in the GS business unit. Lower personnel and freight costs also contributed to the decline.

Research and development costs decreased by 22.2% to €20.0 million (2024: €25.7 million), as development activities for graphite anode material (GAM) were discontinued partway through the previous year.

In the 2025 fiscal year, general administrative expenses decreased again by 15.3% to €29.4 million. General administrative expenses also include the variable compensation components of the management level, the amount of which is based primarily on the earnings performance of the Company. The further reduction in administrative costs is therefore mainly due to lower expenses for short-term variable salary components.

Other operating income and expenses

Other operating income and expenses that cannot be allocated to functional costs amounted to net income of €2.5 million in 2025 (2024: net income of €7.3). This was primarily due to a €2.5 million decrease in public funding following the discontinuation of GAM operations in the previous year (2024: €3.9 million).

Result from equity method investments

Due to the weaker business development of our joint venture Brembo SGL (BSCCB), result from investments accounted for using the equity method decreased significantly by 53.8% to €7.3 million in the 2025 fiscal year (2024: €15.8 million). BSCCB is one of the leading manufacturers of carbon ceramic brake discs, which are mainly used in sports and luxury vehicles.

One-off effects and non-recurring items

We use adjusted EBITDA and adjusted EBIT as our key earnings indicators. The key earnings figures are adjusted for the following effects:

- Effects of impairment (IAS 36) and purchase price allocation (IFRS 3) and effects on earnings from assets held for sale
- Income/expenses from restructuring

- Proceeds from the sale of land and buildings
- Proceeds from insurance claims, except where offset by costs incurred in the reporting period
- Other material one-off effects that do not reflect the development of the business.

One-off effects and non-recurring items that are not included in adjusted EBITDA or adjusted EBIT amounted to a net total of minus €92.8 million (2024: €118.5 million).

These include restructuring expenses totaling €65.8 million in the reporting year, primarily from the restructuring of the CF business unit, which accounted for €59.8 million. The restructuring expenses for the CF business unit include the write-down of property, plant, and equipment and inventories (€16.0 million), as well as personnel measures (€15.9 million) and dismantling costs, including contractual obligations from early contract terminations and other restructuring costs no longer associated with ongoing activities, totaling €27.9 million.

Furthermore, the one-off effects and non-recurring items include impairment losses on fixed assets totaling €23.6 million, specifically €12.8 million from the CS business unit and €10.6 million from individual assets at GS. This was primarily due to reduced future earnings expectations stemming from the deteriorating economic situation and continued restrained demand, particularly from the semiconductor and mobility market segments.

In the 2024 fiscal year, one-off effects and non-recurring items primarily consisted of restructuring expenses from the discontinuation of GAM activities (GS business units) and impairment losses of €91.2 million on CF business unit assets.

The overview below shows the influence of the one-off effects and non-recurring items on the determination of the key financial indicators.

	2025	2024
EBIT	-11.2	-14.3
+ expenses from restructuring	65.8	19.0
+ Impairment/ Purchase price allocation-Effects	24.6	92.4
+/- one-off effects	2.4	7.1
EBIT pre	81.6	104.2
+ Amortization/depreciation expense on other intangible assets, property, plant and equipment and investment property	53.4	58.7
EBITDA pre (= EBIT pre plus depreciation and amortization)	135.0	162.9

Adjusted EBITDA margin remains at last year's level despite weak business performance – countermeasures are having an impact.

Adjusted EBITDA was significantly lower in the reporting year than in the previous year. The significant decline is primarily attributable to the effects detailed in the preceding sections. Despite the decline in absolute earnings, the EBITDA margin remained nearly unchanged from the previous year. This is due to the discontinuing unprofitable business activities and the associated closure of sites, adjusting staffing levels, and implementing strict cost management.

Net financial result improved as a result of lower financial debt

€m	2025	2024	Change
Interest income	3.1	5.5	-43.6%
Interest expense on financial debt and other interest expenses	-13.9	-17.1	-18.7%
Imputed interest convertible bonds	-6.4	-5.9	8.5%
Imputed interest financing lease and contract liabilities	-7.5	-6.6	13.6%
Interest expense on pensions	-6.7	-6.9	-2.9%
Interest expense, net	-31.4	-31.0	1.3%
Amortization of refinancing costs	-1.1	-2.0	-45.0%
Foreign currency valuation of Group loans	1.9	-0.1	-
Other financial income/expense	0.2	0.5	-60.0%
Other financing result	1.0	-1.6	-
Financial result	-30.4	-32.6	-6.7%

The net financial result improved by €2.2 million as of December 31, 2025, compared to the same period last year. This was largely due to lower interest on financial debt, which was in turn attributable to the repayment of the €75 million term loan facility in 2024. Conversely, the €2.4 million decrease in interest income had a notable impact.

Interest expenses for financial liabilities include primarily interest from the convertible bond 2022/2027 issued in September 2022 for €101.9 million and the convertible bond 2023/2028 issued in June 2023 for €118.7 million, with an interest coupon of 5.75% in each case. The average cash interest rate decreased to 5.52% p.a. in 2025 (2024: 5.65% p.a.).

The non-cash imputed interest on the convertible bonds is established by approximating the below-market coupon with the comparable market interest rate at the time the convertible bonds were issued. The imputed interest on lease liabilities and the increase in non-current customer prepayments also resulted in non-cash interest expenses of €7.5 million, which are reported separately in the net financial result (2024: €6.6 million). Due to lower discount rates, the interest expense on pensions in the 2025 fiscal year was €6.7 million, slightly lower compared to the previous year's expense of €6.9 million.

For further information on issued convertible bonds, please refer to [Note 26](#) to the Consolidated Financial Statements.

Group tax expense was negatively impacted by the further write-down of deferred tax assets

The total tax expense for the 2025 fiscal year amounted to €36.7 million (2024: €32.5 million). This development is largely due to negative valuation adjustments on deferred tax assets, resulting from weaker earnings prospects in the USA, amounting to minus €32.5 million (2024: minus €20.0 million). At €8.3 million (2024: €11.6 million), current tax expenses were slightly below the previous year's level and result from the positive operating earnings contributions of several Group companies.

For further information, please refer to [Note 11](#) to the Consolidated Financial Statements.

Income attributable to non-controlling interests remained unchanged

Non-controlling interests in the consolidated net result (minority interests) comprise the share of income attributable to minority shareholders. Minority interests in the SGL Carbon Group in the 2025 fiscal year related in particular to SGL Gelter (Spain), SGL Quanghai (China), and SGL A&R Immobiliengesellschaft in Lemwerder. At minus €0.9 million, the result attributable to non-controlling interests was unchanged compared to the previous year.

Consolidated net result was affected by restructuring costs and impairment losses

SGL Carbon's consolidated net result was significantly negative at minus €79.2 million, primarily due to lower demand from the semiconductor business and, in particular, the withdrawal from the loss-making activities of the CF business unit (2024: minus €80.3 million, also attributable to CF and the impairment losses incurred there). Based on an average number of shares of 122.3 million, basic earnings per share for 2025 amounted to minus €0.65 (2024: minus €0.66). When calculating diluted earnings per share, the potential new shares to be created from the 2023/2028 convertible bond and the 2022/2027 convertible bond must generally be taken into account. There is no dilutive effect on earnings per share due to the loss situation in the 2025 fiscal year. Diluted

earnings per share for the year under review accordingly amounted to minus €0.65 (2024: minus €0.66).

Net result of SGL Carbon SE

SGL Carbon SE, the parent company of the SGL Group, reported a net loss of €409.2 million for the 2025 fiscal year (2024: net loss of €110.3 million) in accordance with the German Commercial Code. The net loss for the year is primarily due to the assumption of losses under existing profit and loss transfer agreements. The main factors influencing this was the €354.8 million (2024: €144.1 million) impairment of financial assets at an indirect subsidiary in the USA, driven by adjusted earnings forecasts. These are based on significantly lower growth expectations for the following years in sales of electric vehicles and the associated delay in the focus market of semiconductors relevant to the Graphite Solutions business unit. Furthermore, the €96.9 million loss from SGL Technologies GmbH (2024: €27.4 million) had a negative impact on the annual results. The profit transfer from SGL Carbon GmbH of €17.6 million had a positive counteracting effect (2024: €62.4 million).

The accumulated loss brought forward from the 2024 fiscal year increased from €711.5 million to €1,120.7 million due to the net loss for the year. Together with the share capital and the capital reserves and retained earnings, the distributable accumulated loss results in equity of SGL Carbon SE of €430.7 million as of December 31, 2025 (2024: €839.9 million).

Financial performance of reporting segments

To increase transparency and for simplification purposes, we have aligned the market segments of the business units with the group-level designations. We have also consolidated market segments where revenue fell below a significant level for the business units. We have presented a transition of the market segments within each business unit.

Reporting segment Graphite Solutions

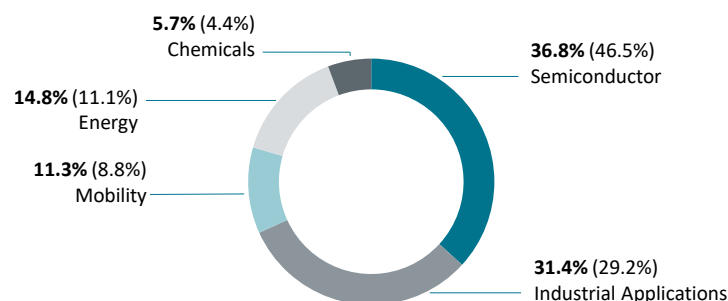
€m	2025	2024	Change
Sales revenue	442.3	539.0	–17.9%
EBITDA pre	81.1	131.0	–38.1%
EBIT pre	48.0	97.4	–50.7%
EBIT	34.8	76.9	–54.7%
EBITDA pre margin	18.3%	24.3%	–6.0%-points
Capital expenditures in intangible assets and property, plant and equipment	43.2	60.5	–28.6%
Headcount (Year end)	2,256	2,477	–8.9%

Market segments

Old	New
Battery Materials	Energy
Solar	Energy
Semiconductor & LED	Semiconductor
Automotive & Transport	Mobility
Chemicals	Chemicals
Industrial Applications	Industrial Applications

The significant decline in sales revenue in the **Graphite Solutions (GS)** business unit of 17.9%, is primarily due to reduced demand from the semiconductor market segment (formerly: Semiconductor & LEDs), which saw a significant decrease in sales revenue of €88.0 million, or 35.1%, to €162.6 million (2024: €250.6 million). The Semiconductor market segment also includes sales revenue to our customers in the silicon carbide (SiC) semiconductor unit, which saw a significant decrease in product demand in 2025 compared to the previous year. Lower sales of electric vehicles than initially expected, which are the main users of SiC semiconductors, and lower growth expectations for the following years have led to high inventory levels among our customers, which will not be fully reduced by 2025. Furthermore, Western electric vehicle manufacturers, in particular, have postponed the market launch of new vehicle models featuring SiC semiconductor technology.

GS business unit sales revenue by market segment 2025 (2024)



Despite the significant decline in demand for products used in the production of SiC semiconductors since the second half of 2024, we remain convinced that this group will form the next generation of semiconductors. They are more powerful, smaller, extremely efficient, and lose less energy. They are used mostly in the field of electromobility, energy storage, and wherever higher-performance semiconductors are required. The GS business unit also supplies important components essential for high-temperature processes at the beginning of the value chain for semiconductor manufacturing.

The second-largest market segment for GS, Industrial Applications, encompasses a wide range of graphite products for a variety of industries. Due to the ongoing challenging and uncertain economic conditions in many of our sales markets, sales to these customers decreased by €18.5 million, or 11.7%, to €139.1 million compared to the previous year.

The new Energy market segment primarily comprises GS sales of battery and solar materials and has increased slightly year-on-year. While business with gas diffusion layers for fuel cells increased significantly, sales in the solar sector declined due to high competitive pressure from Asia. Furthermore, the loss-making production of graphite anode material (GAM) was closed during 2025. Overall, revenue in this market segment increased by 9.6% to €65.5 million (2024: €59.8 million).

Despite an increasingly challenging market environment, the Mobility market segment (formerly Automotive & Transport) saw a slight sales growth of 5.3% compared to the previous year. Contributions to sales from customers in the chemical industry increased by 6.9%.

The significant decline in sales in the business unit could not be offset by cost-cutting measures, resulting in a 38.1% year-on-year decrease in adjusted EBITDA for GS. This is primarily due to a decline in demand for high-margin products in the semiconductor industry, which has resulted in lower production capacity utilization. Price effects played only a minor role. The adjusted EBITDA margin decreased significantly year-over-year to 18.3% (2024: 24.3%).

GS's EBIT, adjusted for non-recurring items and one-off effects, decreased by 54.7% to €34.8 million (2024: €76.9 million), reflecting the business development presented. This includes non-recurring items and one-off effects of minus €13.2 million, primarily resulting from the impairment of individual fixed assets in the semiconductor market segment due to the ongoing deterioration in business development in the felt business. The same period last year included non-recurring items and one-off effects of minus €20.5 million from the discontinuation of activities in the Graphite Anode Materials (GAM) segment.

Capital expenditures in the GS business unit totaled €43.2 million in 2025, and were therefore, as expected, lower than the previous year (2024: €60.5 million). Capital expenditures were primarily made in new systems and machines for our semiconductor focus market, especially for SiC applications. Most of the capital expenditures were used to expand capacity at GS's semiconductor-related sites in Bonn, Meitingen, St. Marys (USA) and Shanghai (China). Almost all production steps were expanded, from green production to cleaning and machining. The following expansion measures were started or continued in 2025:

- Expansion of SiC coating capacity for semiconductor customers at the St. Marys site (USA)
- Expanding machining capabilities for semiconductor products at the Bonn site
- Capacity expansion for felts at the St. Marys site (USA). Graphite felts are used as insulation materials in high-temperature processes, including in the semiconductor industry
- Capacity expansion in the isostatic graphite value chain at the Chedde site (France)
- Continuing to expand cleaning capabilities at the Bonn site.

In the 2025 fiscal year, we received advance payments of around €20 million from customers in the semiconductor industry to expand our production capacities (2024: around €46 million). The customer prepayments are linked to purchase agreements that ensure the utilization of our capacities.

Reporting segment Process Technology

€m	2025	2024	Change
Sales revenue	130.9	138.3	−5.4%
EBITDA pre	31.8	33.0	−3.6%
EBIT pre	30.0	31.5	−4.8%
EBIT	29.9	31.5	−5.1%
EBITDA pre margin	24.3%	23.9%	0.4%-points
Capital expenditures in intangible assets and property, plant and equipment	1.2	2.3	−47.8%
Headcount (Year end)	469	485	−3.3%

With sales slightly below the previous year, the **Process Technology (PT)** business unit confirmed the overall stability of its business activities and our expectations. The business in Asia was able to expand slightly. This business unit primarily generates revenue from customers in the chemical industry. No adjustments were made to the market segments of this business unit. PT benefited from its global customer base, particularly from the delivery of major projects, especially in the first quarter of 2025. Despite growing economic challenges for the chemical industry, PT was able to maintain a high level of sales in the following quarters, thanks in part to technically sophisticated products and customized customer solutions. Due to the economic conditions described for our customers, PT's order entry in the 2025 fiscal year is significantly lower than the previous year. This is primarily due to the postponement or cautious approach to commissioning new large-scale projects.

In addition to the completion of major projects, PT continued to benefit from a strong service business. However, other industries with corrosive processes, such as the semiconductor and battery industries, are also increasingly using PT's expertise and product

solutions. From order entry to order delivery, PT can sometimes take several months, as components are developed and built individually and are tailored to the customer.

The completion and delivery of several large-scale projects, coupled with efficient project management and strict cost control by PT, is also reflected in the increased adjusted EBITDA compared to the same period last year. Positive cost effects on raw materials, along with lower maintenance and personnel costs, resulted in a 0.4 percentage point improvement in the adjusted EBITDA margin compared to the previous year. There were no relevant non-recurring items or one-off effects in the 2025 fiscal year.

Capital expenditures in the business unit totaled €1.2 million in fiscal year 2025 (2024: €2.3 million). PT's capital intensity is significantly lower than that of the other business units because due to project-based contract manufacturing and the service business.

Reporting segment Carbon Fibers

€m	2025	2024	Change
Sales revenue	148.9	209.8	−29.0%
EBITDA pre	14.1	−11.0	-
EBIT pre	10.6	−20.7	-
EBIT	−49.4	−117.1	−57.8%
EBITDA pre margin	9.5%	−5.2%	
Capital expenditures in intangible assets and property, plant and equipment	0.4	3.1	−87.1%
Headcount (Year end)	476	937	−49.2%

Market segments

Old	New
Automotive	Mobility
Aerospace	Mobility
Wind Energy	Energy
Industrial Applications	Industrial Applications
Textile Fibers	Industrial Applications

After two years of negative contributions, the restructuring efforts initiated in March 2025 led to a positive adjusted EBITDA for the **Carbon Fibers (CF)** business unit later in the year. While the discontinuation of loss-making business activities resulted in a 29.0% revenue decline to €148.9 million in 2025 (2024: €209.8 million), it also led to an increase in CF's adjusted EBITDA from minus €11.0 million in the previous year to €14.1 million.

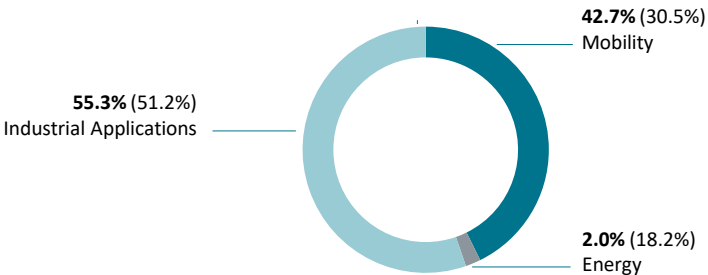
Weak demand from our core markets, such as the wind industry, combined with global overcapacity, persistently low prices, and the resulting lack of competitiveness for European carbon fibers, led to the decision at the beginning of the year to comprehensively restructure the CF business unit. As part of the restructuring, production capacities were further reduced or closed in the first nine months of 2025, and extensive cost-cutting measures were implemented. This includes discontinuing unprofitable business activities, such as the production and sale of acrylic fibers and our own precursor as raw material of carbon fiber.

In the future, CF will focus on profitable products with higher differentiation from international competitors.

The decision to discontinue certain product lines resulted in both a reduction in sales and a reorganization of market segments. The Textile Fibers market segment will no longer be served, so revenues from this segment have been transferred to Industrial Applications. The Industrial Applications market segment, at €82.3 million (2024: €107.5 million), is CF's largest market segment and demonstrates the wide range of applications for fiber and fabric products. Mobility applications also benefit from these products, leading to an increase in revenue from the automotive and aerospace industries, which rose from 30.5% in the previous year to 42.7% in the reporting year. Due to high competition and the

discontinuation of unprofitable business activities, the importance of the Energy market segment (formerly Wind Industry) decreased to 2.0% (2024: 18.2%). In the future, the new business unit Fiber Composites (FC) will focus on the aforementioned market segments.

CF business unit sales revenue by market segment 2025 (2024)



The withdrawal from loss-making business activities and the restructuring measures implemented have led to a significant reduction in personnel, energy, and logistics costs, contributing to an improvement in adjusted EBITDA of €25.1 million to €14.1 million (2024: minus €11.0 million).

The activities accounted for using the equity method, particularly Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB), the joint venture with Brembo for the production of carbon-ceramic brake discs, contributed €7.3 million to the adjusted EBITDA of the CF reporting segment in the 2025 reporting year (2024: €15.8 million). The decline in BSCCB's results can be attributed to two main factors: (i) costs associated with expanding production capacity and relocating equipment to the newly built production hall at the Meitingen site, and (ii) despite BSCCB's positioning as a premium product manufacturer, the company is not fully insulated from the current weak demand in the automotive industry, particularly the delay in the introduction of new vehicle models. Even excluding the contribution from BSCCB, which is accounted for using the equity method, the adjusted operating EBITDA of CF is €7.0 million (2024: minus €27.0 million). After years of sustained losses, CF's reduced operating business is once again generating positive adjusted EBITDA.

Taking into account lower depreciation (€3.5 million in 2025 vs. €9.7 million in 2024), resulting from the write-down carried out in the 2024 fiscal year and the non-recurring items, the EBIT for the 2025 reporting year is minus €49.4 million (2024: minus €117.1 million). In the 2025 reporting year, EBIT includes non-recurring items totaling minus €59.8 million for restructuring expenses. Measures related to the closure of the Lavradio site and the shutdown of production at the Moses Lake site (USA) mainly account for the restructuring expense. Additional restructuring expenses arise from a compensation obligation for the early termination of a supplier contract, as well as restructuring measures at CF's other sites. In the previous year, 2024, CF's EBIT included non-recurring items and one-off effects of €96.4 million, the largest portion of which was attributable to a €91.2 million impairment loss on fixed and current assets.

In the reporting year, the business unit's capital expenditures totaled €0.4 million and were thus significantly below the previous year's level (2024: €3.1 million).

Reporting segment Composite Solutions

€m	2025	2024	Change
Sales revenue	108.8	124.6	-12.7%
EBITDA pre	11.4	18.2	-37.4%
EBIT pre	5.3	11.5	-53.9%
EBIT	-9.0	10.6	-
EBITDA pre margin	10.5%	14.6%	-4.1%-points
Capital expenditures in intangible assets and property, plant and equipment	5.6	7.5	-25.3%
Headcount (Year end)	359	388	-7.5%

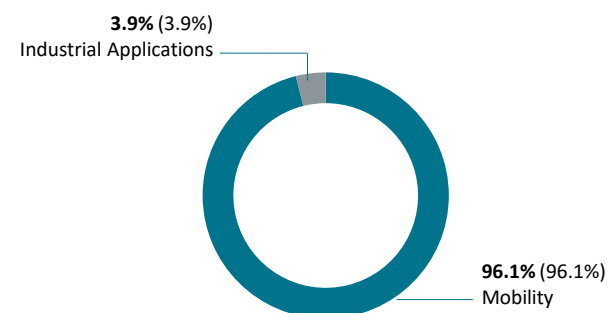
Market segments

Old	New
Automotive	Mobility
Aerospace	Mobility
Industrial Applications	Industrial Applications

The revenue decline for the **Composite Solutions (CS)** business unit is primarily due to its high dependence on the automotive industry, which is currently facing high uncertainty, lower demand volumes, and delays in the launch of new vehicle models. Our customers' orders are correspondingly lower. It should also be noted that the first four months of the previous year still included revenue from a customer contract that had already ended. The business unit also develops and produces customized vehicle components made from various composite materials for customers in Europe and North America.

The Mobility market segment is the dominant segment, accounting for 96.1% of CS's revenue. The remaining 3.9% is generated by customers from various industries, including medical technology and the defense industry. The second half of 2025 saw positive results from securing follow-up projects with existing clients in the automotive industry, although these will only commence in mid-2026.

CS business unit sales revenue by market segment 2025 (2024)



The adjusted EBITDA margin decreased compared to the same period last year due to fundamentally lower demand volumes from the automotive industry and increasing price pressure from customers. Furthermore, the first quarter of the previous year still includes high-margin sales from a contract that expired in mid-2024. Slightly higher personnel and raw material costs, as well as lower energy costs, had only a minor impact on the volume-related decline in earnings.

The EBIT of minus €9.0 million in the reporting year includes non-recurring items of minus €14.3 million, primarily resulting from an impairment of fixed assets. Purchase price amortization and a minor staff reduction contributed only marginally to the non-recurring items.

Capital expenditures in the CS business unit were down from the previous year at €5.6 million (2024: €7.5 million). The main focus of capital expenditures was on expanding the product range for large-scale solutions at the production site in Innkreis, Austria.

Reporting segment Corporate

€m	2025	2024	Change
Sales revenue	19.3	14.7	31.3%
EBITDA pre	-3.4	-8.3	-59.0%
EBIT pre	-12.3	-15.5	-20.6%
EBIT	-17.5	-16.2	8.0%
Capital expenditures in intangible assets, property, plant and equipment and investment property	3.2	23.9	-86.6%
Headcount (Year end)	75	107	-29.9%

The increase in sales revenue in the **Corporate** reporting segment is primarily attributable to higher revenues from the rental of production buildings. By the end of 2024, the new production halls to expand the capacity of the BSCCB joint venture were completed on the SGL site in Meitingen and leased to BSCCB.

Adjusted EBITDA for the Corporate segment improved to minus €3.4 million from minus €8.3 million from the previous year. This improvement of €4.9 million was mainly due to rigorous cost management, personnel adjustments, lower provisions for variable salary components, and higher rental income.

The reported EBIT of minus €17.5 million for 2025 includes non-recurring items and one-off effects of minus €5.2 million, primarily for consulting services and adjusting the workforce to the company's smaller size. These non-recurring items and one-off effects are attributable to the restructuring of CF and capacity adjustments. The Corporate segment

reported a loss of €0.7 million in the previous year, which included non-recurring items and one-off effects. This amount represents the balance of the €3.1 million positive effect from the partial reversal of a provision for the restoration and disposal costs of the former Frankfurt/Griesheim site, offset by €3.8 million in other negative non-recurring items and one-off effects.

Corporate capital expenditures decreased significantly to €3.2 million in 2025 (2024: €23.9 million). This is mainly due to the completion of the new construction project for BSCCB at the Meitingen site. To meet the increased customer demand for high-performance carbon-ceramic braking systems for premium vehicles, BSCCB's production capacity at the Meitingen site has been further expanded.

As in previous years, investments in the Corporate segment in 2025 are thus mainly attributable to maintenance investments and purchased software licenses.

Financial position

Financial management

SGL Carbon's financial management is conducted centrally in order to control liquidity, interest rate and exchange rate risk as best as possible, to ensure compliance with financial covenants, to optimize borrowing costs and to take advantage of economies of scale. The activities of financial management essentially include cash and liquidity management, Group financing via bank and capital market products, money supply for Group companies, customer credit management and the management of interest rate and currency risks.

The primary objective of financial management is to maintain the financial strength of SGL Carbon and ensure solvency at all times. Group Treasury — a centralized function at the Group holding company SGL Carbon SE — controls the activities of financial management worldwide and is supported in its activities by employees in the subsidiaries.

Liquidity management

Operational liquidity management is coordinated and controlled centrally. Control is carried out in close cooperation with the national and international subsidiaries. To the extent that it is legally and economically possible, the majority of cash in freely convertible currencies is concentrated in the Group holding company, SGL Carbon SE, using global cash pooling structures and is used for liquidity balancing between the Group companies. The majority of internal trading and clearing processes are automated via the centrally managed in-house cash center and processed without the need of external bank accounts. Here, the Group holding company acts as a clearing center for participating companies. The number of companies participating in the central in-house cash center came to 26 at the end of 2025 (2024: 27). Where permitted, the weekly payments of supplier invoices are also processed via the global payment factory, meaning the Group's global outflow of liquidity is managed centrally. In the 2025 fiscal year, an average of approximately 99% (2024: 99%) of global supplier payments were processed centrally.

In addition to annual financial planning – which usually extends over a period of five years – liquidity planning is carried out at intervals of one day to one year. The combination of financial and liquidity planning, the free liquidity available, the unutilized credit line and other measures ensure that SGL Carbon has sufficient liquidity reserves at all times. As an additional element of liquidity management, the enterprise has concluded factoring agreements under which trade receivables are regularly sold to factoring partners. The enterprise can thus react flexibly to cash flow fluctuations during the year and meet all payment obligations in good time at all times.

Cash and cash equivalents are invested taking into account the provision of sufficient liquidity for cash flow fluctuations during the fiscal year and the financial stability and systemic importance of SGL Carbon's business partners.

Market price risks

When necessary, SGL Carbon uses both primary and derivative financial instruments to limit financial market price risks, in particular exchange rate and interest rate risks. Derivative financial instruments are only used to minimize and control financial risks. In terms of currency management, SGL Carbon concentrates on hedging the transaction risk

from expected future operating cash flows. Here, the following key risk positions are considered:

- US dollar – euro
- Chinese renminbi – euro
- Japanese yen – euro
- Euro – Polish zloty
- Euro – British pound

Foreign currency forwards are regularly used as hedging instruments to hedge against currency risks. Various currency forward transactions were concluded in the 2025 fiscal year to hedge the exchange rate risk for that fiscal year and the following year. Since only fixed-interest financing instruments are used, there is currently no interest rate risk. The held liquidity (€148.9 million as of December 31, 2025) also creates a natural hedge against interest rate risks for variable financing instruments. Therefore, no interest rate hedges were carried out in 2025. Details regarding the impacts of hedging transactions can be found in the Notes to the Consolidated Financial Statements [Note 29](#).

Debt financing analysis

Group financing is based on the strategic business plans of the operating business units and central Group planning. As of the end of 2025, the financing of SGL Carbon consists primarily of the outstanding amount of the 2023/2028 convertible bond of €118.7 million (coupon: 5.75%, maturing in 06/2028) and the 2022/2027 convertible bond of €101.9 million (coupon: 5.75%, maturing in 09/2027) and various bilateral loans totaling €29.1 million, some of which have remaining terms until 2033.

In the reporting year, the company exercised an option to extend the term of its €100 million syndicated credit line. This extends the term of the syndicated credit line, which was not drawn as of the balance sheet date, by an additional year to March 2028.

At the end of the 2025 fiscal year, the SGL Group therefore had available credit lines for working capital and capital expenditures totaling €100.0 million (2024: €100.0 million). Cash and cash equivalents totaled €148.9 million as of December 31, 2025 (2024: €148.0 million).

Certain real estate, IT equipment, and vehicles have been partially financed through leases. Details can be found in [Note 26](#) in the Notes to the Consolidated Financial Statements.

Free cash flow was significantly positive despite high outflows for restructuring

To assess the Group's ability to generate cash, we use free cash flow as a key performance indicator. The Group's free cash flow is calculated as the cash flow from operating activities minus the cash flow from investing activities. Free cash flow indicates our ability to service recurring and specific cash outflows, such as financial debt repayments, leases, taxes, and interest. The cash and cash equivalents considered in the cash flow statement include the balance sheet items of cash and cash equivalents, as well as term deposits.

SGL Carbon's free cash flow remained nearly constant compared to the 2024 fiscal year. Free cash flow benefited from a decrease in investment activity compared to the previous year, as well as a reduction in the Group's working capital. The deterioration in earnings and the payments made to restructure the Group's carbon fiber activities, particularly the closure and decommissioning of the sites in Portugal and the USA in the 2025 fiscal year, had an adverse effect.

Liquidity and capital resources

€m	2025	2024	Change
Cash flow from operating activities			
EBIT	-11.2	-14.3	-21.7%
Non-recurring items and one-off effects	92.8	118.5	-21.7%
Depreciation/amortization expense	53.4	58.7	-9.0%
Changes in working capital	23.9	3.9	>100%
Income taxes paid	-8.4	-12.1	-30.6%
Change of provisions	-81.7	-30.8	>100%
Miscellaneous items	10.4	-3.6	-
Cash flow from operating activities	79.2	120.3	-34.2%
Cash flow from investing activities			
Capital expenditures in intangible assets, property, plant and equipment and investment property	-53.6	-97.3	-44.9%
Dividend payments and capital repayments from investments accounted for At-Equity	9.2	15.0	-38.7%
Proceeds from the sale of intangible assets and property, plant & equipment	2.2	0.7	>100%
Cash flow from investing activities excluding term deposits	-42.2	-81.6	-48.3%
Free Cash flow	37.0	38.7	-4.4%
Changes in time deposits	-30.0	47.2	-
Cash flow from financing activities	-32.9	-90.5	-63.6%
Effect of foreign exchange rate changes and other changes	-1.3	0.4	-
Cash and cash equivalents at beginning of year	130.2	134.4	-3.1%
Cash and cash equivalents at end of year	103.0	130.2	-20.9%
Time deposits at end of year	47.8	17.8	>100%
Total liquidity	150.8	148.0	1.9%
Net change in total liquidity	2.8	-51.4	-
less: cash and cash equivalents from assets held for sale	-1.9	-	-
Liquidity	148.9	148.0	0.6%

Cash flow from operating activities

The decrease in cash flows from operating activities was primarily due to the deterioration in earnings. As a result, EBIT before depreciation and amortization and non-recurring items/one-off effects (adjusted EBITDA) decreased significantly by €27.9 million to €135.0 million. Additionally, changes in provisions for restructuring measures, including one-time payments, significantly impacted cash flow from operating activities. This was offset by a significant increase in net cash inflow of €23.9 million from changes in working capital compared to the previous year (2024: €3.9 million). Among other factors, cash inflows from contract liabilities decreased compared to the high level of the previous year.

Cash flow from investing activities

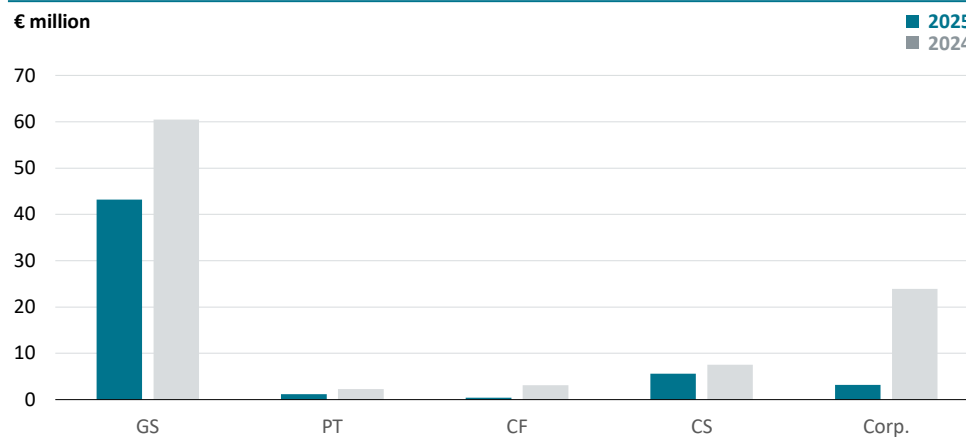
The decline in cash flow from investing activities was primarily due to reduced investment payments across all reporting segments related to property, plant, and equipment. A significant portion of capital expenditures in the past fiscal year was dedicated to maintenance and replacement capital expenditures, particularly in machinery. This followed extensive expansion capital expenditures in the previous fiscal year to increase capacity in the GS reporting segment, aimed at securing market share in a favorable market environment.

Cash flows from investments accounted for at equity include a capital repayment from an associate company, as well as dividend payments of €5.0 million (2024: €15.0 million) from the joint venture BSCCB. This decline is attributable to the costs of expanding production capacity and relocating BSCCB's facilities to the newly built production hall at the Meitingen site. It is also due to the fact that BSCCB cannot fully escape the current weak demand in the automotive industry, particularly the delay in the introduction of new vehicle models.

Capital expenditures, depreciation and amortization

€m	2025	2024
Capital expenditures in intangible assets, property, plant and equipment and investment property	-53.6	-97.3
Depreciation/amortization expense	53.4	58.7

Capital expenditures by business unit



The payments for capital expenditures in the 2025 fiscal year mainly related to the following projects:

- Extension of post-processing and coating capacities for the semiconductor industry in St. Marys.
- Extension of processing and post-processing capacities for the semiconductor industry in Bonn (Germany)
- Extension of production capacity for hard felt for the semiconductor industry in St. Marys.

Details of the capital expenditure can be found in the sections on the respective reporting segments.

Cash flow from financing activities

Cash flow from financing activities decreased significantly. The high value of the previous year resulted from repayments of financial debts totaling €79.1 million, while cash flows related to the balance of borrowing and repaying financial debts in the reporting year amounted to only €6.4 million.

Interest paid of €16.2 million (2024: €21.1 million) was lower than the previous year due to the lower debt, while payments on lease liabilities remained at the previous year's level at €9.6 million (2024: €9.5 million).

The other financing activities included dividend payments to non-controlling interests of fully consolidated subsidiaries in the amount of €0.7 million (2024: €0.8 million).

Liquidity

As of December 31, 2025, the Group reports freely available liquidity at the same level as the previous year (€148.9 million, 2024: €148.0 million). The free cash flow, which remained virtually unchanged from the previous year, was primarily used for reduced repayments of financial debt (€11.6 million, compared to €79.1 million in the previous year), as well as interest payments (€16.2 million) and lease payments (€9.6 million). As of the end of 2025, liquidity included short-term time deposits totaling €47.8 million (2024: €17.8 million).

Contractual payment obligations

The most important contractual payment obligations comprise the repayment of borrowings, purchase obligations, and obligations from leasing agreements. At the end of 2025, the obligations from borrowings totaled a nominal €249.7 million (2024: €256.2 million). These consist of liabilities to banks of €29.1 million, the convertible bond issued in 2022 with a nominal value of €101.9 million, and the convertible bond issued in 2023 with a nominal value of €118.7 million. The two convertible bonds mature in September 2027 and September 2028, respectively, at which point they will either be repaid or, if the bondholders exercise their conversion rights, will lead to the creation of up to 24.5 million new bearer shares.

Financial trade obligations, derivative financial instruments, lease liabilities, and other financial liabilities amounted to €218.3 million as of December 31, 2025 (2024: €238.6 million). Of this amount, a total of €85.4 million (2024: €102.8 million) had a remaining term of more than one year. Liabilities for income taxes and other liabilities totaled €20.0 million at the end of 2025 (2024: €28.5 million). Further details can be found in [Note 26](#) in the Notes to the Consolidated Financial Statements.

As of the reporting date, obligations for orders in connection with investment projects totaled €18.3 million (2024: €36.6 million).

Net assets

The following table shows selected key figures for the Group's net assets:

Overview of net assets

€m	Dec. 31, 25	Dec. 31, 24
Total assets	1,167.4	1,336.9
Equity attributable to the shareholders of the parent company	457.2	554.9
Equity ratio	39.2%	41.5%
Working Capital	221.3	283.2
Capital Employed	775.1	884.8
Return on capital employed (ROCE _{EBIT pre})	9.8%	11.4%
Net financial debt	98.9	108.2
Leverage Ratio	0.7	0.7
Gearing	0.22	0.19

Balance sheet structure

€m	Dec. 31, 25	Dec. 31, 24	Change
ASSETS			
Non-current assets	580.0	663.0	−12.5%
Current assets	582.4	673.9	−13.6%
Assets held for sale	5.0	0.0	-
Total assets	1,167.4	1,336.9	−12.7%
EQUITY AND LIABILITIES			
Equity attributable to the shareholders of the parent company	457.2	554.9	−17.6%
Non-controlling interests	9.8	9.7	1.0%
Non-current liabilities	485.5	529.0	−8.2%
Current liabilities	209.9	243.3	−13.7%
Liabilities in connection with assets held for sale	5.0	0.0	-
Total equity and liabilities	1,167.4	1,336.9	−12.7%

Assets

SGL Carbon's balance sheet total decreased significantly as of December 31, 2025, compared to the previous year. The changes on both the asset and liability sides primarily reflected the negative business development and the restructuring of CF. Significant negative currency conversion differences had a stronger impact. The decrease in assets was primarily driven by the development of non-current assets, specifically impairment losses on property, plant, and equipment for the Composite Solutions (€12.8 million) and Graphite Solutions (€10.6 million) business units. This was also affected by the valuation adjustment of deferred tax assets (€32.5 million) in the US. Current assets and liabilities are primarily determined by changes in working capital. The negative currency conversion effects on the balance sheet totaled €57.3 million.

Working capital

€m	Dec. 31, 25	Dec. 31, 24	Change
Inventories	297.1	345.6	−14.0%
Trade receivables and contract assets	115.2	146.1	−21.1%
Trade payables and contract liabilities	−191.0	−208.5	−8.4%
Working capital	221.3	283.2	−21.9%

The significant reduction in inventories reflects the discontinuation of business activities in the polyacrylic fiber and precursor segments, as well as the scaling back of production capacity for carbon fibers, all associated with the restructuring of the CF business unit. The €30.9 million decrease in trade receivables and contract assets to €115.2 million, which was driven by all operating business units, was primarily due to lower sales volumes, offset by a €17.8 million reduction in factoring volumes, in addition to the impact of currency and restructuring effects. The decrease in trade payables and contract liabilities is primarily due to the consumption of received advance payments.

After adjusting for the non-cash effects of currency translation and the non-cash effects of IFRS 15, the effective decrease in working capital was €23.9 million (2024: decrease of €3.9 million).

Equity and liabilities

The €117.1 million decrease in equity compared to December 31, 2024, was primarily due to the net loss for the reporting period (minus €79.2 million) and the losses from currency translation (minus €35.9 million) recorded in accumulated other comprehensive income, mainly from the weaker US dollar. This was offset by gains of €16.7 million in accumulated other comprehensive income from the revaluation of pension provisions in Germany, which resulted from higher pension interest rates. As of December 31, 2025, the equity ratio decreased to 39.2% (December 31, 2024: 41.5%).

	Equity attributable to the shareholders of the parent company	Non-controlling interests	Total equity
December 31, 2024	554.9	9.7	564.6
Dividends	--	-0.7	-0.7
Net result for the year	-79.2	0.9	-78.3
Other comprehensive income	-18.5	-0.1	-18.6
Comprehensive income	-97.7	0.8	-96.9
December 31, 2025	457.2	9.8	467.0

Non-current liabilities decreased by €43.5 million, primarily due to a €25.7 million reduction in pension provisions. This decrease is largely attributable to higher actuarial interest rates in Germany. Non-current contract liabilities in the 2025 fiscal year included customer prepayments of €69.4 million received for the long-term financing of the order backlog for the semiconductor industry in the GS business unit (2024: €86.1 million).

The €33.4 million decrease in current liabilities is primarily due to a €22.0 million reduction in other provisions. This reduction was driven by a €15.5 million decrease in personnel-related provisions, largely attributable to significantly lower provisions for variable salary components in 2025.

Adjusted for currency effects of €12.2 million and the compounding of customer advance payments of €6.1 million, there was an operational reduction in current and non-current trade payables and contract liabilities of €11.4 million.

Net financial debt

€m	Dec. 31, 25	Dec. 31, 24	Change
Carrying amount of current and non-current financial liabilities	232.2	231.3	0.4%
Remaining imputed interest for the convertible bond	15.5	21.9	-29.2%
Accrued refinancing cost	2.0	3.0	-33.3%
Total financial debt (nominal amount)	249.7	256.2	-2.5%
Cash and cash equivalents	148.9	148.0	0.6%
Liquidity - Assets held for sale	1.9	0.0	-
Liquidity	150.8	148.0	1.9%
Net financial debt	98.9	108.2	-8.6%

At the close of 2025, financial debt totaled €249.7 million, with this figure made up as follows:

- Convertible bond 2023/2028 of €118.7 million
- Convertible bond 2022/2027 of €101.9 million
- Liabilities to banks of €29.1 million

For the reconciliation to the carrying amount of €232.2 million shown in the balance sheet, the net remaining imputed interest of the outstanding convertible bonds of minus €15.5 million (2024: minus €21.9 million) and the total refinancing costs of minus €2.0 million (2024: minus €3.0 million) must be taken into account. Financial debt is split by maturity in the consolidated balance sheet and reported accordingly under the items “Interest-bearing loans” and “Current portion of interest-bearing loans.” Changes in financial debt are explained in the section “Cash flow from financing activities.”

SGL Carbon’s net financial debt decreased by €9.3 million as of December 31, 2025. This is primarily due to lower interest payments compared to the previous year. The exchange rate-related change in cash and cash equivalents amounted to minus €1.3 million in the 2025 reporting year.

Net financial debt is one of the targets considered when determining the short-term variable compensation for the Board of Management.

The leverage ratio as the ratio of net financial debt to adjusted EBITDA was 0.7 as of December 31, 2025, remaining unchanged from the previous year. This stability was due to a reduction in net financial debt during the reporting year, which was offset by a corresponding decline in adjusted EBITDA.

Despite a decrease in net financial debt, gearing (net financial debt / equity attributable to shareholders of the parent company) increased to 0.21 in the reporting year (2024: 0.19). This is due to the comparatively stronger decline in equity, which led to an overall deterioration in the ratio of net financial debt to equity. This decrease in equity was essentially based on the negative consolidated net result.

Return on capital employed (ROCE)

€m	2025	2024
Capital Employed		
Intangible Assets incl. Goodwill	28.8	34.5
Property, plant and equipment	422.3	461.3
Investment Property	39.8	40.5
Investments accounted for At-Equity	62.9	65.3
Working capital	221.3	283.2
Capital employed as of 31.12. of the financial year	775.1	884.8
Capital employed as of 31.12. of the prior year	884.8	941.8
Average capital employed	830.0	913.3
ROCE EBIT pre	9.8%	11.4%

The return on capital employed (ROCE adjusted EBIT) decreased from 11.4% to 9.8% in the reporting year. This was primarily due to a €22.6 million decline in adjusted EBIT to €81.6 million, while capital employed decreased by only 12.4%. As a result, the negative performance outweighed the positive effect of the reduced capital commitment, leading to a lower return on investment. Adjusted for the devaluation of the CF and CS business units, as well as the devaluation of property, plant, and equipment at GS, the return on capital would have decreased to 9.6%.

Assets not recognized and off-balance sheet financing instruments

Off-balance sheet assets consist of leases for IT equipment, motor vehicles, photovoltaic systems, and other low-value property, plant, and equipment or those that are only used for a short period of time. The volumes of these off-balance sheet assets and off-balance sheet financing instruments have no material impact on the presentation of the net assets, financial position, and results of operations. Details can be found in [Note 27](#) to the consolidated financial statements.

Unrecognized intangible assets also include the enterprise's brand name and that of SGL Carbon's products. In addition, SGL Carbon's long-standing supplier and customer relationships are of considerable value. On the one hand, they stabilize the course of business and make the enterprise less dependent on short-term market fluctuations. And on the other hand, this intensive cooperation enables joint research and development projects in which the expertise and development capacities of the companies involved are bundled.

Our off-balance sheet financing instruments also include the non-recourse sale of receivables, which the Group sold in the ordinary course of business as of the reporting date for €30.5 million (2024: €48.4 million). Should such financing instruments become unavailable in the future, we have sufficient liquidity and free credit lines, totaling €148.9 million.

Overall assessment of the 2025 fiscal year by the Board of Management

The 2025 fiscal year was marked by challenging external conditions and significant changes within SGL Carbon. Rising protectionism, ongoing conflicts with cross-regional repercussions, and US tariff policies have shaped global trade and, consequently, the development of our key markets. This led to increased uncertainty and a corresponding decline in demand in some of our key markets. This was particularly true in the automotive and semiconductor industries.

Given the current market conditions, we have taken swift and decisive action to secure our profitability, enhance our operational efficiency, and thereby lay the foundation for new growth. Therefore, extensive internal restructuring and cost reduction measures were a key focus of our work. These primarily involved withdrawing from loss-making business activities and making further comprehensive adjustments to personnel and cost structures. We had to withdraw from the acrylic fiber business, our own precursor as a raw material for carbon fiber, and the graphite anode business for lithium-ion batteries. This was necessary because declining demand, global overcapacity, and the resulting low prices severely limited the competitiveness of our products. Demand for these products is not expected to increase in the future.

The implemented restructuring measures have impacted our Group sales revenue and profitability. At €850.2 million, Group revenue was significantly lower than the previous year's figure €1,026.4 million. This is primarily due to the discontinuation of unprofitable business activities and weak demand from the semiconductor industries. Customer reluctance in the semiconductor industry was primarily due to high inventory levels at our customers, stemming from lower-than-expected demand for silicon carbide semiconductors from the automotive industry. These high-performance semiconductors are primarily used in electric vehicles. Despite soft demand, the Semiconductor market segment remains one of the most important growth areas for SGL Carbon. Without powerful semiconductors, it will not be possible to achieve the energy transition or drive digitization with new forms of AI.

The decline in higher-margin semiconductor sales could not be offset by the positive restructuring effects, resulting in a decrease in the Group's adjusted earnings before interest, taxes, depreciation, and amortization (EBITDApre) to €135.0 million. This means that adjusted EBITDA was within our guidance.

Thanks to extensive measures to adjust our cost structure, we maintained a constant EBITDA margin of 15.9% despite a year-on-year decline in sales revenue.

The restructuring of the Carbon Fibers (CF) business unit resulted in significant one-off effects and non-recurring items totaling a negative €92.8 million in 2025. These include expenses totaling €65.8 million in the reporting year, primarily from the restructuring of the CF business unit, which accounted for €59.8 million. Furthermore, the one-off effects and non-recurring items include impairment losses on fixed assets totaling €23.6 million.

An important goal in the past two years and thus also in the 2025 fiscal year was to stabilize our balance sheet structure and, in particular, to consistently achieve a positive free cash flow. We achieved this again in 2025, despite the significant challenges posed by the restructuring. Free cash flow remained at the previous year's level, at €37.0 million. At the same time, our balance sheet remains very stable and solid, with an equity ratio of 39.2% and a leverage ratio of 0.7.

Overall, 2025 was not an easy year for SGL Carbon. Despite challenging conditions and extensive internal restructuring, we achieved our target of an adjusted EBITDA between €130 and €150 million, with €135.0 million at the lower end of the range. Regarding our sales expectations, we fell slightly short of our target of 10-15%, with a 17.2% reduction compared to the previous year.

We are also well prepared for the future. By successfully implementing these restructuring measures and adaptation to align SGL's structures with the company's new size, we have created a sustainable platform for 2025 to best leverage growth opportunities in both existing and new markets.

	Actual data for fiscal year 2024	Outlook for 2025 as published in the Annual Report 2024	Actual data for fiscal year 2025
Sales revenue	1,026.4	slightly below prior year	850.2
EBITDA pre	162.9	€130 - 150 million	135.0
ROCE (EBIT pre)	11.4%	9% - 10%	9.8%
Free Cash flow	38.7	significantly below prior year level, but positive	37.0

The 2025 sales outlook was revised on July 14, 2025 to reflect the decline of 10-15% below the previous year.

In the 2025 fiscal year, we simultaneously implemented a restructuring project and a project to develop new growth opportunities for our company. With its sophisticated products, SGL Carbon already serves many industries that are shaping future trends: mobility (especially electromobility), semiconductor technology, solar energy, and fuel cells. We also develop customer-oriented solutions for the chemical industry and numerous other industrial applications. Based on this, we have identified new markets with above-average growth prospects that require both graphite products and composite materials for their applications. This includes specialty graphites for the nuclear industry and composite

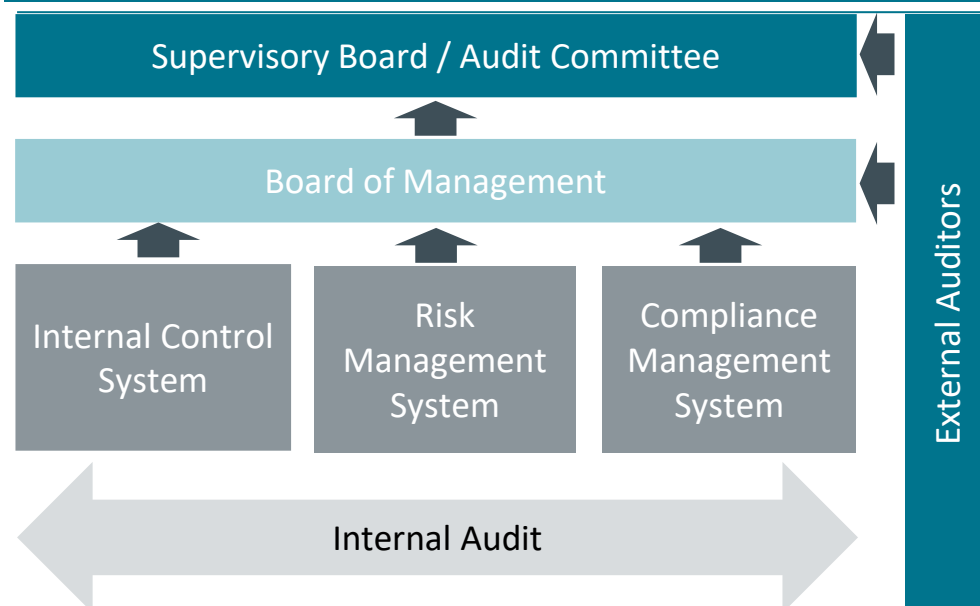
and graphite solutions for the defense and security industries and aerospace industry. Detailed information on our corporate strategy, can be found in the “Group Fundamentals” section.

However, entering new markets takes time, so we do not expect significant sales or earnings contributions from these emerging markets in 2026. The 2026 fiscal year will continue to be impacted by the ongoing weak demand in the semiconductor industry and the generally challenging economic environment. Therefore, our focus in the 2026 fiscal year will be on securing sales and profitability in our existing business, as well as developing new markets to return to profitable growth in the medium term.

Opportunities and Risks Report

Structural fundamentals

Corporate governance organization of SGL Carbon



In addition to the internal control system and compliance management, risk management is an integral component of corporate governance at SGL Carbon. The internal control system is designed to mitigate risks in the company's operating processes by implementing appropriate controls. The risk management system is used to identify and assess risks and opportunities and to respond appropriately to ensure that the company's objectives are achieved. The compliance management system deals with processes and measures to ensure compliance with legal requirements and internal policies. Both the risk management system and the internal control system of SGL Carbon are based on the currently valid COSO framework issued by the Committee of Sponsoring Organizations of the Treadway

Commission (COSO). The compliance management system is certified as, and follows, the international standard ISO 37301:2021.

The involvement of the Internal Audit department as well as external auditors ensures process-independent monitoring of the governance systems.

The Board of Management of SGL Carbon is responsible for implementing suitable systems and monitoring them. Furthermore, the Supervisory Board monitors the effectiveness of the systems through the Audit Committee.

Risk management system

Risk management strategy

SGL Carbon's risk strategy is aimed at ensuring the company's long-term continued existence as a going concern and attaining the planned financial and non-financial targets and outlooks. In addition to the early identification of risks, opportunities for profitable growth should also be systematically recognized and used. Our aim is to avoid or limit risks through suitable control measures. Where possible and economically viable, risks should be transferred to third parties, for example by taking out insurance policies. Only viable risks are taken that are proportionate to the expected opportunities. One of the most important priorities is that the company has sufficient liquidity reserves available at all times.

The principles of risk management are anchored in a Group-wide guideline and ensure the uniform implementation of the risk strategy. Therefore, the requirements for the early risk detection system in accordance with the German Stock Corporation Act [Aktiengesetz] have also been complied with and satisfied. The management of non-financial risks is also integrated into the risk management system.

Risk management organization

At Group level, the chief financial officer is responsible for the adequacy and effectiveness of the risk management system. Organizationally, the Board of Management is supported by Group Controlling, which coordinates the risk management process at Group level. Group Controlling defines principles, processes, reporting channels and responsibilities,

ensures that the Group-wide risk management guidelines are up-to-date and continuously develops the risk management system. The primary responsibility for opportunities and risks lies with the heads of the business units and central departments.

Risk management processes

The risk officers carry out a comprehensive risk inventory once a year as part of budget planning. This also includes risks from non-financial matters such as environmental, social and governance (ESG) issues as well as risks related to sustainability reporting. Individual risks exceeding defined value limits are systematically recognized and measured and then uniformly aggregated. The risk inventory covers the entire planning horizon of five years. Opportunities, on the other hand, are only recognized for the first planning year. For identified risks, the risk strategy is defined and – where possible – countermeasures are specified. The risk assessment is then updated on a quarterly basis. Material new risks or risks that threaten the company as a going concern are immediately reported to the Board of Management or Group Controlling via ad hoc reporting, regardless of the defined reporting intervals.

Opportunities and risks are measured uniformly according to the specifications of the Group's risk management. We consider risks to be any negative deviation from the budgeted results and opportunities to be positive deviations beyond the budgeted results.

The identified opportunities and risks are assessed based on the dimensions of impact and probability of occurrence. In addition to cash flow, EBIT and significant tax risks are also targeted. The measurement always follows a net analysis after taking countermeasures into account. The classification is based on opportunity and risk classes (ORC) based on impact and probability. The classification is shown in the following matrix.

Classification matrix

Impact (in € million)	Major ≥20					
	Large ≥15-<20					
	Significant ≥10-<15					
	Moderate ≥5-<10					
	Low 2-<5					
		Low <15	Moderate ≥15-<25	Significant ≥25-<35	Large ≥35-<45	Major ≥45-50
Probability (in %)						

Opportunity and risk classes (ORC)

Low Moderate Significant Large Major

Group Controlling reports a summary of the aggregated risks of the business and central department to the entire Board of Management on a quarterly basis. The Supervisory Board is also regularly informed at meetings about the material risks within the Group. Non-financial risks are also included as part of risk aggregation in the overall risk position and compared with the risk-bearing capacity. The risk management software

recommended by the certification according to IDW PS 981 was implemented in 2024. Risks are recorded in this risk management software based on standardized templates and a uniform process. Business unit-specific reports are generated automatically for visualization. The overall risk position is calculated using a Monte Carlo simulation.

Risk management monitoring

The risk management system is monitored by the Supervisory Board via the Audit Committee. In 2022, a voluntary external review of the risk management system was also performed in accordance with Audit Standard 981 of the Institute of Public Auditors in Germany (IDW PS 981). In 2023 and 2025, Internal Audit conducted a review of the adequacy and effectiveness of the risk management system in a specific audit. The adequacy and effectiveness of the risk management system were confirmed in the audits. Moreover, improvement measures were initiated to implement findings from the audits, such as introduction of risk management software as mentioned above. A regular review of SGL Carbon's risk management system is performed by external auditors or internal audit every two years.

Internal control system

Internal control system structure

The internal control system is designed to ensure the reliability of both financial and non-financial reporting. To ensure the reliability of financial reporting, the internal control system (ICS) includes the principles, processes and measures to ensure the effectiveness and profitability of business activities and the correctness of accounting in compliance with the relevant legal regulations. This also includes the protection of assets by preventing and uncovering damage to assets. The non-financial internal control system implemented last year clearly defines responsibilities for data collection, validation and control related to non-financial reporting. Detailed information on the processes and control mechanisms of the non-financial internal control system can be found in the "General Information" (ESRS 2 Governance) section of the sustainability statement as part of this Annual Report.

The establishment, maintenance and further development of the internal control system is performed by the central internal control system department on behalf of the chief

financial officer and is supported by the corporate sustainability department for the non-financial control section. The scope of control is determined on the basis of a risk assessment carried out at least once a year. Responsibility for the implementation and documentation of the control lies with the respective process owner. Risk and control documentation is based on uniform Group standards. Local representatives have been nominated in all of the main companies to act as local contacts for all internal control-related issues and support those responsible for processes and controls in their tasks. The central IT department acts as a point of contact for all IT issues and designs the IT controls.

Accounting process and consolidation processes

The accounting processes and the preparation of the consolidated financial statements, as well as the aggregation of the material non-financial values and key figures, are the responsibility of the Group Accounting & Tax department, which reports directly to the chief financial officer.

The consolidated financial statements are based on the IFRS Accounting Manual which regulates the Group-wide uniform application of the accounting and measurement principles in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. Changes in accounting regulations are continuously monitored, their impact assessed and relevant changes in the financial organization communicated.

The consolidated financial statements are prepared using SAP-based consolidation software based on a uniform chart of accounts. Operational accounting is mainly carried out in three regional shared service centers. The responsibility for the completeness and correctness of the separate financial statements lies with the local finance managers in the respective countries or companies. The separate financial statement data is automatically loaded into the consolidation system via an interface. The data is validated by rules established in the system. In addition, Group Accounting checks the data for plausibility and correctness of content. Statements of completeness are obtained from the main companies on a quarterly basis to ensure the complete recognition of items subject to accounting and disclosure requirements. The principles of segregation of duties are consistently implemented in the accounting-relevant processes.

A Significant Contracts Policy ensures that material contracts are always reviewed by Group Accounting regarding their impact on the balance sheet. Furthermore, external specialists are consulted in the case of special topics.

Internal control system monitoring

The Audit Committee is regularly informed about the status of the internal control system as part of its monitoring tasks. The effectiveness of the internal control system is monitored via a continuous control self-assessment by the central internal control system department. Internal Audit also includes selected internal controls in its audits and provides suggestions for improvement.

A regular review of SGL Carbon's internal control system is performed by external auditors or internal audit every two years.

The internal control system has its limitations, regardless of how carefully the systems are designed. In particular, subjective judgments, faulty controls or other circumstances can limit the effectiveness and reliability of the internal control system, so even the Group-wide application of the systems used can only provide sufficient certainty with regard to the correct, complete and timely recognition of items in the consolidated financial statements.

Compliance management system (unaudited)

The compliance management system ("CMS") of SGL Carbon aims to reduce the risk of legal violations. The Chief Compliance Officer of the Group is responsible for the compliance management system. The structure of the compliance management system was designed according to national and international standards and is certified to ISO 37301:2021. Over the past fiscal year the CMS underwent a regular surveillance audit as part of the ISO certification process.

Additionally, the existing anti-bribery management system was certified in 2023 to the ISO 37001:2016 standard and also underwent a surveillance audit in the past fiscal year according to the updated version of the ISO 373001:2025 standard. The compliance management system and anti-bribery management system were certified as being lastingly effective.

Detailed information on the SGL compliance management system and the anti-bribery management system can be found in the Corporate Governance Declaration, in the Corporate Governance and Compliance Report (both unaudited) and in the separate Non-Financial Group Report (CSR Report) (audited) that are part of this Annual Report.

Overall statement by the Board of Management on the governance systems (unaudited)

No facts have come to our attention that speak against the adequacy and effectiveness of the risk management system, the internal control system and the compliance management system in all material respects.

Material opportunity and risk areas

Risk factors that impact the business activities of SGL Carbon are reflected in the opportunities and risk areas presented below. If these areas also contain opportunities, they are explicitly stated. The risks stated here can occur individually or cumulatively. Additional risks that are not yet known, or risks that are currently classified as not material could also impair SGL Carbon's business activities. Unless explicitly stated, the risks described below relate to all of the Group's business units.

The opportunities and risks are divided into the following categories:

- Opportunities and risks from external framework conditions
- Opportunities and risks from operational activities
- Financial opportunities and risks
- Legal opportunities and risks
- Non-financial opportunities and risks

The table shows the classification of SGL Carbon's risks into the defined opportunity and risk classes and therefore reflects the possible impact on the development of the Group's net assets, financial position and results of operations, should they occur. The statements relate to the 2026 fiscal year.

Category / Risk	Opportunity and risk class (ORC)
Opportunities and risks from external framework conditions	
Opportunities and risks of future macroeconomic development	Large
Opportunities and risks of price and volume development	Large
Opportunities and risks from operational activities	
Risks in production	Large
Opportunities and risks of the raw material markets	Significant
Opportunities and risks in the energy markets	Low
Risks from cyberattacks and information technology	Moderate
Financial opportunities and risks	
Financial position risks	Large
Impairment risks	Large
Opportunities and risks from exchange rate fluctuations	Moderate
Risks from pension plans	Low
Legal opportunities and risks	
Legal risks and risks from divestments	Significant
Tax risks	Moderate
Non-financial opportunities and risks	
Environmental and climate risks	Low
Social risks	Moderate
Governance risks	Moderate

With the end of 2025, SGL Carbon has come through another challenging year. The opportunities and risks in 2026 arising from external conditions remain a priority with an unchanged risk assessment. However, changes from the previous year result from the combined risk assessment of the former Carbon Fibers (CF) and Composite Solutions (CS) business units. Since January 1st, 2026, these two former business units are managed as new Fiber Composites (FC) business unit. Impairment risks are no longer classified as severe for the Group in the 2026 fiscal year. Despite this overall lower assessment, risks remain from the currently significantly weaker demand for graphite components for the silicon carbide (SiC)-based semiconductor industry.

Opportunities and risks from external framework conditions

Opportunities and risks of future macroeconomic development (ORC: large)

In view of the weakening inflation, global trade began to recover in 2025. Economic growth is expected to remain almost unchanged in 2026 compared to the previous year. However, the global economic outlook for 2026 remains subject to significant risks. Increased geopolitical tensions represent a significant short-term risk. Uncertainty in global trade policy persists. A tightening of protectionist measures, such as a new wave of tariffs, could exacerbate trade tensions, reduce investment, reduce market efficiency, distort trade flows and again lead to disruptions in supply chains. The risk of renewed inflationary pressure, also as a result of new import tariffs and therefore increasing prices, could according to the International Monetary Fund prompt central banks to raise key interest rates and intensify monetary policy divergence. Higher interest rates for an even longer period could exacerbate fiscal, financial and external risks.

The different factors may have a negative impact on our net assets, financial position and financial performance. On the contrary, if the overall economic trend turns out better than expected, this may also create opportunities for our business.

Opportunities and risks of price and volume development (ORC: large)

The eurozone experienced a slight economic recovery in 2025. A slightly lower growth rate is forecast for 2026. Despite the expected below-average growth in Europe, our largest market, downward revisions in other regions could also limit our business prospects in individual markets and thus lead to sales/volume risks. We contain sales risks resulting from dependency on individual markets and industries by rigorously aligning our businesses with industries that support the trends of the future. Our diversified product and customer structures help insulate us from regional crises in our sales markets.

In the Graphite Solutions (GS) business unit, delayed growth in sales of electric vehicles and the associated delay in our focus market of semiconductors could continue to have a negative impact on volume development in 2026. Additionally, the FC business unit faces price and volume risks. However, as a result of the restructuring of the former CF business unit, this was to a lesser extent than in the previous year.

Due to the continued increase in competitive pressure in some of our markets, there is a risk that we will be forced to lower prices in order to regain volume. This could result in

both opportunities and risks, particularly in the Graphite Solutions business unit's focus market of semiconductors.

Opportunities and risks from operational activities

Risks in production (ORC: large)

In order to be able to realize the profitability-oriented growth in the medium term that SGL Carbon has set for itself, there is a risk that maintenance expenses could be higher than planned due to partly outdated facilities to ensure the availability of plants and avoid business interruptions. Furthermore, primarily in the scope of long-term supply contracts, delays in ramping up production or in customer qualification can lead to a delay in the realization of revenues.

In order to achieve the targeted free cash flow in 2026, the investment volume will remain unchanged from 2025. Risks exist in particular in the fact that the production processes and the associated change in the production mix cannot be executed as planned due to factors such as technical problems with the facilities.

Due to the continued low demand, our production capacities were adjusted in 2025. If the production lines can only be restarted in stages this could have negative impacts on the financial position. In particular, there is a risk that the rejection or reallocation of capacity cannot be executed as planned or can only be implemented with a delay.

A production standstill at one or more locations could lead to delivery problems with regard to quantity and quality, which may also result in compensation payments to customers. Interruptions to production could be caused, among other things, by natural hazards at individual or multiple sites. In addition, supply bottlenecks in SGL Carbon's supply chains can imply that avoiding production standstills could only be achieved with higher transport costs compared to the budget assumptions.

SGL Carbon also strives to optimize working capital relative to revenues. If this does not succeed as planned, this could negatively impact in particular the future free cash flow.

Opportunities and risks of the raw material market (ORC: significant)

We counteract the volatility on the raw material market with structured procurement concepts and the conclusion of medium- and long-term framework agreements. Appropriate strategic concepts are developed with the main suppliers based on long-standing business relationships. An increase in raw material and transport costs compared to the budget can have a negative impact on the future net assets, financial position and results of operations. Furthermore, rising import tariffs would make the import of raw materials even more expensive.

A lack of availability of individual raw materials can also have a negative impact on the economic development of SGL Carbon. Supply chain interruptions may also result from geopolitical discord, armed conflict and the consequences of climate change.

In the GS business unit in particular, a bottleneck in the supply of raw materials would have a negative impact on a wide range of markets. SGL Carbon strives to reduce the risks through a targeted procurement strategy that includes alternative suppliers as well as the targeted utilization of price opportunities. However, political developments in important procurement regions in particular can have a negative impact on the supply security of individual raw materials that are difficult to substitute.

Opportunities and risks in the energy markets (ORC: low)

We continuously monitor the situation on the energy markets. We discuss current developments in quarterly energy committee meetings and compare them to our projected requirements. Countermeasures include a targeted energy procurement strategy to stabilize costs in the medium term. We counter the risk of rising and volatile energy prices in part by hedging early. As an unhedged market, the US is more exposed to unfavorable spot market developments than in the previous year, which can lead to opportunities as well as risks compared to planning.

We have also implemented energy price clauses in numerous customer contracts to protect our margin in the event of further increases in energy prices.

Risks from cyberattacks and information technology (ORC: moderate)

In 2025, the cyber threat level has stabilized at a medium level. The threat posed by malware (ransomware) has reduced in intensity due to global technical countermeasures, although fraud attempts (payment or CEO/CFO fraud) by cybercriminals have increased

noticeably. There is also a professionalization of the attack scenarios and of the attackers, which require structured and resilient preventive information security measures. The latter is also due to politically oriented groups or foreign authorities who are increasingly involved in obtaining financial resources from the business community in support of terrorist or military actions.

These types of attacks could have a significant adverse effect on our financial position and financial performance and require specialized technical and organizational countermeasures which are implemented and monitored by an experienced team.

In order to take adequate account of these and other risks, SGL Carbon operates a risk-oriented information security management system (ISMS) based on the globally recognized ISO 27001 standard and a dedicated IT risk management system as part of a Group-wide initiative. In 2025, SGL Carbon once again successfully passed various customer audits at a high level, including penetration tests, and is working intensively on programs to strictly secure computer endpoints, emergency response and restoring trustworthy conditions after cyber attacks.

Renewal of further TISAX certifications in the automotive industry with external audits for four SGL sites are also planned in 2026. Similarly, threat hunting and artificial intelligence (AI) will play a significant role and support our regular training of all employees to secure the company.

Financial opportunities and risks

Financial position risks (ORC: large)

SGL Carbon is adequately funded for the coming fiscal year by the syndicated credit line provided until March 2027, which was extended in February 2025 for one year to March 2028.

To achieve the targeted free cash flow in 2026, the business units must meet their working capital targets and investment budgets. If this is not the case, unexpected significant negative impacts on cash flow may arise.

In order to avoid risks associated with fraud in payment transactions, SGL Carbon relies on a consistent four-eyes principle and strictly separates the initial posting, approval and

payment process. The employees involved in the process are regularly trained using examples such as “CFO fraud,” as a potential occurrence of fraud could cause major damage to the company.

Impairment risks (ORC: large)

The impairment test is subject to a number of valuation-related assumptions, including changes in discount rates and the long-term growth rate. Consequently, the resulting recoverable amounts may vary solely due to adjustments in these underlying assumptions.

With respect to the planning of the business unit GS, there is a risk that the operating performance may not develop as expected due to the current uncertainties and a potentially delayed recovery in the semiconductor market. In addition, changes in the overall economic environment could lead to future cash inflows falling short of the levels assumed in the planning.

In the financial year 2025, the restructuring of the business unit CF was further advanced, and the decommissioning or closure of unprofitable sites was largely completed. The impairment risks relating to the remaining carrying amounts of CF’s fixed assets are not material. Furthermore, an impairment loss was recognized on the fixed assets of the CS business in the 2025 financial year. For the newly combined Fiber Composites (FC) business unit, impairment risks persist in the event that the operating performance falls short of the assumptions reflected in the business plan.

If business performance should remain below expectations, this could also result in impairment risks relating to the deferred tax assets recognized on tax loss carryforwards in the US.

Opportunities and risks from exchange rate fluctuations (ORC: moderate)

The key financial figures are influenced by exchange rate fluctuations from SGL Carbon’s global business activities. Potential impacts of exchange rate fluctuations can be reduced by natural hedging within the Group. The transaction-related foreign currency risk is reduced by optimizing operational cash inflows and outflows in a foreign currency. The resulting foreign currency exposure is hedged using derivative financial instruments if the risks exceed certain materiality limits. Risk minimization is the overriding principle for all activities in connection with currency derivatives. In addition to the functional separation of trade, control and processing, regular risk analyses are also carried out in this area.

Besides transaction risks, there are translation risks arising from the translation of financial statement items denominated in local currency into the Group currency, the Euro. Translation risks are not hedged.

Risks from pension plans (ORC: low)

Retirement benefit obligations are subject to a multitude of valuation parameters. The amount of pension provisions is affected by changes in interest rates, longevity trends, salary increases and inflation rates in particular as well as the probability of acceptance of the capital option. Besides fluctuations in equity, this can lead to changes in pension plan payments and expenses. Financial risks, as well as opportunities, also arise from the management of pension plan assets. The amount of the pension fund fluctuates due to the volatility of the various asset classes on the capital market (interest-bearing securities, equities, real estate and other asset classes). If future rates of return on the pensions assets are lower than expected, budget deficits may arise and additional payments into pension plans may be required.

Legal opportunities and risks

Legal risks and risks from divestments (ORC: significant)

In the event of legal disputes, SGL Carbon recognizes provisions based on the probability of occurrence and external legal opinions. Actual utilization may deviate from our own estimates and impact the consolidated net result.

Due to the international orientation of its business activity, SGL Carbon is also confronted with various legal uncertainties. These include difficulties in enforcing contracts and outstanding claims in foreign legal systems, compliance with foreign trade law, international export and import restrictions and technology transfer law in various countries, as well as difficulties in global enforcement of patent protection for the Group's own products.

In the case of divested businesses, it is common for the seller to be liable for transactions that took place before the date of disposal. This harbors the risk of possible burdens on the net result for businesses that have already been disposed of.

Tax risks (ORC: moderate)

SGL Carbon operates worldwide and is therefore subject to a wide range of national tax laws and regulations. Changes in tax law or in the taxation practices of individual countries in which SGL Carbon does business can lead to higher tax expenses and higher tax payments. We counter this with an ongoing analysis and evaluation of the tax environment. Although we assume that tax issues are always presented in accordance with the law, it cannot be ruled out that the tax authorities will come to different conclusions in individual cases. If corresponding risks are foreseeable, current tax liabilities for uncertain tax positions are recognized based on estimates. If the actual results deviate from the original estimate, this can impact the tax expense in the period in which the matter is finally decided.

Non-financial opportunities and risks

In the 2025 fiscal year, SGL Carbon conducted a scheduled review and update of its double materiality assessment in accordance with the European Sustainability Reporting Standards (ESRS). The double materiality assessment includes an analysis of the impact of the SGL business model on the environment and society (inside-out perspective) as well as the identification and financial assessment of risks and opportunities (outside-in perspective). Risks and opportunities are assessed based on SGL Carbon's internal risk management approach was used to ensure that non-financial risks and opportunities are integrated into the company's existing risk management system. The assessment considered the financial impact and likelihood of occurrence for all identified risks and opportunities. Based on the double materiality assessment, an update of the financial impact and likelihood of occurrence, as well as the measures to reduce risks, was conducted during the annual risk review with the support of the Risk Management software introduced in 2024.

Further details on the materiality assessment and the significant impacts, risks and opportunities in relation to the group's sustainability issues can be found in the sustainability statement based on the current version of the ESRS as part of this management report.

Environmental and climate risks (ORC: low)

As an energy-intensive industrial company, we need natural resources and create emissions in the manufacturing of our products. In recent years, our stakeholders have significantly increased their expectations regarding reductions in our CO₂ emissions as well as resource conservation and reuse.

The greenhouse gas emissions associated with the manufacture of our products have negative impacts on climate and/or can cause extreme weather events, health problems, ocean acidification or water scarcity. This may result in economic costs and excessive damage to people and the environment. SGL Carbon has set itself short-, medium- and long-term targets for CO₂ reduction (Scope 1 and 2) to reduce these negative impacts. Failure to meet our targets for limiting CO₂ emissions or failure to do so in a timely manner could result in a loss of customer orders, restricted access to financing instruments and a loss of attractiveness as an employer, which would negatively impact SGL Carbon financially.

Regulators may respond to the increasing impacts of climate change by making amendments to the legal framework that lead to price increases for greenhouse gas emissions and/or stricter regulations, which in turn may result in higher costs for SGL Carbon. Higher prices for greenhouse gas emissions and/or new regulations carry a financial risk for SGL Carbon. Stricter regulatory requirements could force SGL Carbon to make significantly higher investments in plants and machinery to meet regulatory targets.

We also need non-renewable raw materials to manufacture our products, which can have a negative impact on the environment. The use of these raw materials can lead to limited availability and, in the long term, to the depletion of resources and to environmental damage. To avoid the listed impacts, we are striving for more efficient use and for alternatives in the long term. The downstream non-recyclable waste or insufficient reusability of some of our products at the end of their life cycle leads to increased waste, which can have negative impact on the environment and climate. We are therefore also working on technical solutions for the reusability of our products. The aim is to reduce the negative impact of waste materials at the end of their life cycle. SGL Carbon's performance could be affected by the regulation of material and raw material recycling or by an increase in water and waste management rates.

The development of environmentally and/or climate friendly products and solutions harbors potential growth opportunities for SGL Carbon. This also applies to prospects for growth in markets that SGL Carbon already serves and that support climate and environmental protection, such as climate-friendly transportation or the semiconductor industry.

Social risks (ORC: moderate)

Employees are a key pillar of the business success of SGL Carbon. As part of SGL Carbon's realignment, which included restructuring the Carbon Fibers business unit, exiting unprofitable operations and adjusting administrative functions to the company's new size, positions were reduced in 2025. This can negatively impact the remaining workforce and risk, reducing employee loyalty to the company. Employees in key positions could leave the group, and replacing them would incur higher costs for the company.

On the other hand, the competition for highly qualified specialists and managers remains intense, especially against the background of demographic developments in many countries relevant to SGL Carbon. In order to achieve the strategic corporate objectives, SGL Carbon must be able to attract highly qualified personnel, further educate them in a targeted manner and retain them over the long term. To ensure our attractiveness as an employer, we have relied on measures such as the development of our SGL performance culture based on our five SGL values, regular employee surveys, flexible working time models and performance-related compensation.

Moreover, SGL Carbon cares deeply about its workforce's health and safety. To reduce the risk of workplace accidents, we have implemented Group-wide guidelines, provide comprehensive training and thoroughly investigate all incidents. Furthermore, the rate of workplace accidents and missed days is part of the management pay structure. All SGL Carbon sites held another global Occupational Safety Day in 2025 to further raise awareness of occupational safety.

Governance risks (ORC: moderate)

To prevent violations of legal regulations, compliance training courses are held regularly to raise employees' awareness of possible risks. Corresponding rules of conduct are also defined in compliance guidelines. Possible violations can be reported via an anonymous whistleblower system and are consistently pursued by the central compliance department.

Risks in the supply chain exist with regard to violations of human rights or environmental standards by our suppliers. To prevent this, we require our suppliers to comply with our Business Partner Code of Conduct. Furthermore, we use an online tool to regularly survey and evaluate all relevant suppliers regarding compliance with social and environmental standards. To reduce our human rights risks, we have had a Human Rights Policy in place for many years. A Group-wide training program is also mandatory for all employees.

Additionally, a statement of human rights principles for the parent company and its largest subsidiary was signed and published by the Board of Management and management.

To prevent infringements of antitrust law, we have established an antitrust policy and a corresponding Group-wide training concept which is implemented via our online learning platform.

SGL Carbon fosters and requires transparent and lawful execution of all company business. Violations can result in substantial financial penalties. SGL Carbon's principles for combating bribery and corruption are laid down in the SGL Anti-Corruption Program, which is applicable throughout the Group. The rules are set out in the anti-corruption guidelines, as well as in the Code of Conduct. SGL's anti-bribery management system has been externally certified to the ISO 37001:2016 standard since 2023. In the past fiscal year, it successfully underwent a routine surveillance audit in accordance with the updated ISO 37001:2025 standard.

Overall assessment by the Board of Management

We expect the global growth rate to remain almost unchanged from the previous year, but still below average in 2026. Differences between countries are likely to remain in the future, with upside risks in the United States and downside risks in most other economies. Geopolitical tensions and a worsening of protectionist measures could lead to significant downward risks. Global inflation risk is subject to additional import duties and thereof resulting price increase.

To achieve the targeted free cash flow at SGL Carbon in 2026, there are significant risks in the GS business unit related to confirming volume assumptions through sufficient order intake. Furthermore, there are risks associated with production processes, particularly regarding environmental regulations and the ramp-up of production for customer projects. The CF business unit faces moderate risks related to volume and production (risks from natural hazards). Since January 1, 2026, CF was merged with CS to business unit Fiber Composites, BU FC.

Environmental and climate-related risks are considered low. The failure to achieve targets as well as higher costs and necessary capital expenditures to achieve targets could adversely affect SGL Carbon's revenue and earnings. Opportunities emerge from the continued focus on sustainable growth markets such as semiconductors, renewable energies and e-mobility.

Based on the information currently available, we believe that no significant individual risks exist – neither now nor in the foreseeable future – that could jeopardize the company as a going concern. Even the cumulative consideration of the individual risks does not jeopardize the continued existence of SGL Carbon as a going concern. We see good opportunities to further expand our leading market positions thanks to our regionally diversified positioning. Ultimately, however, residual risks (net risks) remain in all entrepreneurial activities and cannot be ruled out even by comprehensive risk management.

Outlook

Overall economic trend

According to the latest forecasts by the International Monetary Fund (IMF) from January 2026, the [global economy](#) is expected to remain unchanged from the previous year at 3.3%. Viewed over a multi-year period, growth remains steady at 3.3% annually between 2024 and 2026. Prior to the coronavirus pandemic, annual growth rates averaged 3.7%. This also reflects the adaptation of economies, institutions, and markets to an environment characterized by increased protectionism, trade barriers, and fragmentation.

For the euro area, the IMF forecasts growth of 1.3% in 2026, up from 1.4% in the previous year. In Germany, Europe's largest economy, economic output is projected to increase to 1.1% (2025: 0.2%). US growth will be 2.4% in 2026 (2025: 2.1%), according to current IMF estimates. China is expected to grow by 4.5% (2025: 5.0%).

The IMF anticipates positive impacts on the global economy from trade-promoting negotiations and agreements that could lower tariffs and reduce uncertainty through bilateral trade agreements. Accelerating the pace of reform and implementing growth initiatives to address increasing economic and political challenges could boost medium-term growth, as could faster productivity growth driven by artificial intelligence (AI).

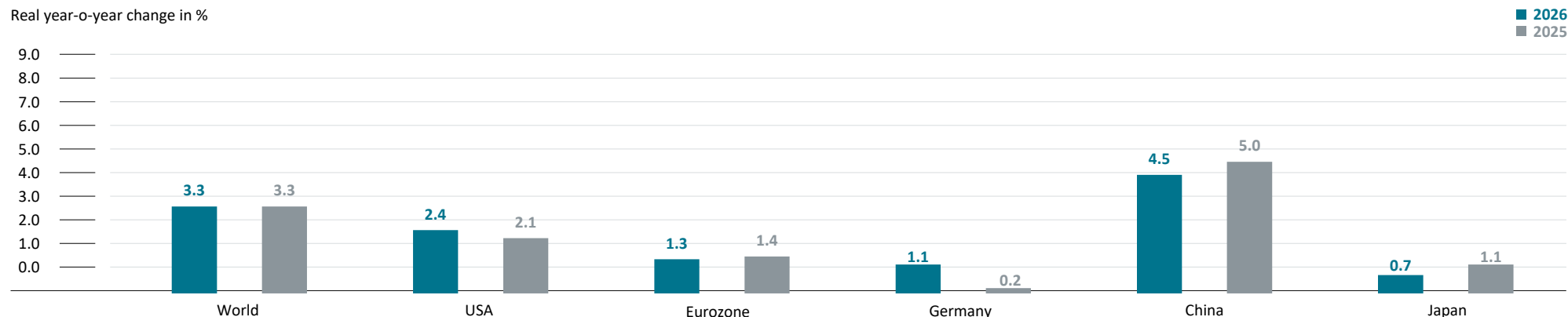
In contrast, the IMF identifies potential risks, such as ongoing political uncertainty, which could dampen consumption and investment. A further escalation of protectionist measures,

including non-tariff trade barriers, could suppress investment, disrupt supply chains, and slow productivity growth. Unexpectedly large shocks to labor supply could also slow growth, particularly in economies facing an aging population and a shortage of skilled workers. A sudden reassessment of technology stocks could be triggered by disappointing results in profits and productivity gains related to AI, which would mean the end of the AI investment boom and the associated euphoria in the financial markets, with possible far-reaching impacts on macro-financial stability.

According to IMF data from January 2026 (or OECD data from December 2025), global [inflation](#) is expected to slow from 4.1% last year to 3.8% in 2026. Commodity prices have stabilized and are falling in some cases, but price inflation for services remains high in many countries, partly due to salary increases. Inflation expectations for the euro area in 2026 are 1.9% (2025: 2.1 %), while inflation in the US is expected to reach 2.4% (2025: 2.0%).

The consensus based on market data (futures), Fed projections, and forecasts by major investment banks expects [prime rates](#) in the US to decline less sharply in 2026 than in 2025. On average, a decline of 25-50 basis points is forecast over the course of the year. The ECB is likely to leave interest rates for the eurozone unchanged. The risk of renewed inflationary pressure could be exacerbated by new import tariffs and the associated higher prices. Such a development could prompt central banks to raise key interest rates again.

Forecast gross domestic product in 2026 (2025) at a glance



Source: IMF, World Economic Outlook (Update) January 2026.

Overall assessment of the Group's anticipated performance by company management

The expected global economic momentum remains constrained by ongoing geopolitical conflicts, rising protectionism, and the resulting trade barriers. Economic experts forecast economic growth for the 2026 calendar year at around 3%, which is slightly below the historical average.

We expect varying developments in our major sales markets in 2026. Following weak demand for our semiconductor products in 2025, we do not anticipate a recovery in this business in 2026. The main reasons for this are, in particular, a continued demand for silicon carbide-based semiconductors, which is below the original assumptions, and slowly declining inventories at our customers. Additionally, Western automakers, the primary buyers of SiC semiconductors, are increasingly uncertain about the acceptance of electric vehicles. This also resulted in a postponement of new SiC semiconductor-using vehicles to subsequent years. We anticipate an increase in demand no earlier than 2027. In turn, we are seeing a significant decline in prices for our specialty graphite products used in semiconductor wafer manufacturing. As a result, this could lead to a general decline in the price of

silicon carbide-based semiconductors in the coming years, making these high-performance semiconductors attractive for other applications as well. In particular, the increasing use of AI applications and the data centers they require could also have a greater impact on SiC semiconductors. Accordingly, we continue to view the long-term growth trend in this market segment as intact and anticipate an increase in interest in our products after 2026.

We also expect the automotive market segment to lose momentum. In particular, tariffs on US imports and increasing competition from Asia may lead to lower demand for our products in automotive applications. We anticipate a similar trend for the European chemical industry. High energy prices and regulatory requirements are particularly weighing on production sites in Europe, sometimes leading to delays in new projects and investments. For our other existing market segments, particularly our industrial applications, we anticipate a stagnant development in 2026 due to the prevailing general conditions.

Following a comprehensive strategy review across all business units, we see future growth potential for all three business units in the energy generation market, particularly in the nuclear industry, as well as in the defense and security industry and the aerospace industry.

Group performance

The 2025 fiscal year was dedicated to securing our profitability. By implementing extensive restructuring and cost-saving measures, phasing out unprofitable business activities, and adapting SGL's structures to our new company size, we have created a sustainable platform to best leverage growth opportunities in both existing and new markets. We have already achieved initial success by signing a supply contract with X-energy to provide graphite material for the commercialization of their small, modular nuclear reactors (SMRs) in the nuclear industry.

For the 2026 fiscal year, we will focus on expanding our share in existing markets, as well as developing and entering new markets with above-average growth prospects. These include the nuclear industry, the defense and security sector, and the aerospace industry. At the same time, we will continue to work on completing and expanding our product portfolio through innovations in existing and new materials. For more information on our corporate strategy, please refer to the "Group Fundamentals" section.

As the development of new applications in our defined growth markets is still in its early stages, we anticipate only a small revenue contribution from these business activities in 2026. We do, however, expect modest sales in the low double-digit million range from a graphite material supply contract concluded in early 2026 within the nuclear industry.

The Group forecast and the forecast for the business units are based on the expectations and assumptions noted above regarding general economic and industry developments that we expect for our respective markets. In our planning, we have also assumed that the geopolitical pressures and global trade barriers will not continue to worsen.

We expect slightly lower energy prices but also moderately higher raw material costs in the 2026 fiscal year. Despite an expected further increase in wages and salaries, personnel expenses are projected to remain nearly constant in 2025 due to extensive restructuring measures and a reduction in headcount compared to the previous year. Given our comparable global customer and supplier relationships and the limited ability to pass on costs, we anticipate additional financial burdens for the Group in the mid-single-digit million euro range due to the currently applicable tariffs. We therefore do not expect that factor costs will ease in 2026. We will address this concern with strict cost management.

SGL Carbon's key financial performance indicators are sales revenue and adjusted EBITDA. These two KPIs are supplemented by free cash flow and return on capital employed based on adjusted EBIT (ROCE_{EBIT}), which we regard as a long-term indicator of performance.

For the 2026 fiscal year revenue forecast, it should be noted that the full-year impact of discontinuing loss-making business activities will only be fully reflected in 2026 sales. SGL Carbon ceased production and sales of polyacrylonitrile and its precursor in mid-2025. This resulted in a revenue decline of approximately €60 million, but also an improvement in adjusted EBITDA of €33.6 million. Based on the expectations we have already outlined for our existing markets and the limited revenue contributions from new customer groups, we anticipate consolidated revenue of between €720 and €770 million for the 2026 fiscal year (2025: €850.2 million).

Based on the assumptions and developments noted above, we expect an adjusted EBITDA of between €110 and €130 million for the 2026 fiscal year, encompassing all three operating business units and the Corporate segment.

Business trend in the business units

The sales revenue and earnings performance of the [Graphite Solutions \(GS\)](#) business unit is largely driven by customer demand from the semiconductor industry. For 2026, we assume that demand for specialty graphite components in this industry will continue to lose momentum and that there will be another decline in customer demand compared to the previous year, particularly for silicon carbide-based (SiC) semiconductors. Furthermore, we anticipate increasing price pressure for these products. We expect an increase in demand for our specialty graphite products only by the end of 2026 or 2027, primarily driven by increased requirements for high-performance semiconductors used in AI applications and data centers.

Assuming stable demand in the Graphite Solutions (GS) business unit's other market segments, and initial sales from the nuclear business, we expect GS sales to decline slightly overall compared to the previous year, due to the expected decline in semiconductor components and industrial applications sales (2025: €442.3 million). Despite lower sales and capacity utilization, we expect adjusted EBITDA for GS to remain at the previous year's level in 2026 (2025: €81.1 million) due to the cost savings measures already implemented.

The adjusted EBITDA margin expectation remains almost comparable to the previous year, 2025 (18.3%).

Following the advanced restructuring of the Carbon Fibers (CF) business unit, a decision was made at the end of 2025 to merge CF with the Composite Solutions (CS) business unit. Both business units share similar production processes, materials, and customer segments. Starting January 1, 2026, the **Fiber Composites (FC)** business unit will encompass the activities of both units.

Due to the discontinuation of loss-making operations in the former CF business unit in mid-2025, the full-year impact of these measures will result in a decline in sales for the new FC business unit in 2026. Additionally, we anticipate a decrease in demand for our composite products from the automotive industry. Revenue from newly launched sales activities in our future growth markets, such as the defense and aerospace industries, is expected to be minimal in 2026. Accordingly, we anticipate a significant decline in the FC business unit sales compared to the combined CF and CS sales of the previous year (2025: €257.7 million). On the other hand, the withdrawal from loss-making textile and carbon fiber production already led to a significant recovery in profitability in the former CF in the second half of 2025. This trend will continue in the 2026 fiscal year in the FC. The forecast for FC's adjusted EBITDA includes the contribution from our 50:50 joint venture BSCCB, which is expected to be slightly higher than the previous year (2025: €7.1 million). For the FC business unit as a whole (including BSCCB), we expect adjusted EBITDA to be slightly above the prior-year level (2025: €25.5 million)

Despite an increasingly challenging market environment, the **Process Technology (PT)** business unit has performed very well in recent fiscal years. PT's primary customer base is the chemical industry, which is particularly impacted by high energy and labor costs in Europe. Due to ongoing competitive pressure, production capacities in the chemical industry are not fully utilized, leading to some postponements of plant renewals. The same applies to new investments, for which implementation decisions are being postponed to subsequent years. We expect PT to continue to perform well but then consolidate at a high level in 2026. We therefore expect a slight decline in sales in the PT business unit. The exceptionally high adjusted EBITDA margin of 24.3% from 2025 will not be achieved in 2026. We therefore also expect a slight decrease in adjusted EBITDA in the PT business unit.

Revenue for the non-operating **Corporate** business unit comprises rental income and revenue from services supplied to third parties, as well as material and personnel charges for the central administrative functions. Following €19.2 million in sales in the 2025 fiscal year, we anticipate a significant decline in 2026. The decline in sales is attributed to the expiration of a lease agreement in September 2026. For the 2026 fiscal year, we expect a negative adjusted EBITDA of approximately €15 million for the Corporate segment.

In summary, our forecast for the 2026 fiscal year considers all three operating business units. Based on our assumptions regarding the development of key sales markets and customer demand, as well as the follow-on effects of the restructuring, we expect Group sales to be between €720 and €770 million for the 2026 fiscal year (2025: €850.2 million). We expect adjusted EBITDA, a key performance indicator for the Group, to be between €110 and €130 million.

We also assume that free cash flow of the 2026 fiscal year will reach the level of the previous year (2025: €37.0 million). For 2026, we expect a ROCE of 9% to 10% (2025: 9.8%) and net financial debt to remain nearly unchanged compared to December 31, 2025 (2025: €98.9 million).

The following overview shows the outlook for 2026 for the Group's key performance indicators:

Group financial targets

€m	Actual 2025	Outlook 2026 ¹⁾
Sales revenue	850.2	720 - 770
EBITDA pre	135.0	110 - 130
Return on capital employed (ROCE _{EBIT})	9.8%	9- 10%
Free cash flow	37.0	at previous year's level

Business trend in the reporting segments

Segment	KPI	Actual 2025	Outlook 2026 ¹⁾
GS	Sales revenue	442.3	slight decline
	EBITDA pre	81.1	constant
PT	Sales revenue	130.9	slight decline
	EBITDA pre	31.8	sligh decline
FC	Sales revenue	257.7	significant decline
	EBITDA pre	25.5	slight improvement
Corporate	EBITDA pre	-3.4	significant decline

¹⁾ "Slight" indicates a variation of up to 10%; "significant" indicates a variation of more than 10%

Capital expenditures in future growth

At €53.6 million, capital expenditures in the 2025 fiscal year were significantly lower than the previous year's level (2024: €97.3 million), primarily due to the expansion of capacities for the semiconductor industry. Due to the current low demand for specialty graphite components for the semiconductor industry, we will maintain production capacity for these products at 2025 levels in fiscal year 2026. The Group's capital expenditures volume is expected to be between €50 to €60 million.

Dividend development

SGL Carbon SE, the parent company, is currently unable to pay dividends due to its accumulated loss of €1,120.7 million.

Disclosures pursuant to Sections 289a and 315a HGB

The reporting required under Sections 289a and 315a HGB is covered in the following overview:

Composition of issued capital

As of December 31, 2025, the company had share capital of €313,194,183.68, divided into 122,341,478 no-par value shares, with a pro rata amount of €2.56 per share of the share capital (see [Note 23](#)).

Restrictions affecting voting rights or the transfer of shares

The members of the company's Board of Management are obligated to hold a fixed number of shares in SGL Carbon SE for the duration of their tenure on the Board; the Chairman of the Board of Management in the amount of their fixed annual salary, the other members of the Board of Management in the amount of 85% of their fixed annual salary. There are no other restrictions on voting rights or the transfer of shares. However, mandatory legal requirements, in particular under Section 71b AktG, which excludes voting rights for the company's own shares, as well as the exclusion of voting rights in cases of conflicts of interest pursuant to Section 136 (1) AktG, are unaffected by this.

Direct or indirect participation in the capital

The company has been notified of a direct or indirect interest in the capital that exceeds 10% of the voting rights as follows: (i) by SKion GmbH, Bad Homburg, Germany, through notifications of voting rights or notifications of proprietary transactions with a participation of approximately 28.55% at the end of 2025, and (ii) by Bayerische Motoren Werke Aktiengesellschaft (BMW AG), Munich, most recently by notification in connection with the capital increase in 2016 with a participation of approximately 18.26% at that time.

Holders of shares with special rights

No shares with special rights that grant controlling authority have been issued.

Type of voting rights control in the case of employee shareholdings

There are no voting rights controls for employees who hold shares in the company's share capital.

Statutory provisions and provisions of the Articles of Incorporation relating to the appointment and removal of members of the Board of Management and amendments to the Articles of Incorporation

The statutory provisions in Article 39 of the SE Regulation, Section 16 of the German SE Implementation Act [SE Ausführungsgesetz] and Sections 84, 85 AktG and Section 6 of the company's Articles of Incorporation apply to the appointment and dismissal of members of the Board of Management. In accordance with this, the members of the Board of Management are appointed and dismissed by the Supervisory Board. The members of the Board of Management are appointed for a maximum period of five years. Reappointments are permitted. The Supervisory Board may dismiss a member of the Board of Management if there is good cause for their dismissal. Good cause is, in particular, a gross violation of the duties of the Board of Management and a vote of no confidence by the Annual General Meeting. The Supervisory Board decides on appointments and dismissals at its own due discretion.

The Annual General Meeting makes decisions on changes to the Articles of Incorporation. Pursuant to Section 17 (4) Articles of Incorporation, such resolutions require a simple majority of the votes cast for the resolution, provided that at least half of the share capital is represented; this does not apply if a higher majority, including a higher capital majority, is required by law.

Authority of the Management Board to issue and buy back shares

The Management Board is authorized, with the approval of the Supervisory Board, to issue new shares from authorized or conditional capital (see Article 3 Articles of Incorporation and also the Notes [Note 23](#)).

Material agreements that are conditional on a change of control as a result of a takeover bid

As of December 31, 2025, the company had issued two convertible bonds (nominal amount €101.9 million) that will mature in 2027 and 2028 (nominal amount €118.7 million). Both convertible bonds entitle the bondholders in the event of a change of control to demand repayment of any outstanding bonds at par value (plus interest accrued up to that point) on a date to be determined by the company, which shall be no less than 40 and no more than 60 calendar days after the publication of the change of control. In addition, it is also possible to convert the bonds into shares, in which case an improved conversion ratio for the bondholder is applied, which is staggered in relation to the remaining term of the relevant convertible bond. A change of control is deemed to occur for both convertible bonds if one or more persons acquire control over the Company, where control means direct or indirect, legal and/or economic ownership of shares (within the meaning of Sections 29 (2), 30 WpÜG) which together grant more than 30% of the voting shares in the company. For both convertible bonds, the improved conversion ratio will also apply in the case of a public takeover offer if, at the end of the acceptance period, the acceptance rate of the offer exceeds 30% of voting shares, any minimum acceptance threshold for the offer in excess of this amount has also been reached, and no further offer conditions remain unfulfilled (other than conditions that can legally be met after the acceptance period has expired).

In the event of a change of control, the lenders of the company's revolving syndicated loan of €100 million which was drawn at the end of 2025 have the right to terminate their respective participation in the syndicated loan. A change of control exists when one or more persons (by means of acting in concert pursuant to Section 2(5) WpÜG) acquire control over the company, whereby control means (i) the right to directly or indirectly exercise more than 30% of the voting rights of the company at a Annual General Meeting, (ii) the right to appoint all or the majority of the Executive Board, (iii) to issue binding instructions to the Board of Management regarding the operational and financial strategy of the company, or (iv) the direct or indirect ownership of more than 50% of the company's share capital. However, it does not constitute a change of control if control is acquired by Dr. h.c. Susanne Klatten, BMW AG or Volkswagen AG or companies controlled by them.

Furthermore, the agreement regarding the joint venture Brembo SGL Carbon Ceramic Brakes S.p.A., in which SGL Carbon SE holds 50% of the share capital, provides for the right

of the other party to tender its shares in this joint venture in the event of a change of control on one side (put option) or to acquire the shares of the party subject to a change of control in the joint venture (call option). A change of control exists (i) if a competitor of one of the parties to the joint venture directly or indirectly acquires 25% or more of the voting rights in the parties to the joint venture or SGL Carbon SE or (ii) if another third party directly or indirectly acquires 50% or more of the voting rights in one of the parties to the joint venture or SGL Carbon SE.

Compensation agreements with the Board of Management and employees in the event of a takeover bid

No compensation agreements have been concluded with the Board of Management and employees in the event of a takeover bid.

Corporate Governance Declaration, Corporate Governance and Compliance Report (unaudited)

Declaration of conformity with the German Corporate Governance Code

The Board of Management and the Supervisory Board of a listed European corporation (Societas Europaea) with its registered office in Germany are required by Art. 9 (1) (c) (ii) SE Regulation in conjunction with Section 161 German Stock Corporation Act to declare at least once a year whether the German Corporate Governance Code (GCGC) has been and is being complied with. In addition, reasons must be specified as to which recommendations of the code have not been or are not being applied. Since 2002, the Board of Management and Supervisory Board of SGL Carbon SE have regularly issued and published declarations of conformity. Each declaration of conformity will be made available to the public on the company's website (www.sglcarbon.com, under "Company/Corporate Governance") for a period of five years. The most recent declaration of conformity was issued and published in November 2025:

The Board of Management and Supervisory Board of SGL Carbon SE declare that

SGL Carbon SE has fully complied with the recommendations of the German Corporate Governance Code ("Code") of the "Government Commission on the German Corporate Governance Code" in the version of April 28, 2022 (published on June 27, 2022), which were also published by the Federal Ministry of Justice in the official section of the Federal Gazette, since issuance of the last declaration of conformity in December 2024, and that SGL Carbon SE will continue to fully comply with these recommendations in the future, with the exception of the following deviation:

- In regard to recommendation C. 10 (1) of the Code, according to which the Chairperson of the Supervisory Board and the Chairperson of the remuneration committee should be independent of the company and the Board of Management: Prof. Dr. Richter is Chairman of the Company's Supervisory Board and its Personnel Committee and is also Managing Director of SKion GmbH, a major shareholder of SGL Carbon SE. However, the company considers the current composition of the Chairperson of the Supervisory Board and of the Personnel Committee to be appropriate. Prof. Dr. Richter is considered particularly suited

for occupying both positions, and the company believes that the other shareholder representatives on the Supervisory Board, the majority of whom are independent, ensure that the board is sufficiently balanced.

In addition, SGL Carbon SE's Corporate Governance Principles largely comply with the non-mandatory suggestions of the German Corporate Governance Code.

Wiesbaden, November 26, 2025

Prof. Dr. Frank Richter (Chairperson of the Supervisory Board of SGL Carbon SE)
signatory for the Supervisory Board of SGL Carbon SE

Andreas Klein (Chairperson of the Board of Management of SGL Carbon SE),
signatory for the Board of Management of SGL Carbon SE

Composition and procedures of the Board of Management

The governance of SGL Carbon SE as a listed European company (SE) with its registered office in Germany is largely determined by Council Regulation EC No. 2157/2001 of October 8, 2001, the Statute of a European Company (SE Regulation), Germany's SE Implementation Act, the Agreement on the Involvement of Employees in SGL Carbon SE as well as the German Stock Corporation Act (AktG), the suggestions and recommendations of the German Corporate Governance Code and the Articles of Association of SGL Carbon SE.

SGL Carbon SE is subject to the dualistic system as per Art. 38 of the SE Regulation in conjunction with Section 5 of SGL Carbon SE's Articles of Association. The dualistic system is characterized by a separation of personnel between the management body (Board of Management) as the executive and management body and the supervisory body (Supervisory Board) as the monitoring body. The Board of Management and Supervisory Board of SGL Carbon SE work closely together for the benefit of the enterprise. Their shared goal is the sustained growth of the value of the company.

The Articles of Association specify that the Board of Management of SGL Carbon SE consists of several members; this number is determined by the Supervisory Board. As of December 31, 2025, the Board of Management consisted of three members and no Board of Management committees were formed.

The Board of Management is responsible for managing SGL Carbon SE and the SGL Carbon Group in the interest of the company. The principle of overall responsibility applies, that is, the members of the Board of Management bear joint responsibility for management of the business; however, each member of the Board of Management is assigned responsibility for specific areas. More detailed information on the individual members of the Board of Management and their areas of responsibility can be found on the company's website (www.sglcarbon.com under "Company/About us/Board of Management"). Certain matters determined by the full Board of Management shall both be dealt with by the full Board of Management and require its approval. The Chairperson of the Board of Management coordinates the work of the members of the Board of Management.

The Board of Management develops the corporate and Group strategy and ensures its implementation in consultation with the Supervisory Board. In addition to long-term economic targets, corporate strategy and planning also take appropriate account of

environmental and social objectives. The duties of the Board of Management also include managing and monitoring the operating activities of the Company and establishment and supervision of an appropriate and effective control and risk management system. The Board of Management ensures compliance with legal provisions, official regulations and internal policies, and it works to ensure that these rules and regulations are also complied with by Group companies. The Board of Management prepares the company's interim financial reports, the financial statements of SGL Carbon SE, the consolidated financial statements, the management reports of SGL Carbon SE and the SGL Carbon Group and the separate non-financial report or the sustainability report for the SGL Carbon Group.

The Board of Management informs the Supervisory Board regularly, promptly and comprehensively in regard to all issues relevant to the company and the Group, particularly including strategy, planning, business development, the risk situation, risk management and compliance. In this context, the Board of Management addresses instances in which the business situation deviates from the established plans and targets. When important events of material significance for the company occur, the Board of Management shall inform the Chairperson of the Supervisory Board without delay, and the Chairperson of the Supervisory Board shall subsequently inform the Supervisory Board and convene a Supervisory Board meeting if required.

The composition and procedures of the Supervisory Board and its committees

Supervisory Board

According to Section 8 (1) of the Articles of Association, the Supervisory Board of SGL Carbon SE consists of eight members, with half of them being shareholder representatives and the other half employee representatives. The shareholder members are appointed by the Annual General Meeting of SGL Carbon SE, and the employee representatives are appointed by the SE Works Council in accordance with the agreement of the company with the employees on co-determination in the company. The Supervisory Board elects a Chairperson of the Supervisory Board from among its members and a Vice-Chairperson from among the shareholder representatives and employee representatives. If resolutions are to be adopted by a simple majority, the Chairperson of the Supervisory Board will cast the tie-breaking vote in the event of a tie, and if the Chairperson does not participate in the adoption of the resolution, the Vice-Chairperson who has been appointed to the

Supervisory Board as a shareholder representative will cast the tie-breaking vote. In addition, the Chairperson of the Supervisory Board coordinates the work of the Supervisory Board and represents the interests of the Supervisory Board to the outside world.

The Supervisory Board advises and monitors the Management Board in managing the company; this also includes advising and monitoring on sustainability issues. The Supervisory Board appoints and dismisses the members of the company's Board of Management, makes decisions regarding the remuneration system for Board of Management members and sets the individual remuneration for each member of the Board of Management. The remuneration system for the Board of Management and its approval by the Annual General Meeting is available on the company's website (www.sglcarbon.com, and available there under "Company/Corporate Governance"). At regular intervals, the Supervisory Board obtains reports from the Board of Management on the strategy, corporate planning, sales performance, profitability, business development, sustainability issues and the situation of the company, as well as on the internal control system, the risk management system and the compliance management system. It is directly involved in decisions that are of fundamental importance to SGL Carbon SE and the Group; these include the launch of new sectors or the discontinuation of existing ones and the issuance of bonds. Section 11 of the Articles of Association of SGL Carbon SE contains a catalog of transactions for which the Board of Management requires the approval of the Supervisory Board (the Articles of Association of SGL Carbon SE are available on the company's website (www.sglcarbon.com, under "Company/Corporate Governance")). Furthermore, under certain circumstances it is required under law that the Supervisory Board or the Audit Committee approve transactions with related parties in advance. The Supervisory Board is ultimately responsible for auditing the annual financial statements and management report of SGL Carbon SE, the consolidated financial statements and management report and the proposal for appropriation of unappropriated profits. The activities of the Supervisory Board in the 2025 fiscal year are explained in the Report of the Supervisory Board.

The Supervisory Board has adopted rules of procedure which govern in particular the convening and preparation of the Supervisory Board's meetings and the passing of resolutions in addition to its duties and responsibilities. The Rules of Procedure are available on the company's website (www.sglcarbon.com, under "Company/Corporate Governance").

Targets of the Supervisory Board regarding its composition

In accordance with the requirements of the German Corporate Governance Code, the Supervisory Board adopted targets for its composition and drafted a skill set profile for the body as a whole. In accordance with the targets it has set for itself, the Supervisory Board is to have a composition that ensures that its membership as a whole possesses the knowledge, skills and professional experience required to properly perform the duties of the Supervisory Board. The age limit for members of the Supervisory Board is 72. As a rule, a member of the Supervisory Board shall also no longer be proposed as a candidate for the Supervisory Board once they have completed their third term of office on the Supervisory Board. This rule does not apply to terms of office based on a court appointment to the Supervisory Board. If a Supervisory Board member holds a material stake in the company within the meaning of the German Corporate Governance Code, controls a material shareholder of the company or acts as a representative of a material shareholder, there is a fundamental exception to the above-mentioned rule and no time restriction applies in this case. Each member of the Supervisory Board also ensures that they have sufficient time to perform their duties.

All members of the Supervisory Board must be able to properly perform their duties. To perform its duties properly, at least two Supervisory Board members should have expert knowledge in the field of accounting or auditing, including sustainability reporting (Financial Expert); currently, as proven by their education and career, this is the case for Ms. Neumann and Mr. Denoke. As a trained auditor and former partner of an auditing company, Ms. Neumann has the necessary knowledge and experience in the field of auditing as well as in the area of accounting. Mr. Denoke, as a long-standing CFO of a large listed company, also has the necessary knowledge and experience in the application of accounting principles and internal control and risk management systems, along with knowledge and experience in the field of auditing. In addition, at least one member of the Supervisory Board must have considerable professional experience and industrial expertise in the SGL Carbon Group's sectors or key customer industries. Furthermore, each of the following areas should have at least one member who has extensive professional experience in the specified area: corporate management and corporate strategy, compliance and risk management, innovation expertise (including digitization), executive development and human resources. In addition, members of the Supervisory Board should have knowledge of sustainability issues important to the company. The composition of the Supervisory Board should also reflect the international activities of the company; at least one member

of the Supervisory Board should have special international knowledge and experience due to their national origin, education or professional activity.

The Supervisory Board shall always include a sufficient number of independent members. That is why at least half of the members of the Supervisory Board on the shareholder side should be independent; this is currently the case, as the Supervisory Board considers Ms. Neumann, Mr. Denoke and Dr. Bästlein to be independent representatives, meaning that more than half of the shareholder representatives are independent.

With regard to the appropriate participation of women on the Supervisory Board of the company, the legislation relevant for SGL Carbon SE pursuant to Sections 17 (2) SEAG and 96 (2) AktG also requires that the Supervisory Board of the company be composed of at least 30% women and at least 30% men in accordance with the regulation provided therein.

The aforementioned targets of the Supervisory Board with regard to its composition and the skill set profile for the entire body are taken into account in proposals for the appointment of new Supervisory Board members, and efforts are made to fill gaps in the skill set profile. In its current composition, the positions on the Supervisory Board are fully filled in terms of the members' expertise, diversity and independence according to the targets and skill set profile of the Supervisory Board.

	Prof. Dr. Richter	Denoke	Neumann	Dr. Bästlein	Stett- berger	Bam- berger	Hem- leb	Züllig- hofen
Accounting / Audit		X	X					
SGL businesses / customer industries		X	X	X	X	X	X	X
Strategy / Corporate Governance / M&A	X	X	X	X				
Compliance / Internal Audit and Risk Management		X	X					
Innovation / Digitization	X	X		X				
Human Resources / Management Development	X	X	X		X	X	X	X
Sustainability themes	X	X	X	X				
International business experience	X	X	X	X				

More detailed information on the individual members of the Supervisory Board, including the length of their membership on the board, can be found on the company's website (www.sglcarbon.com, under "Company/About us/Supervisory Board").

Rules in the event of possible conflicts of interest

It is necessary for Supervisory Board members to disclose conflicts of interest to the Chairperson of the Supervisory Board. This includes both specific conflicts of interest that arise as well as potential conflicts of interest that are sufficiently probable. If a Supervisory Board member has conflicts of interest that are material and not merely temporary, this will lead to termination of the mandate. The Supervisory Board or the Audit Committee approves transactions with related parties in accordance with the statutory requirements. In addition, the Audit Committee examines whether there were any indications of improper influence in transactions between SGL Carbon Group companies and Supervisory Board members, persons or companies related to them or shareholders with a stake in SGL Carbon SE of more than 5% of the voting rights. In the reporting period, no conflicts of interest were reported by members of the Supervisory Board or Board of Management that would be necessary to disclose to the Supervisory Board without delay. In the reporting period, there were also no consultancy or other service agreements between the members

of the Supervisory Board and the company. Relationships to related parties are presented in [Note 28](#) to the consolidated financial statements.

Committees of the Supervisory Board

The Supervisory Board has a total of three standing committees, which operate in accordance with the requirements of the German Corporate Governance Code, the German Stock Corporation Act, the company's Articles of Association and the Rules of Procedure for the Supervisory Board. These committees are

Personnel Committee

The Personnel Committee, chaired by Prof. Dr. Richter, advises the Supervisory Board primarily on the arrangements that regulate the legal relationship between the company and its current and former Board of Management members. It reviews the remuneration of the Board of Management members and submits proposals to the full Supervisory Board for a final decision. The committee also prepares personnel decisions by the Supervisory Board by drafting proposals for the appointment of new and the dismissal of incumbent members of the Board of Management. Other members of the committee are Ms. Neumann and Mr. Stettberger.

Nominating Committee

The task of the Nomination Committee is to prepare proposals for the Annual General Meeting election of shareholder representatives to the Supervisory Board. The committee chaired by Prof. Dr. Richter includes all shareholder representatives of the Supervisory Board, that is, in addition to Prof. Dr. Richter, Ms. Neumann, Dr. Bästlein and Mr. Denoke.

Audit Committee

The Audit Committee consists of four members. The Chairperson of the Audit Committee is Mr. Denoke. The other members are Ms. Neumann, Mr. Hemleb and Mr. Züllighofen. The committee deals with matters that include audit of the accounting, monitoring of the accounting process, risk management, compliance and the internal control and audit system, as well as audit of the Group's transactions with related parties. In particular, it is responsible for the preliminary audit of the annual financial statements of SGL Carbon SE

and SGL Carbon, the management report and Group management report (including the separate non-financial report or sustainability report) and the proposal for appropriation of earnings.

Another of the committee's areas of responsibility is the company's relationship with the auditor. In this context, the committee primarily prepares the Supervisory Board's proposal to the Annual General Meeting on the election of the auditor. It is of key importance here to ensure that the auditor is both qualified and independent. The committee also determines audit priorities with the auditor, discusses the audit strategy and audit planning with the auditor, agrees the audit fee, prepares the issuance of the audit engagement and reviews in advance the commissioning of non-audit services to be performed by the auditor.

In addition to these three permanent committees, the Supervisory Board may form temporary project-related committees as needed.

Efficiency review of the Supervisory Board

The Supervisory Board regularly assesses the effectiveness and efficiency of its work and the work of its committees. In the last self-assessment, the members of the Supervisory Board were able to provide their assessment of current practice and suggestions for optimization in regard to a variety of topics, such as cooperation on the Supervisory Board and with the Board of Management, as well as on the work in the committees. The results were evaluated by a notary, processed anonymously and then discussed by the Supervisory Board in November 2025. The members of the Supervisory Board rated the cooperation within the Supervisory Board and with the Board of Management as positive overall.

Governance practices

SGL Carbon Code of Conduct

The SGL Carbon Code of Conduct underscores the commitment of SGL Carbon and all employees to responsible, lawful conduct and reflects the Group's shared values, its corporate culture and the type of behavior it aspires to in its business. A key factor in SGL Carbon's lasting success as a company is its responsible and appropriate treatment of all parties with whom the company has business relationships, including employees, customers, shareholders, governmental authorities and the public. The Code of Conduct is

intended to play a key role in building and maintaining trust among all stakeholders. It underscores the commitment of the company and its employees to comply with applicable laws and provide employees with guidelines for responsible conduct. The SGL Carbon Code of Conduct is also accessible to external parties on the company's website (www.sglcarbon.com, under "Company/Compliance/Code of Conduct").

SGL Carbon Corporate Governance Principles

The SGL Carbon Corporate Governance Principles summarize the relevant statutory provisions and the company's Articles of Association, as well as supplementary practices of SGL Carbon SE and the Group that were drafted and developed over the years. This statement of principles is intended to ensure responsible and transparent governance and control as well as to foster the trust of stakeholders, business partners and employees, as well as that of the public over the long term. The principles are reviewed at least once a year and updated to take changes in the law, recommendations and market opportunities into account. In addition to the Rules of Procedure for the Board of Management and Supervisory Board and the organizational principles of the SGL Carbon Group, the SGL Carbon Corporate Governance Principles also include the essential corporate guidelines relating to Group-wide corporate governance and compliance.

The above-mentioned SGL Carbon Code of Conduct, which underscores the commitment of the Group and its employees to compliance with the law and internal guidelines and which sets standards for lawful and ethical behavior, is fundamental to all of these documents. Using the Code of Conduct as a starting point, the company has also developed detailed corporate guidelines which apply in equal measure to SGL Carbon SE and the Group and which also form part of the SGL Carbon Corporate Governance Principles. These guidelines include

- a guideline on compliance with antitrust regulations
- a guideline on compliance with capital market regulations
- a whistleblower guideline
- an anti-corruption guideline
- a guideline on the security of information and the underlying infrastructure of the company

- a guideline for defining the process structures for identifying and monitoring the core risks of the company and its business units and functions

Compliance as part of the management and corporate culture

At SGL Carbon, compliance is a key management task of the Board of Management. Management does not tolerate any violation of the Code of Conduct. The senior executives also foster a corporate culture in which issues relating to integrity can be openly addressed with one's supervisor, the compliance representatives and the Group Compliance department. Each employee bears personal responsibility for ensuring that their actions comply with SGL Carbon's Code of Conduct and the rules applicable in their area of work. Compliance must be present in the minds of managers and employees and form an integral part of daily business. Then compliance will also sustainably support the success of the company.

SGL Carbon has been rolling out and implementing a Compliance program throughout the Group for many years. The Board of Management has commissioned the Group Compliance department with managing this program worldwide. The department's task is to manage the necessary overarching organizational, communication and control structures across all locations, to review them on a regular basis and to adjust them as required. The aim is for compliance to go beyond adherence to legal requirements and structures and for it to be enshrined in the organization as part of value-based corporate management in the sense of an integrity management system in the organization.

Over the past fiscal year, the external certification of SGL Carbon SE's compliance management system was subjected to a second regular surveillance audit pursuant to the standard ISO 37301:2021 (see the separate non-financial Group report/CSR report).

As part of their responsibilities for personnel and leadership, the management and senior executives of SGL Carbon assume an important role model function for compliance. Accordingly, compliance is a regular topic on the agenda of management meetings of business units and corporate functions and of site committee meetings. In the past fiscal year, the role of managers in compliance was particularly emphasized through a Compliance Leadership Campaign. To this end, Group Compliance has created "Compliance Bites" as communication tools on specific compliance topics, such as anti-corruption, business ethics, data protection and more. Managers are encouraged to regularly use these

Compliance Bites in their team meetings to discuss compliance with their employees. The Compliance Bites are available in various formats on the Compliance intranet site. During the surveillance audits of our CMS, the implementation of this voluntary campaign was randomly checked and received a positive assessment, being highlighted by the auditors as a particular strength. During the past fiscal year, compliance refresher training was again on the agenda of various Global Leadership Meetings.

In addition to the compliance representatives of the business units and corporate functions (see separate non-financial Group report/CSR report), the SGL Carbon compliance organization includes a network of regional and local compliance representatives (LCRs). All members of the network receive appropriate introductory training when they first assume their role. In addition, the Compliance Manual, which is available as a controlled document in the Guidelines directory of SharePoint, describes the essential elements of the Compliance program and the role and responsibility of the Compliance Network. All relevant documents are also available to members on a dedicated SharePoint page. The compliance representatives of the business units and the corporate functions are members of the Compliance Committee, which meets twice a year. The Compliance Committee discusses and approves strategic compliance issues as well as changes to the existing Compliance program. To ensure knowledge sharing between the Compliance Network and Group Compliance, an average of two to three conference calls are held annually to facilitate ongoing dialogue about the compliance program and discuss current issues. The survey conducted within the Compliance Network during the past fiscal year, focusing on role understanding, resource availability and compliance culture, confirmed a high level of satisfaction with the compliance program among this group.

The local compliance representatives are the contact persons for employees at the locations for all matters relating to compliance and support for the Group Compliance department in the local implementation of the Compliance program. In the past fiscal year, they provided particular support for the training campaigns for production employees on the topics of the Code of Conduct and Human Rights (see separate non-financial Group report/CSR report).

The overriding goal in Compliance is to ensure that all employees are aware of and follow the applicable policies in order to reduce the risk of legal violations and prevent any resulting damage to SGL Carbon. For this reason, the Compliance guidelines are an integral part of the documents that are provided to each new employee and have been sent to new

employees electronically via the SGL PEOPLE portal. The process also includes a read and acceptance confirmation. A corresponding reporting function automatically sends supervisors a status report on the employee confirmations. If the due date is exceeded, the respective supervisor will send a reminder, thus taking responsibility for the compliance of their employees. This process is also part of an internal check within the framework of the Internal Control System. The Code of Conduct, the Anti-Corruption Policy, the Policy on Compliance with Antitrust Regulations and the Whistleblower Policy are available in a total of nine local languages. The policies are also available for employees to download on SharePoint and the SGL intranet. The intranet also provides employees with crucial information and modules of the SGL Compliance program, accessible with just a few clicks.

Employees also take part in mandatory compliance training, which is conducted as classroom or e-learning training. Initial training is usually provided as online training. In the past fiscal year, the online training on the Code of Conduct for Office Workers was fundamentally revised and rolled out to the target group (see separate non-financial group report/CSR report).

SGL Carbon has been using a comprehensive global antitrust compliance program since 2001. A fundamental component of this program is mandatory training courses held on a regular basis, with the courses offered in the form of classroom- training as well as e-learning. The target group for this mandatory training is all senior executives at the top three management levels in the Group, along with all employees in the areas of Purchasing, Sales and Marketing, Human Resources and the Legal and Compliance department as well as all members of the Compliance Network. All new employees in this target group receive the SGL Carbon Guideline on Compliance with Antitrust Regulations with their hiring documents or when they change functions, and they then need to participate in the mandatory online basic training. Refresher training is regularly provided to all employees in the target group in both classroom and online formats. The Guideline on Compliance with Antitrust Regulations was updated during the past fiscal year and will be redistributed to the target group in the first quarter of 2026.

Preventive measures in the area of anti-corruption are also an essential part of the Compliance program. Mandatory training for all office workers is part of a training curriculum and is distributed to the target group every two years via the SGL People Portal. The Anti-Corruption Policy was revised during the past fiscal year and aligned with the SGL Hospitality Spending Policy, which, among other things, sets internal limits for hospitality.

(See the separate non-financial group report/CSR report “Anti-Corruption and Bribery” for more details).

For many years, SGL Carbon has had a Business Partner Code of Conduct (previously Supplier Code of Conduct), requiring business partners to commit themselves equally to lawful, ethical and sustainable behavior. The Code is aimed at suppliers and subcontractors, as well as sales agents, distributors and consultants (see the separate non-financial report/CSR report “Responsibility in the supply chain”).

SGL Carbon promotes a company culture in which integrity issues can be addressed openly. For questions on appropriate ethical behavior of doubts regarding the adherence to rules and codes of conduct, SGL employees are explicitly encouraged to seek out advice. Furthermore, SGL employees are encouraged and have been asked to share possible compliance violations. For this reason, SGL Carbon has already been implementing a whistleblower system for many years. Additional guidance for the complaints procedure regarding the handling of submitted reports can be found on the SGL website. In addition to the central reporting office at Group Compliance, a local reporting office has been set up at the largest German subsidiary of SGL Carbon GmbH as well as regional reporting offices in the US and China (see separate non-financial group report/CSR report “Compliance Management”).

Additional compliance measures relate to capital market law and adherence to the corresponding Group guideline, which provides guidance on matters such as trading in securities of SGL Carbon SE for board members and employees as well as proper handling of potential insider information. The Ad-Hoc Committee has been in place for years, with members who represent various functions in the evaluation of relevant matters for their ad-hoc relevance. The objective of the committee is to ensure that potential insider information is handled in compliance with the law. Regular training sessions on capital markets law are also held, most recently in February 2025.

The existing Compliance- program on export controls and customs ensures that goods and technologies are exchanged and that services are used according to the relevant internal and external requirements (see separate non-financial Group report/CSR report “Responsibility in the Supply Chain”).

Within the scope of its regular audits, the Group Internal Audit department reviews the implementation of anti-corruption and anti-fraud management at individual subsidiaries. The focus here is on obtaining audit certainty as to whether the defined Compliance rules are being adhered to locally at the companies. The task also involves recognizing and uncovering individual rule violations. If the audits find that work processes need to be optimized or control measures need to be intensified, the relevant processes are updated.

Part of an effective ISO-certified compliance management system is also the regular review of the compliance program itself. In 2025, an internal system review was performed by quality management in compliance with the requirements of ISO 37301. The resulting recommendations will be implemented within the timeframe agreed upon with Group Internal Audit. The annual CMS system audit is part of the annual plan of Group Internal Audit.

An effective compliance management system includes regular risk assessments. In the past fiscal year, the focus was on the anti-corruption risk category, including business ethics. To this end, a top-down and bottom-up risk assessment was conducted within the compliance network. The results were presented during the LCR meetings and were also included in the Annual Report to the Board of Management (see separate non-financial group report/CSR report “Governance”).

At its March meeting, the Audit Committee of the Supervisory Board dealt in detail with the Compliance Annual Report 2024.

Systematic risk management system

The SGL Carbon Group developed a risk management system at an early stage to address risks and opportunities in a responsible manner as part of good corporate governance. For further explanations in regard to the internal audit system and to the risk management system, please refer to the opportunities and risks report.

Disclosures in accordance with the Act on Equal Participation of Men and Women in Executive Positions and disclosures on minimum percentages on the Supervisory Board

In accordance with the legislation on Equal Participation of Men and Women in Executive Positions in the Public and Private Sectors, the company has set targets for the percentage of women on the Board of Management and subsequent management levels and their implementation period. In December 2022, the Supervisory Board set a target of 0% for the percentage of women on the Board of Management of SGL Carbon SE by December 31, 2025 (i.e., a target number of 0 female Board of Management members), particularly in view of the size of the Board of Management at the time, with only two members. The percentage of female members on the company's Board of Management as of December 31, 2025, was 0%, which was in line with the target figure. The Board of Management has in turn resolved a target for the percentage of women at the management level of SGL Carbon SE below the Board of Management of at least 30.77% by December 31, 2025. On December 31, 2025, the percentage of women was at 40.00% (six women). The target set was met here as well. It was not possible to set a quota for women for a second management level below the Board of Management at the company. This is due to the fact that there is only one relevant management level (with relevant personnel and management expertise) below the Board of Management at SGL Carbon SE, which is purely a Group parent company with a flat hierarchical structure.

With the completion of the reference period ending on December 31, 2025, target figures for the following period were ratified. The Supervisory Board has once again set the percentage of women for the SGL Carbon SE Management Board to a share of 0%, that is, a target figure of 0 female Board of Management members until December 31, 2029 (percentage of women at the time of ratifying the resolution: 0%). The Supervisory Board continues to consider this quota appropriate since the Management Board is small. Given the size of the Board of Management of three members, a percentage of women of more than 0% would have the result that gender would overly predetermine the choice between two possible candidates for new appointments. When selecting suitable members of the Board of Management, the Supervisory Board will in principle take into account not only the professional and personal qualifications, which are the essential basic prerequisites for appointment, but also the professional diversity, international experience and gender diversity of the Board in the interest of a diverse composition of the body in the particular individual case. However, it is not intended on the part of the Supervisory Board to already

determine this consideration to be made for a field of applicants today in an abstract manner. To this end, it should also be pointed out that in the case of listed stock corporations subject to co-determination, the law only stipulates a mandatory minimum quota for management boards of a certain size, i.e., for a Supervisory Board with more than three members (Section 76 (3a) AktG). In addition, setting a higher percentage of women would force the Supervisory Board to either increase the size of the Management Board or indirectly force a decision today to end the mandate of one of the current Supervisory Board members or no longer continue it. Both are far-reaching decisions for which the Supervisory Board does not consider a premature determination to be in the interest of the company. The percentage of female members on the company's Board of Management as of December 31, 2025, was 0%, which was in line with the target figure.

In addition, the Board of Management of the company has also ratified the target figure for the percentage of women at the executive level of SGL Carbon SE below the Board of Management with a quota of at least 33.34%, that is, five female managers, by December 31, 2029 (percentage of females at the time of ratification: 40.00%, that is, six female executives). It was not possible to set a quota for women for a second management level below the Board of Management at the company. This is due to the fact that there is only one relevant management level (with relevant personnel and management expertise) below the Board of Management at SGL Carbon SE, which is purely a Group parent company with a flat hierarchical structure.

In addition, the legislation on Equal Participation of Men and Women in Executive Positions requires that the Supervisory Board of SGL Carbon SE include at least two women and at least two men with a Supervisory Board size of eight members. The company fulfills these requirements with regard to the composition of the Supervisory Board in the reporting year.

Diversity concepts for company management

According to the company's Corporate Governance Principles, diversity must be taken into account in the composition of the Board of Management. This first refers to professional diversity, which is manifested in the existing structure of the company in that at least one of the members of the Board of Management has extensive experience in the operating business of the enterprise, in strategic governance and in the financial, controlling and reporting processes. Another crucial factor is that SGL Carbon's international nature is also reflected in its extensive professional experience in and with foreign countries. With regard

to gender distribution, in view of the size of the company's Board of Management, which regularly consists of just two or three members, a far-reaching quota was neither deemed appropriate nor defined (see "Determinations in accordance with the Act on Equal Participation of Women and Men in Executive Positions and Disclosures on minimum percentages on the Supervisory Board" above). With regard to the age structure, we intend for the age limit for Board of Management members to be 65 years. When appointing new members, the Supervisory Board takes its bearings from this requirements profile, ensuring that the best candidate for a vacant position can be appointed in each case in the interest of the company. The current composition of the Board of Management meets the company's targets for appropriate appointments.

The company is looking to develop suitable candidates from within the ranks of the enterprise in order to fill any Board of Management vacancies that arise. This does not preclude the Supervisory Board from drawing on external candidates exclusively or additionally in the selection process, depending on the specific situation. To identify and develop employees with appropriate leadership potential in order to fill top management roles, the company has a systematic approach to management development that includes the following key elements: (i) early identification of suitable candidates from a variety of different disciplines, nationalities and genders; (ii) systematic development of senior executives through the assignment of tasks with increasing responsibility, preferably in a variety of different businesses and functions; (iii) regular and systematic review of individual suitability requirements for the target levels under consideration (relevant skill sets, professional experience and role model function in terms of corporate culture). Using the skill set profile developed by the Supervisory Board as a benchmark, the company will identify candidates who may be included in the Supervisory Board's selection process. This is intended to make it possible for the Supervisory Board to ensure sufficient diversity in terms of professional training and experience, cultural background and diversity in the appointment of members to the Board of Management. Regardless of these criteria, the company believes that in the final analysis, only a holistic assessment of each individual can be the decisive factor for appointment to the Board of Management. When external candidates are involved, the company will regularly make an appropriate selection on the basis of the skill sets required for the Board of Management position by drawing on the assistance of qualified personnel consulting firms.

With regard to its own composition, the Supervisory Board of the company has defined a skill set profile and set detailed targets for itself in order to reflect various perspectives and

backgrounds of experience on the Supervisory Board. The details of this diversity concept are described in this report above under "The composition and procedures of the Supervisory Board and its committees/Targets of the Supervisory Board regarding its composition." These targets are taken into account when new Supervisory Board members are proposed for appointment. In the current composition of the Supervisory Board, a Supervisory Board composition that is appropriate according to the above-mentioned targets is achieved.

Additional disclosures

Shareholders and the Annual General Meeting

The shareholders of SGL Carbon SE exercise their rights at the company's Annual General Meeting. At the Annual General Meeting, the shareholder representatives elect the Supervisory Board in particular, while also electing the auditor and passing the resolution on discharge of the Board of Management and the Supervisory Board. They also decide on appropriation of unappropriated profits, on capital measures and on the approval of intercompany agreements, as well as on the remuneration of the Supervisory Board and on amendments to the company's Articles of Association. The Annual General Meeting is convened once per year. Each share is granted one vote. Shareholders may regularly exercise their voting rights at the Annual General Meeting either in person or through a proxy of their choice or through a company-nominated proxy acting on their behalf. In accordance with the rules, voting instructions may be issued to the company's proxy both before and during the Annual General Meeting until the end of general debate. Shareholders also have the opportunity to cast their votes in writing by postal vote without authorizing a proxy.

Active and transparent communication for the shareholders of SGL Carbon SE

The primary objective of the Board of Management is to comprehensively report to all target groups and in particular to the shareholders while providing the same information at the same time to all of these parties. Regularly recurring events (such as the Annual General Meeting, [telephone] conferences with analysts and investors) and reports or announcements (such as the Annual Report, interim reports, presentations at the Annual General Meeting, press releases and ad hoc announcements) are published on the company's website.

Remuneration system and remuneration report as per Section 162 of the German Stock Corporation Act (AktG)

The remuneration report on the most recent fiscal year as well as the auditor's report as per Section 162 AktG, the applicable remuneration system as per Section 87a (1 and 2) (1) AktG, and the most recent remuneration resolution as per Section 113 AktG are made publicly available on the company's website at www.sglcarbon.com (available there under "Company/Corporate Governance"; www.sglcarbon.com/unternehmen/corporate-governance).

Disclosures on the auditor

The Frankfurt branch of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, has been the auditor for SGL Carbon SE and the SGL Carbon SE Group since the 2017 fiscal year (January 1, 2017, to December 31, 2017). Mr. Daniel Hermanns has been signing as the responsible auditor since the 2024 fiscal year. The appointment of KPMG AG Wirtschaftsprüfungsgesellschaft was preceded by a tender and selection process for the audit as per Art. 16 (3) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014 (Audit Regulation).

Information on auditor's fees can be found in the Notes to the Consolidated Financial Statements of the Annual Report.

Based on the recommendation of its Audit Committee, the Supervisory Board will propose to the Annual General Meeting 2026 to appoint KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as auditors of the company and the Group for the 2026 fiscal year (and also for audit services required for any review of financial information during the year).

Deductible for D&O- insurance

The company has taken out a directors' and officers' liability insurance (D&O insurance) policy for members of the Board of Management and Supervisory Board with a deductible of 10% of the loss up to the amount of one and a half times the fixed annual remuneration of the member concerned.

Share transactions by the Board of Management and Supervisory Board

The members of the Board of Management and the Supervisory Board, as well as persons closely related to them, are required by the relevant capital market regulations to disclose proprietary transactions involving shares, debt instruments or certain other related financial instruments of SGL Carbon SE if the total value of these transactions exceeds a threshold value within a calendar year. Notifications are published on the company's website (www.sglcarbon.com, under "Investor Relations/Share/Managers' Transactions").

Wiesbaden, March 18, 2026

SGL Carbon SE

The Board of Management of SGL Carbon SE

Andreas Klein

Dr. Stephan Bühler

Thomas Dippold

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Consolidated Income Statement

for the period from January 1 to December 31

€m	Note	2025	2024
Sales revenue	5, 30	850.2	1,026.4
Cost of sales		-652.1	-797.5
Gross profit		198.1	228.9
Selling expenses		-79.7	-91.3
Research and development costs		-20.0	-25.7
General and administrative expenses		-29.4	-34.7
Other operating income	6	8.5	12.8
Other operating expenses	6	-6.6	-9.9
Result from investments accounted for At-Equity	7	7.3	15.8
Restructuring expenses	8	-65.8	-19.0
Impairment losses	9	-23.6	-91.2
Operating loss		-11.2	-14.3
Interest income	10	3.1	5.5
Interest expense	10	-34.5	-36.5
Other financing result	10	1.0	-1.6
Result before income taxes		-41.6	-46.9
Income tax expense	11	-36.7	-32.5
Net result for the year		-78.3	-79.4
Thereof attributable to:			
Non-controlling interests		0.9	0.9
Consolidated net result (attributable to the shareholders of the parent company)		-79.2	-80.3
Earnings per share basic (in €)	12	-0.65	-0.66
Earnings per share, diluted (in €)	12	-0.65	-0.66

Consolidated Statement of Comprehensive Income

for the period from January 1 to December 31

€m	Note	2025	2024
Net result for the year		-78.3	-79.4
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges ¹⁾	29	0.7	-2.0
Currency translation ²⁾		-36.0	23.5
Items that will not be reclassified to profit and loss			
Actuarial gains/losses on pensions and similar obligations ³⁾	24	16.7	8.4
Other comprehensive income		-18.6	29.9
Comprehensive income		-96.9	-49.5
Thereof attributable to:			
Non-controlling interests		0.8	0.9
Consolidated net result (attributable to the shareholders of the parent company)		-97.7	-50.4

¹⁾ Includes tax effects of minus €0.0 million (2024: €0.0 million)

²⁾ Includes tax effects of €0.0 million (2024: €0.0 million)

³⁾ Includes tax effects of €0.2 million (2024: €0.0 million)

Consolidated Balance Sheet

at December 31

ASSETS €m	Note	Dec. 31, 25	Dec. 31, 24	EQUITY AND LIABILITIES €m	Note	Dec. 31, 25	Dec. 31, 24
Goodwill	13	21.4	23.6	Issued capital	23	313.2	313.2
Other intangible assets	13	7.4	10.9	Capital reserves	23	1,067.8	1,067.8
Property, plant and equipment	14	422.3	461.3	Accumulated losses		-923.8	-826.1
Investment property	15	39.8	40.5	Equity attributable to the shareholders of the parent company		457.2	554.9
Investments accounted for At-Equity	7	62.9	65.3	Non-controlling interests		9.8	9.7
Other non-current assets	16	4.5	5.8	Total equity		467.0	564.6
Deferred tax assets	21	21.7	55.6				
Total non-current assets		580.0	663.0				
				Provisions for pensions and similar employee benefits	24	169.9	195.6
Inventories	17	297.1	345.6	Other provisions	25	2.5	2.9
Trade receivables and contract assets	18	115.2	146.1	Interest-bearing loans	26	227.0	226.1
Other receivables and other assets	19	21.2	34.2	Contract liabilities	26	69.4	86.1
Liquidity	20	148.9	148.0	Other financial liabilities	26	16.0	16.7
Time deposits		47.8	17.8	Deferred tax liabilities	22	0.7	1.6
Cash and cash equivalents		101.1	130.2	Total non-current liabilities		485.5	529.0
Total current assets		582.4	673.9				
				Other provisions	25	51.8	73.8
Assets held for sale	21	5.0	-	Current portion of interest-bearing loans	26	5.2	5.2
				Trade payables and contract liabilities	26	121.6	122.4
Total assets		1,167.4	1,336.9	Other financial liabilities	26	11.3	13.4
				Other liabilities	26	20.0	28.5
				Total current liabilities		209.9	243.3
				Liabilities in connection with assets held for sale	21	5.0	-
				Total equity and liabilities		1,167.4	1,336.9

Consolidated Cash Flow Statement

for the period from January 1 to December 31

€m	Note	2025	2024
Cash flow from operating activities			
Result before income taxes		-41.6	-46.9
Adjustments to reconcile the result before income taxes to cash flow from operating activities:			
Interest expense (net)		31.4	31.0
Change in value of contract assets (IFRS 15)		7.4	8.0
Result from the disposal of property, plant and equipment		-0.1	0.3
Depreciation/amortization expense		54.4	59.9
Result from investments accounted for At-Equity	7	-7.3	-15.8
Restructuring expenses	8	65.8	19.0
Impairment losses	9	23.6	91.2
Other financing result		-1.0	1.6
Interests received		3.1	5.5
Income taxes paid	11	-8.4	-12.1
Changes in provisions, net		-81.7	-30.8
Changes in working capital			
Inventories		32.3	29.0
Trade receivables		3.0	-4.5
Trade payables and contract liabilities		-11.4	-20.6
Changes in other operating assets/liabilities		9.7	5.5
Cash flow from operating activities		79.2	120.3

€m	Note	2025	2024
Cash flow from investing activities			
Payments to purchase intangible assets, property, plant and equipment and investment property		-53.6	-97.3
Proceeds from the sale of intangible assets and property, plant and equipment		2.2	0.7
Dividends received including capital repayments from investments accounted for At-Equity		9.2	15.0
Cash flow from investing activities before time deposits		-42.2	-81.6
Changes due to time deposits		-30.0	47.2
Cash flow from investing activities		-72.2	-34.4
Cash flow from financing activities			
Proceeds from the issuance of financial liabilities		5.2	20.0
Repayment of financial liabilities		-11.6	-79.1
Redemption payments for lease liabilities		-9.6	-9.5
Interest paid		-16.2	-21.1
Dividends non controlling interests		-0.7	-0.8
Cash flow from financing activities		-32.9	-90.5
Effect of foreign exchange rate changes/others		-1.3	0.4
Net change in cash and cash equivalents ¹⁾		-27.2	-4.2
Cash and cash equivalents at beginning of year		130.2	134.4
Cash and cash equivalents at end of year (IAS 7) ¹⁾		103.0	130.2
Time deposits at end of year		47.8	17.8
Total liquidity		150.8	148.0
Less: Cash and cash equivalents of discontinued operations at end of year		-1.9	
Liquidity	20	148.9	148.0

¹⁾ Including cash and cash equivalents that are part of a disposal group in accordance with IFRS 5.

Consolidated Statement of Changes in Equity

for the period from January 1 to December 31

€m	Issued capital (Note 23)	Capital reserves (Note 23)	Accumulated profit/loss	Currency translation	Cash flow hedges (net)	Investments accounted for At-Equity	Accumulated losses	Equity attributable to the shareholders of the parent company	Non- controlling interests	Total equity
Balance at Jan. 1, 24	313.2	1,067.8	-736.1	-41.0	1.4	0.0	-775.7	605.3	9.6	614.9
Net result for the year			-80.3				-80.3	-80.3	0.9	-79.4
Other comprehensive income			8.4	23.5	-2.0	0.0	29.9	29.9		29.9
Comprehensive income			-71.9	23.5	-2.0	0.0	-50.4	-50.4	0.9	-49.5
Dividends									-0.8	-0.8
Balance at Dec. 31, 24	313.2	1,067.8	-808.0	-17.5	-0.6	0.0	-826.1	554.9	9.7	564.6
Net result for the year			-79.2				-79.2	-79.2	0.9	-78.3
Other comprehensive income			16.7	-35.9	0.7	0.0	-18.5	-18.5	-0.1	-18.6
Comprehensive income			-62.5	-35.9	0.7	0.0	-97.7	-97.7	0.8	-96.9
Dividends									-0.7	-0.7
Balance at Dec 31, 25	313.2	1,067.8	-870.5	-53.4	0.1	0.0	-923.8	457.2	9.8	467.0

Notes to the Consolidated Financial Statements

1. General information

SGL Carbon SE (Commercial Register Number HRB 23960 Wiesbaden), together with its subsidiaries (the Company, the Group or SGL Carbon), is a global manufacturer of products and solutions based on carbon fibers and special graphites.

The Company has its registered office in Wiesbaden, Germany. Its mailing address is SGL Carbon SE, Söhnleinstrasse 8, 65201 Wiesbaden.

SGL Carbon has prepared its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU) and the additional requirements of German commercial law pursuant to Section 315e (1) of the German Commercial Code (HGB).

These consolidated financial statements for the year ending December 31, 2025, were authorized for publication by the Board of Management on March 18, 2026.

The consolidated financial statements are generally prepared on the basis of historical cost unless stated otherwise in [Note 3](#). The consolidated financial statements were prepared in euros (€), the functional currency of the company. The figures are presented in millions of euros (€ million), rounded to one decimal place, unless stated otherwise. Due to rounding, figures may not add up precisely to the totals provided.

2. Use of estimates and material discretionary decisions

The consolidated financial statements are prepared according to the following consolidation, accounting and valuation principles. In certain cases, it is necessary to make estimates and assumptions that may affect the carrying amounts of assets and liabilities on the balance sheet and the amounts of expenses and income. These estimates and assumptions can change over time and may have a significant impact on the net assets, financial position and results of operations of SGL Carbon.

All estimates and assumptions are made to the best of our knowledge and belief and are continually reviewed to provide a true and fair view of financial position and financial

performance, and results of operations of the Group, especially because of increasingly complex and uncertain macroeconomic and geopolitical environment facing SGL Carbon. Added to this, there is increasing volatility on the goods and financial markets – including share prices and exchange rates, due to rising interest rates and inflation rates – as well as increasing risks of a possible economic downturn. Actual amounts may differ from these estimates. The uncertainties associated with forecasts, key accounting estimates and material discretionary decisions made by management are increasing. The estimates and judgments that have a material effect on the consolidated financial statements are included in the following notes:

- Timing of revenue recognition for contracts with customer-specific products; [Notes 3 and 30](#)
- Recognition of deferred tax assets: Availability of future taxable profits against which deductible temporary differences and tax loss carryforwards can be utilized; [Notes 3 and 22](#)
- Impairment tests of goodwill, property, plant, and equipment and other intangible assets: Key assumptions underlying the determination of the recoverable amount, including the definition of the time horizon for the inclusion of cash flows; [Note 3, 9, 13 and 14](#)
- Measurement of defined benefit obligations: material actuarial assumptions; [Notes 3 and 24](#)

3. Summary of material accounting policies

Consolidation principles

The consolidated financial statements include SGL Carbon SE and its subsidiaries over which SGL Carbon exercises control. SGL Carbon controls a company to the extent that it has power over it. In addition, SGL Carbon is exposed or has rights to variable returns from its involvement with investees and has the ability to affect those returns through its power over the investee. As of December 31, 2025, 13 German (2024: 13) and 27 foreign subsidiaries (2024: 28) were consolidated in addition to SGL Carbon SE. One jointly controlled company (previous year: one) and two associated companies (previous year: two) were accounted for At-Equity. The list of companies included in the consolidated

financial statements and the total shareholdings are shown in the list of shareholdings in [Note 33](#) in accordance with section 313(2) HGB.

Associates and joint ventures

Associates are companies in which SGL Carbon may exercise significant influence over operating and financial policies. Joint ventures are companies in which SGL Carbon and at least one other party exercise joint control. Joint control exists when decisions about material activities require unanimous consent of the parties sharing joint control. Interests in joint ventures and associates are included in the Group are accounted for At-Equity. SGL Carbon's share of post-acquisition profit or loss of the joint ventures or associates is recognized on the consolidated income statement, while its share of other comprehensive income and of changes in equity that has not been recognized in profit or loss is recognized directly in consolidated equity. The cumulative changes after the acquisition date increase or decrease the carrying amount of the investment in the joint ventures and associates.

Foreign currency translation

Translation of items denominated in foreign currency

In the separate financial statements of the Group companies, all foreign currency receivables and payables are valued at the middle rates at the balance sheet date, regardless of whether they are hedged or not. Exchange rate differences resulting from the measurement of foreign currency positions are recognized on the income statement as other operating expenses and/or other operating income items. This does not include monetary items designated as part of a hedge of the Group's net investment in a foreign operation. These are recognized directly in equity (currency translation reserve) until disposal of the net investment; only on disposal is the cumulative amount reclassified to the income statement. Taxes resulting from the exchange differences of these monetary items are also recognized directly in equity.

Translation of financial statements in foreign currency

The financial statements of consolidated companies prepared in foreign currencies are translated in accordance with the functional currency concept (IAS 21) using the modified closing rate method. As all subsidiaries operate their business independently in financial,

economic and organizational terms, the functional currency is identical to the respective local currency. Balance sheet items are consequently translated at the closing rate on the balance sheet date and income statement items at average rates for the year. Exchange differences arising from the translation are recognized as a separate component of equity until disposal of the foreign operation.

The exchange rates of the major currencies for SGL Carbon developed as follows:

Currencies	ISO-Code	Middle rate at balance sheet date		Annual average rates	
		Dec. 31, 25	Dec. 31, 24	2025	2024
1€ =					
US dollar	USD	1.1750	1.0389	1.1300	1.0824
Pound sterling	GBP	0.8726	0.8292	0.8568	0.8466
Polish zloty	PLN	4.2267	4.2730	4.2397	4.3058
Chinese yuan	CNY	8.2355	7.5257	8.1185	7.7875
Japanese yen	JPN	184.09	163.06	169.04	163.85

Sales revenue, contract assets, trade receivables and contract liabilities

Recognition of sales revenue: Sales revenue is recognized when control of the goods has been transferred or the service has been rendered, that is, when the customer has the ability to direct the use of the transferred goods or services and substantially obtains all of the remaining benefits from them. The prerequisite for this is that a contract with enforceable rights and obligations exists and, among other things, it is probably that SGL will collect the consideration, taking into account the customer's creditworthiness.

Sales revenue comprises the equivalent value that SGL Carbon expects to receive for the transfer of goods or the rendering of services. Sales revenue from contracts with customers corresponds to the transaction price. The transaction price only includes variable consideration if there is a high probability that there will not be a material reversal of sales revenue when the variable consideration actually occurs. Variable consideration may include, for example, volume discounts or credits in connection with bonus agreements.

SGL Carbon agrees payment terms that are common national and industry-practice. Additionally, the Company receives advance payments from customers for the sale of individually manufactured products with a lead time for production of up to three years from the conclusion of the contract and receipt of payment. These contracts contain a significant financing component due to the time span between payment by the customer and its transfer, as well as the market interest rate. Therefore, the transaction price for these contracts is discounted at the implied interest rate in the contract (i.e., the rate at which the cash selling price of the products is discounted to the amount paid in advance). This interest rate corresponds to the interest rate that would have been used in a separate financing transaction between the Group and the customer at the beginning of the contract.

Warranty obligations provide assurance to the customer that the delivered goods comply with the contractually agreed specifications. Such obligations do not represent a separate performance obligation and are recognized as a provision in accordance with IAS 37.

Sales revenue from standard products: Revenue from the sale of standard products is recognized when control is transferred to the acquirer, usually upon delivery of the goods. Invoices will be issued at this point in time.

Revenue from contracts with customer-specific products: In the case of order-related manufacturing where a contract work has to be delivered and the final product cannot be sold to (any) other customer (customer-specific asset with no alternative use), sales revenue is recognized over the manufacturing period using the percentage-of-completion method based on the ratio of costs already incurred to the estimated total costs as the costs incurred are in relation to the progress of SGL Carbon's performance in fulfilling the obligation. An expected loss from a contract is recognized immediately as an expense.

When recognizing revenue over a production period, the assessment of whether an asset is highly customized to a particular customer is of particular importance, as is the determination of the consideration that SGL Carbon expects to receive. This generally results from individual sales prices. If these are not directly observable, a reasonable estimate of the individual sale price is made.

Sales revenue from the provision of services: Services are generally provided in connection with the sale of products and are recognized as soon as the service has been

rendered. The amount of sales revenue from the provision of services plays a minor role compared with sales revenue from the transfer of goods.

Contract assets, contract liabilities, and trade receivables: If one of the parties to a contract with a customer has fulfilled its contractual obligations, a contract asset or contract liability is recognized depending on the relationship between SGL Carbon's performance and the customer's payment. Contract assets result primarily from sales of goods where control is transferred to the customer before SGL Carbon has obtained an unconditional right to receive payment. Contract liabilities mainly result from advance payments received for products not yet delivered. Contract assets and contract liabilities are netted at contract level and reported as short-term, since they are incurred within the regular operating cycle. An exception are advance payments from customers for products with a production lead time of more than one year, which are reported under non-current liabilities. Receivables are recognized when the right to receive the consideration is no longer subject to any conditions. Valuation allowances for credit losses on contract assets and trade receivables are recognized in accordance with the accounting principles for financial assets measured at amortized cost.

Trade receivables are derecognized if SGL Carbon has not retained control of the transferred financial asset under factoring agreements. The purchase price corresponds to the nominal amount of the respective receivable, less the deductions relating to the receivable (e.g. discounts) that SGL Carbon has given the debtor, as well as less the factoring fee and interest. Interest on the paid portion of the purchase price is calculated for the period from the payment of the portion of the purchase price until the debtor settles the receivable.

For information on impairments on receivables from contracts with customers, please refer to [Note 29](#) keyword "credit risks."

Income and expenses

Cost of sales includes the cost of goods sold and services rendered as well as contract costs from customer-specific products. In addition to directly attributable direct costs, these also include attributable overhead expenses. The main components of the cost of sales are the cost of materials, personnel expenses and depreciation and amortization of property, plant and equipment and intangible assets. This item also includes expenses for warranties.

Operating expenses are recognized in profit or loss when the service has been used or when expenses have been incurred.

Provisions for estimated expenses under statutory warranties are recognized as costs of sales when the sales revenue is recorded in the amount of the estimated usability based on past experience.

Research expenses are recognized immediately as an expense. Development costs are capitalized if the capitalization criteria of IAS 38 are met.

Interest income and expenses are recognized on an accrual basis. Advertising and sales promotion expenses and other customer-related expenses are immediately recognized in profit or loss.

Earnings per share

“Basic earnings per share” are calculated by dividing the share of net profit for the year attributable to shareholders of the parent company by the weighted average number of shares outstanding during the fiscal year. “Earnings per share, diluted” takes into account all potentially dilutive convertible bonds, assuming conversion or exercise.

Goodwill

Goodwill is not subject to amortization but is tested for impairment once a year or more frequently if there are indications of impairment. Goodwill is carried at cost less any accumulated impairment. Goodwill is tested for impairment at the level of a (group of) cash-generating unit(s), which at SGL Carbon is generally represented by a segment. At Graphite Solutions (GS), this is one level below the segment. The (group of) cash-generating unit(s) represents the lowest level at which goodwill is monitored for internal company management purposes. An impairment would arise if the carrying amount of the cash generating unit (CGU) to which goodwill is allocated is higher than its recoverable amount. Reversals of value adjustments made to goodwill are not permitted. For further information on the procedure for determining the recoverable amount, refer to the section “Impairment tests of property, plant, and equipment and other intangible assets.”

Property, plant, and equipment and other intangible assets

Tangible and other intangible assets used in the business for more than one year are recognized at cost less amortization and any impairments. Where depreciable property, plant, and equipment consists of material identifiable components, each with a different useful life, these components are treated as separate units of account and depreciated over their respective useful lives.

Depreciation of property, plant and equipment and amortization of intangible assets are calculated using the straight-line method on the basis of the following useful lives, which are applied uniformly throughout the Group:

Useful lives property, plant and equipment

Buildings	10 to 40 years
Plant and machinery	4 to 25 years
Other equipment	3 to 15 years
Office furniture and equipment	3 to 15 years

Useful lives intangible assets

Industrial rights, software and similar rights	3 to 5 years
Customer relationships	3 to 12 years
Capitalized development costs	3 to 12 years

Leasing

A lease is a contract that conveys the right to use an asset (the leased asset) for an agreed period of time in exchange for payment.

As a lessee, SGL Carbon generally recognizes assets for the rights to use the leased assets and liabilities for the payment obligations entered into at present values for all leases on its balance sheet in accordance with IFRS 16. Lease liabilities include the following lease payments:

- Fixed payments, less any lease incentives payable by the lessor
- Variable payments linked to an index or interest rate
- The exercise price of a purchase option if it is reasonably certain that the option will be exercised.

Lease payments are discounted at the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, discounting occurs at the incremental borrowing rate. SGL Carbon applies a single discount rate to a portfolio of leases with similar characteristics. Right-of-use assets are measured at cost comprising the lease liability plus any directly attributable costs. They are subsequently measured at amortized cost. Right-of-use assets are depreciated on a straight-line basis over the period of the contractual relationship.

Practical reliefs are used for low-value leased assets (up to a new value of €5,000) and for short-term leases (less than twelve months), and the payments are recognized as an expense on the income statement on a straight-line basis over the lease term. In the case of contracts containing both non-lease components and lease components, use is made of the option not to separate these components in the case of technical equipment and machinery. IFRS 16 is not applied to intercompany leases, and the periodic lease expense is recognized on the consolidated income statement.

If SGL Carbon concludes contracts as a lessor, these contracts are classified as finance leases in accordance with IFRS 16 if substantially all risks and rewards associated with ownership of the leased asset are transferred to the lessee. All other short-term rental and lease transactions are classified as operating leases in accordance with IFRS 16. If the Company enters into finance lease agreements as lessor, the lease installments payable to the lessee in the future are recognized as a lease receivable in the amount of the net investment value from the lease contract. These are measured on the basis of the simplified impairment model in accordance with IFRS 9. In the case of operating leases, the Company recognizes the leased asset as an asset at amortized cost included in property, plant and equipment. Lease installments received during the period are shown under sales revenue.

Impairment test of property, plant and equipment and other intangible assets

On each balance sheet date, an assessment is made as to whether there are any indications (trigger events) that intangible assets and property, plant and equipment are impaired. If such indications are identifiable, the recoverable amount of the relevant asset is determined and compared with the carrying amount to determine the scope of any impairment that may need to be recognized. The recoverable amount is the higher of fair value less costs to disposal (net realizable value) and value in use, with the value in use first being determined by SGL Carbon. If this amount is higher than the carrying amount, the net realizable value will not be calculated. SGL Carbon determines these values using a generally accepted measurement model on the basis of discounted future cash flows; this corresponds to Level 3 of the fair value hierarchy of IFRS 13. If an asset does not generate cash flows that are largely independent of the cash flows from other assets, the impairment test is not conducted at the level of the individual asset but at the level of the CGU to which the asset belongs.

The cash flows are based on five-year plans for the individual CGUs that have been prepared using a bottom-up approach and that have been analyzed by the Board of Management of SGL Carbon and taken note of with approval by the Supervisory Board. The planning is based on internal expectations and assumptions that have been checked and verified against external data. The planning includes sales, revenue and cost planning, together with the associated forecasts of operating results and cash flows for each year and for each CGU. Sales revenues and earnings development are planned at product or product group level based on the expected market, economic and competitive developments over the next five years and aggregated on the CGU level. Cash flows beyond the planning period are extrapolated using individual growth rates (for impairment tests of goodwill) or limited to the duration of the expected remaining useful life of the primary production facilities (for impairment test of property, plant, and equipment and other intangible assets).

Future cash flows are discounted to their present value using a discount rate that reflects current market expectations regarding interest rates and the specific risks related to the asset or CGU. Most material assumptions on which the determination of the recoverable amount is based include estimated cash flows (especially sales- and EBITDA-development), growth rates and the weighted average cost of capital as well as remaining useful lives of

the primary production facilities. The forecast result is influenced by volatility on the capital markets, interest rate developments, fluctuations in exchange rates or expected economic developments. We also assume that possible factor cost increases can be passed on at least partially to customers through pricing initiatives. These assumptions and the underlying methodology may have a significant impact on the respective values and, ultimately, on the amount of any impairment applied to the asset.

As soon as there is any evidence that the reasons for the impairments recognized no longer exist, the need for a full or partial reversal of the impairment is assessed.

Investment properties

Investment properties include property held by the company to earn rentals and/or for capital appreciation that are not used in production or for administrative purposes. These are accounted for in the same way as property, plant, and equipment in accordance with the acquisition cost model with their acquisition or production costs less depreciation and any necessary impairments. The depreciation of the investment properties, which are owned by SGL Carbon, is carried out on a straight-line basis over a useful life of 5 to 40 years. In addition, the fair value of these properties is determined using recognized measurement methods and disclosed in the notes.

Financial instruments

A financial instrument as defined by IAS 32 is a contractually agreed right or obligation which results in an inflow or outflow of financial assets or the issuance of equity instruments. On the one hand, financial instruments include primary financial instruments such as trade receivables and payables, securities or financial receivables and borrowings and other financial liabilities; on the other hand, they also include derivative financial instruments used to hedge against risks arising from changes in exchange rates and interest rates.

Generally, financial instruments are initially recognized at their fair value upon initial measurement. Transaction costs directly attributable to the acquisition or issue of financial instruments are included in the initial measurement of the carrying amount. Under certain conditions, embedded derivatives are separated from the underlying instrument (financial instrument) and accounted for separately at fair value. A regular way purchase or sale of

financial assets is recognized on the trade date. Subsequent measurement of financial instruments is based on the category to which they are allocated: financial assets and liabilities measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets and liabilities measured at fair value through profit or loss.

In accordance with the classification requirements of IFRS 9, SGL Carbon classifies financial assets and financial liabilities into the following classes:

Financial assets measured at amortized cost: Cash and cash equivalents, trade receivables and contract assets held under the “Held to collect contractual cash flows” business model, whose contractual cash flows solely represent principal and interest payments, are measured at amortized cost.

Financial liabilities measured at amortized cost: Financial liabilities, with the exception of derivatives, are measured at amortized cost using the effective interest method.

Financial assets measured at fair value through other comprehensive income: If the business model generally provides for the assets to be held but they are also sold and their cash flows consist exclusively of interest and principal payments, these assets are measured at fair value outside of profit or loss. SGL Carbon does not apply this measurement category.

Financial assets and financial liabilities measured at fair value through profit or loss: Financial assets that are solely payments of principal and interest, but that are not held within one of the two aforementioned business models, are recognized at fair value through profit or loss. This also includes trade receivables that are intended for sale based on a factoring agreement. These receivables are derecognized at fair value when they are sold. Alternatively, IFRS 9 allows equity instruments to be measured at fair value through other comprehensive income. On the individual case level, SGL Carbon does not currently apply this option to measure at fair value through other comprehensive income. Therefore, equity instruments such as securities are measured at fair value through profit or loss.

Financial assets are derecognized when the contractual rights to cash flows from the financial asset in question expire or terminate. Financial liabilities are derecognized when the liability has been repaid, that is, when all financial obligations specified in the agreement have been settled or definitively canceled or have expired. The difference between

the carrying amount of the liability settled and the consideration paid is recognized in profit or loss.

Hybrid financial instruments

Financial instruments that contain both a liability and an equity component are recognized in various balance sheet items according to their nature. The financial instruments relevant in this context include convertible bonds. The fair value of conversion rights is already allocated to the capital reserves when a convertible bond is issued and is deducted from the bond liability at the same time. Fair values of conversion rights of bonds issued at below-market rates are determined using the capitalized difference from the interest-rate advantage. The interest expense of the debt component is calculated over the term of the bond from the market interest rate on the date of issue for a comparable bond without a conversion right. The difference between the interest calculated and the interest paid increases the carrying amount of the bond liability. The issuing costs of the convertible bond reduce the acquisition costs of the equity and debt components in direct proportion.

Derivative financial instruments

In accordance with IFRS 9, all derivative financial instruments are recognized at fair value on the balance sheet. Financial instruments are recognized on the balance sheet as soon as SGL Carbon becomes a contractual party to a financial instrument. Financial instruments are recognized on the trade date of the transaction. When a derivative contract is concluded, the Company determines whether it will be used as a hedge for future cash flows (a cash flow hedge). Cash flow hedges are used to hedge against fluctuations in future cash flows resulting from planned transactions that are highly probable to occur. The documentation of hedging relationships includes the objectives and strategy of risk management, the type of hedging relationship, the hedged risk, the description of the hedging instrument and the hedged item, as well as an assessment of the effectiveness criteria. Hedging relationships are regularly assessed to determine whether they were effective throughout the reporting period for which they were designated. Even though individual derivatives constitute a hedge from an economic perspective, they do not fulfill the hedge accounting criteria stipulated by IFRS 9.

Changes in the fair value of derivatives are recognized as follows:

1. Cash flow hedge: Only the change in the fair value of the forward exchange transaction is designated as the hedging instrument in cash flow hedging relationships. This effective portion of changes in the fair value of derivatives used to hedge future cash flows is recognized outside profit and loss in accumulated other comprehensive income. The ineffective portion of the change in value of the hedging instrument is recognized in profit or loss. Since it is immaterial, the change in the fair value of cross currency basis spreads of the derivatives is not recognized separately. All amounts recognized in equity are subsequently reclassified to profit or loss if the hedged item also affects profit or loss.
2. Hedge of a net investment in a foreign operation: In the case of a hedge of a net investment in a foreign operation, the effective portion of gains and losses from changes in the value of the hedging instrument used is recognized in equity and outside profit or loss. The ineffective portion is recognized in profit or loss. Upon disposal of the investment, the changes in the fair value of the hedging instrument included in equity are recognized in profit or loss.
3. Standalone (no hedge relationship): Derivatives that do not qualify for hedge accounting are classified as held for trading and are recognized at fair value through profit or loss. Changes in fair value are therefore recognized on the income statement. If the trade date and the settlement date are not the same, the settlement date is used as the date for initial recognition.

See [Note 29](#) for further information on financial instruments.

Impairment of financial assets

Loss allowances are recorded for expected credit losses which represent a forward-looking estimate of future credit losses and require material discretionary decisions. In general, a three-stage model must be followed for determination of expected credit losses and allocation of valuation allowances; this can be summarized as follows:

Stage 1: Upon recognition, all financial assets are assigned to Stage 1. A loss allowance is recognized in the amount of expected credit losses within the next twelve months.

Stage 2: When there is a material increase in the credit risk of a financial asset, but its credit quality is not impaired, it is transferred from Stage 1 to Stage 2. The recognized valuation

allowances correspond to the lifetime expected credit losses in relation to the financial asset.

Stage 3: If a financial asset is credit-impaired or has already defaulted, it is transferred to Stage 3. The recognized loss allowance corresponds to the lifetime expected credit losses in relation to the financial asset. The effective interest income is calculated based on the net amount (gross amount less risk provisioning). Objective evidence indicating that a financial asset is credit-impaired includes being past due 45 days or more and additional information on material financial difficulties on the part of the debtor.

Cash and cash equivalents, along with time deposits, are allocated to Stage 1, since these are mainly only invested at banks and financial institutions with a low risk of default (investment grade rating: S&P AAA to BBB-).

SGL applies a simplified approach for trade receivables and contract assets that measures loss allowances based on lifetime expected credit losses.

Inventories

Inventories are valued at purchase or production cost using the weighted average cost method. Where required, the lower net realizable value is recognized. Net realizable value is determined, taking into account the expected sale prices less costs of completion and selling expenses and other factors relevant to sales. In addition to directly attributable costs, costs of conversion also include appropriate portions of material and production overheads. Directly attributable costs mainly include costs for personnel, including retirement benefits, depreciation/amortization and directly attributable costs of material. Interest on borrowings is not capitalized. Impairment expenses are recognized as costs of sales.

Liquidity

Liquidity includes cash and cash equivalents as well as time deposits. Cash and cash equivalents comprise cash and bank deposits with an original term of less than three months. Bank deposits with an original term of more than three months are reported under time deposits.

Income tax expense

Tax positions are calculated taking into consideration the respective local tax laws, relevant court decisions and applicable tax authorities' views. Tax regulations can be complex and possibly subject to different interpretations of tax payers and local tax authorities. Different interpretations of existing or new tax laws as a result of tax reforms or other tax legislative procedures may result in additional tax payments for prior years and are taken into account based on management's considerations.

In accordance with IAS 12, deferred tax assets and liabilities are determined for temporary differences between the tax values and IFRS consolidated values as well as for tax loss carryforwards, for interest carryforwards and for unused tax credits. Deferred tax assets are recognized if, in the opinion of the Board of Management, it is more likely than not that sufficient taxable income will be available in the future to allow the deductible temporary differences and unused tax losses and interest carryforwards to be utilized. For this purpose, to the extent that there are insufficient deferred tax liabilities, forecasts of future taxable results are determined, based on the approved five-year planning calculation, which, among other things, also takes into account the impact of the expected geopolitical and economic environment on the business activities of SGL Carbon. As future business developments are uncertain and in part beyond the control of SGL Carbon, assumptions are required to estimate future taxable income and the timing of the realization of deferred tax assets. The uncertainty regarding future profits at SGL Carbon is accounted for by estimating the range of possible taxable profits. Uncertainty regarding future profits at SGL Carbon is accounted for by estimating the range of possible taxable profits and determining those amounts that are most likely to occur and therefore meet the "more likely than not" criterion. Estimates are adjusted in the period in which there is sufficient evidence for an adjustment.

To the extent that the company or tax group shows recent losses under cumulative consideration, deferred tax assets arising from temporary differences and tax loss carryforwards, interest carryforwards and tax credits are recognized only to the extent that either sufficient taxable temporary differences are available or persuasive evidence exists that sufficient taxable profit will be available against which the unused tax losses, deductible temporary differences, interest carryforwards, and tax credits can be utilized. SGL Carbon limits the reporting period to three years for each individual company, whereby the reporting year is included in this period. If the companies or a tax group have loss

carryforwards, the reasons for the loss carryforwards in previous years are analyzed and examined to determine whether they are likely to recur in the future or were of a one-off nature.

The change in deferred taxes on the balance sheet generally results in tax expenses and income. However, if items that result in a change in deferred taxes are recognized directly in a component of equity, the change in deferred taxes is also recognized directly in this component of equity.

Deferred tax assets are offset against deferred tax liabilities if they relate to income taxes levied by the same taxation authority and there is a legal right of set-off of a current tax asset against an actual tax liability that is current. On the consolidated statement of financial position, no distinction is made between current and non-current deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognized either in profit or loss or directly in equity, depending on the underlying circumstances. The items recognized directly in equity are shown in the “Consolidated statement of comprehensive income.”

SGL Carbon falls within the scope of the minimum taxation (“Pillar 2”). According to IAS 12 Income Taxes, the SGL Carbon Group does not consider any potential impact on deferred taxes.

Accumulated other comprehensive income and accrued profit/loss (Consolidated Statement of Changes in Equity)

In accordance with IFRS 9, unrealized gains or losses on financial derivatives used to hedge a future cash flow (cash flow hedges) or a net investment in a foreign operation are recognized in other comprehensive income under accumulated other comprehensive income, in addition to currency translation differences. In addition, actuarial gains and losses from defined benefit plans are also recognized directly in equity as accumulated profit/loss in the year in which they occur in the full amount. Accordingly, deferred taxes on the above items are also recognized in comprehensive income in the respective component of accumulated other comprehensive income.

Provisions for pensions and similar employee benefits

SGL Carbon maintains defined benefit plans in various countries based on the pensionable remuneration of employees according to their periods of service. These plans are funded in part through external pension funds and by contributions to a contractual trust agreement (CTA). Provisions for defined benefit plans are calculated using the projected unit credit method. The present value of the defined benefit obligation (DBO) is calculated with consideration for the expected future salary and pension trends. If the benefit entitlements are not covered by assets, the amount included in the “Provisions for pensions and similar employee benefits” item corresponds to the DBO. If the benefit entitlements are covered by assets, SGL Carbon offsets the fair value of the plan assets against the DBO and recognizes the net amount that was determined in “Provisions for pensions and similar benefits.” If the value of the assets exceeds the corresponding scope of the obligations (net assets value), an asset is recognized under other assets in the amount of the excess, if necessary after taking into account any asset ceiling.

The DBO is calculated on the reporting date using the maturity-equivalent interest rate for prime-rated corporate bonds. The assumptions used to calculate the DBO as of the previous year’s balance sheet date apply to the determination of current service cost and interest income and the interest expenses for the following fiscal year. The net interest income or expense for a fiscal year is generally calculated by multiplying the discount rate for the respective fiscal year by the net asset value or net liability on the balance sheet date of the previous fiscal year and is recognized in the financial result. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in other comprehensive income in the period in which they occur, together with the attributable deferred taxes (accumulated profit/loss). The current service cost is classified as an operating expense. Negative past service cost due to a change in the pension plan and gains or losses from plan settlements are recognized immediately in profit or loss and allocated to other operating income or expenses.

If the information necessary for accounting for defined benefit plans is unavailable, obligations under defined benefit multi-employer plans are accounted for in the same way as obligations under defined contribution plans according to IAS 19.34. The obligations are determined by the amounts payable for the current period.

Some Group companies grant their employees defined contribution plans on the basis of statutory or contractual provisions, with payments being made to state or private pension insurance providers. With defined contribution plans, SGL Carbon does not enter into any obligations other than payment of contributions to an external pension provider. The amount of future pension benefits is based solely on the amount of contributions paid by the employer (and its employees, if applicable) to the external pension provider, including income from investment of these contributions. The amounts payable are expensed when the obligation to pay them arises and are reported as a component of operating expenses.

Actuarial valuations are based on material assumptions, including discount rates, expected salary and pension trends, acceptance rates of lump-sum options and disability and mortality rates. Due to changing market, economic and social conditions, the underlying assumptions may differ from what will actually happen.

Other provisions

Other provisions are recognized when there is an obligation to third parties due to past events, it is likely that an outflow of resources with economic utility will be required in order to settle the obligation, and the amount of the obligation can be measured with sufficient reliability. Non-current provisions are discounted at the risk-free interest rate (if applicable, negative). See [Note 31](#) for a description of the accounting treatment and the recognition of provisions for obligations in conjunction with management and employee participation plans.

SGL Carbon recognizes expenses for provisions for product warranties in cost of sales at the time of revenue recognition. The amount of the provision is determined on a case-by-case basis. In the measurement of the provision, SGL Carbon takes into account both experience from actual warranty expenses previously incurred and technical information about product weaknesses discovered during the design and testing phase. Provisions for restructuring measures are recognized to the extent that a detailed and formal restructuring plan has been prepared and communicated to the affected parties. Provisions for anticipated losses from onerous contracts are recognized when the economic benefits expected to be received from the contract are less than the unavoidable costs of meeting the obligations under the contract. The amount and probability of provisions are based on management estimates. Significant estimates and assumptions are also made to determine provisions for asset retirement obligations and decommissioning activities.

New, currently valid standards to be applied for the first time in 2025

In the reporting year, amendments to IAS 21 – Lack of interchangeability were applied for the first time. There were no impacts on the Group’s financial position and financial performance.

New standards that have not yet been applied

Several new standards and amendments to standards have been published, but they are not mandatory for reporting periods ending on December 31, 2025, and the Company has not applied them early:

Changes to standards/interpretations		Mandatory application	Expected first-time application	Expected effect
IFRS 7, IFRS 9	Classification and measurement of financial instruments (amendments to IFRS 7, IFRS 9)	Jan 1, 26	Jan 1, 26	not material
Various standards	Annual Improvements to IFRS - Volume 11 and Amendments to IFRS 10 and IAS 28	Jan 1, 26	Jan 1, 26	not material
IFRS 18	Presentations and disclosures in financial statements (new standard)	Jan 1, 27	Jan 1, 27	material
IFRS 19	Subsidiaries without public accountability	Jan 1, 27	Jan 1, 27	no impact

IFRS 18 will in future replace IAS 1 and introduce new requirements that are intended to increase the comparability of the financial performance of similar companies and to provide users of financial statements with more relevant information. Although IFRS 18 will not impact the recognition or valuation of items in the financial statements, it will significantly impact the presentation (particularly in the income statement) and the notes (including a reconciliation from a subtotal of the income statement to the management-defined performance measures). The company anticipates the following impacts:

- Although the application of IFRS 18 will not impact the Group's annual results, it will have an impact on the allocation of income and expense items to the new categories of the income statement, thereby influencing the calculation and presentation of the operating performance. The result from investments accounted for At Equity, currently reported in the operating result, should be reported below the operating result.
There will be changes in the presentation of interest paid and received in the cash flow statement. In the future, interest received will be reported as cash flow from investment activities, marking a shift from the current reporting of cash flow from operating activities.

4. Change in the scope of consolidation

In the 2025 fiscal year, SGL Battery Solutions Polska sp z o.o. has been merged within the group. This change had no material impact on the financial position and financial performance of SGL Carbon.

5. Sales revenue/functional costs

The breakdown of sales revenues by segment, region, customer industry and type of revenue recognition are presented in [Note 30](#) in "Segment reporting."

The transaction price allocated to the remaining performance obligations (unfulfilled or partially fulfilled) as of December 31 is as follows:

€m	2025	2024
Within two years	242.6	248.2
More than two years	7.5	0.0
	250.1	248.2

The remaining performance obligations, which are expected to be recognized in more than two years, relate primarily to the delivery of specialty graphite for use in small modular reactors, which is to be fulfilled within three years. All other remaining performance obligations are expected to be recognized within two years.

Selected disclosures on the total cost method are provided below:

€m	2025	2024
Wages and salaries (including bonus)	-266.5	-285.3
Social security contributions, post-employment and other employee benefit costs (thereof for pensions: minus €9.9 million: 2024: minus €11.0 million)	-67.2	-71.2
Personnel expenses	-333.7	-356.5

Personnel expenses in the reporting year include €19.7 million in restructuring measures (previous year: €6.0 million).

The employees were active in the following geographic areas (average headcount):

Headcount	2025	2024
Germany	1,857	1,970
Europe excluding Germany	996	1,292
North America	633	758
China	402	454
Rest of Asia	60	61
Total	3,948	4,535

Depreciation

Amortization and depreciation of other intangible assets and property, plant, and equipment and investment property totaled €54.4 million (previous year: €59.9 million). Details on this can be found in [Notes 13, 14 and 15](#).

Personnel expenses and amortization are included in all functional costs such as cost of sales, selling expenses, research and development costs and general and administrative expenses.

6. Other operating income/expense

Other operating income

€m	2025	2024
Grants received	2.5	3.9
Income from the release of liabilities	0.0	2.5
Exchange-rate gains	2.1	2.3
Gains on the sale of intangible assets and property, plant and equipment	0.8	0.2
Miscellaneous other operating income	3.1	3.9
Total	8.5	12.8

Other operating expenses

€m	2025	2024
Exchange-rate losses	-3.5	-3.5
Losses on the sale of other intangible assets and property, plant and equipment	-0.7	-0.5
Expenses from strategy projects	-0.1	-3.1
Other operating expenses	-2.3	-2.8
Total	-6.6	-9.9

The currency effects reported as other operating income and expenses result from measurement of receivables and liabilities not denominated in the respective functional currency at the closing rate.

In addition, other operating income and expenses include a large number of individual items of low value.

7. Investments accounted for At-Equity

Result from investments accounted for At-Equity

€m	2025	2024
Share in the net result of the year	7.3	15.8
<i>Thereof joint ventures</i>	7.1	16.0
<i>Thereof associates</i>	0.2	-0.2
Result from investments accounted for At-Equity	7.3	15.8

€m	Dec. 31, 25	Dec. 31, 24
Interests in joint ventures	60.7	58.6
Interests in associates	2.2	6.7
Carrying amount	62.9	65.3

Joint ventures

SGL Carbon continues to hold, unchanged from the previous years, a stake in the joint venture Brembo SGL Carbon Ceramic Brakes S.p. A., Stezzano, Italy (BSCCB). BSCCB develops and produces carbon-ceramic brake discs especially for sports cars and luxury vehicles. The following tables summarize the results of operations and the financial position of BSCCB as reported in each of its own financial statements (taking into account IFRS 15 effects). The table also shows the reconciliation of the summarized financial information to the carrying amount of SGL Carbon's stake in the BSCCB joint venture. SGL Carbon received dividend payments in the amount of €5.0 million from BSCCB in the reporting year (previous year: €15.0 million).

€m	2025	2024
Ownership interest	50.0%	50.0%
Income statement ¹⁾		
Sales revenue	258.2	270.3
Amortization/depreciation on intangible assets and property, plant and equipment	–19.7	–13.1
Operating profit	23.1	45.9
Interest income	0.4	0.7
Interest expense	–4.1	–1.8
Income tax expense	–5.2	–12.8
Net result for the year	14.1	32.1
Share of SGL Carbon in the net result of the year (50%)	7.1	16.0

¹⁾ 100% of the company

€m	Dec. 31, 25	Dec. 31, 24
Balance sheet ¹⁾		
Non-current assets	177.6	147.5
Current assets	98.1	93.3
<i>Thereof cash and cash equivalents</i>	19.3	9.4
Non-current liabilities	80.8	62.8
<i>Thereof financial debt</i>	74.7	56.4
Current liabilities	80.7	68.1
<i>Thereof financial debt</i>	41.3	19.9
Net assets	114.2	109.9
Share of SGL Carbon in net assets (50%)	57.1	55.0
Goodwill	3.6	3.6
Carrying amount of the joint venture	60.7	58.6

¹⁾ 100% of the company

Associates

€m	2025	2024
Associates		
Carrying amount of interests in associates Dec. 31	2.2	6.7
Share in the net result of the year/ comprehensive income	0.2	–0.2

The decrease in carrying amounts is attributable to capital repayments made during the fiscal year.

All associated companies have a fiscal year that corresponds to the calendar year, with the exception of MCC-SGL Precursor Co. Ltd., Tokyo (Japan), which uses a fiscal year ending March 31.

8. Restructuring expenses

€m	2025	2024
Expenses for initiated restructuring measures	–65.8	–19.0
Total	–65.8	–19.0

Following a thorough review, a complete sale of the business unit Carbon Fibers (CF) is no longer considered feasible. Therefore, SGL Carbon has decided to restructure this business unit in the 2025 fiscal year. Among other measures, the site in Lavrado (Portugal) was closed, and production at the Moses Lake site (USA) was completely shut down.

The CF business unit incurred restructuring costs totaling €59.8 million for this purpose. Of this, €15.9 million is attributable to personnel measures, €3.0 million and €13.0 million to impairment losses on property, plant, and equipment and inventories, respectively, and €11.4 million and €3.4 million to contractual obligations arising from early contract termination and a supplier, respectively. Additionally, €10.6 million in direct restructuring costs were incurred that are not related to ongoing activities. Of this amount, a total of €34.9 million had a cash impact in the financial year 2025.

Additional restructuring expenses totaling €4.9 million were incurred in the Corporate reporting segment, primarily for personnel measures to align administrative structures and costs with SGL's post-restructuring size, as well as for consulting services.

Restructuring expenses for the previous year totaled €19.8 million, attributable to the discontinuation of activities within the Battery Solutions business line of the Graphite Solutions reporting segment, €2.3 million for a restructuring program at Carbon Fibers, and, offsetting this, €3.1 million was achieved through the partial reversal of the provision for the restructuring of the former Griesheim site, as the dismantling costs were lower than anticipated.

9. Impairment losses

€m	2025	2024
Impairment losses on		
<i>Other intangible assets</i>	-0.8	-
<i>Property, plant and equipment</i>	-22.8	-76.5
<i>Inventories</i>	-	-11.1
<i>Investment accounted for At-Equity</i>	-	-3.6
Total	-23.6	-91.2

Impairment tests

A review of the mid-term plan of ZGE Composite Solutions (CS) updated in the fourth quarter of 2025 shows significant deviations from the last mid-term plan, mainly due to the continued weakness of the automotive industry in the business unit CS. Due to high uncertainty, lower demand volumes, and the postponement of new vehicle models, the company anticipates that demand will recover much more slowly beyond 2026 and will also level off at a lower level. This is further delaying the anticipated improvement in the sales and financial performance for the Composite Solutions business unit. Due to these changed planning assumptions ("triggering event" in accordance with IAS 36.12), an impairment test was performed for CS as CGU as of December 31, 2025, in accordance with IAS 36. Since the recoverable amount (value in use) of €61.2 million was below the carrying amount of the assets, impairment losses of €0.8 million and €12.0 million were recognized on other intangible assets and property, plant, and equipment, respectively, in the business unit CS.

Due to the closure of individual production sites in the 2025 fiscal year and the subsequent update to the medium-term plan within the CF business unit, there were indications of a possible impairment of the remaining property, plant and equipment in the fourth quarter of 2025. These decisions will alter the future cash flows of the affected assets. Therefore, a review of the impairment of ZGE CF was conducted in accordance with IAS 36 as of December 31, 2025. The recoverable amount (value in use) of €61.9 million is €27.3 million below the carrying amount of the CGU CF's assets. Since the assets of the CGU CF that fall within the scope of IAS 36 are already recognized at their lower carrying amount limit, no further impairment could be recorded. The minimum carrying amount was determined for

the individual property, plant and equipment items based on their fair value less costs of disposal.

Impairment test assumptions of CS and CF

The value in use for CS and CF was determined using a pre-tax discount rate of 7.9% and 11.1%, respectively, an average annual growth rate for the years 2026–2030 in sales of 9.3% and 11.4%, an increase in the EBITDA margin to 12.6% and 10.7% by 2030, and a long-term growth rate of 1% for each. If the assumptions change, in particular the EBITDA, there is a risk at CS of a value adjustment.

Impairment of individual items of property, plant, and equipment in the Graphite Solutions (GS) business unit

In the current financial year, the machines planned for the capacity expansion of specialty fibers at GS in the Semiconductor market segment were identified as an unsuccessful investment and, consequently, were fully impaired in accordance with IAS 36. The carrying amount of all affected machines was written down to their fair value less costs to sell, and an impairment loss of €10.6 million was recognized in profit or loss under impairment losses in the GS business unit.

Impairments recognized in the previous year

The impairment losses from the previous year primarily relate to property, plant, and equipment, resulting from the impairment test conducted at ZGE CF, as well as from the valuation of inventories at net realizable value, also at CF.

10. Net financial result

€m	2025	2024
Interest in other securities, other interest and similar income	3.1	5.5
Interest on financial liabilities and other interest expense (cash-effective)	–16.2	–21.1
Interest component of additions to provisions for pensions	–6.7	–6.9
Imputed interest convertible bonds	–6.4	–5.9
Imputed interest on lease liabilities	–1.4	–1.5
Imputed interest on contract liabilities	–6.1	–5.1
Other interest expenses (in particular from IAS 23)	2.3	4.0
Interest expense	–34.5	–36.5
Interest expense, net	–31.4	–31.0
Amortization of refinancing costs	–1.1	–2.0
Foreign currency valuation of intercompany loans	1.9	–0.1
Other financial income/expenses	0.2	0.5
Other financing result	1.0	–1.6
Financial result	–30.4	–32.6

Interest expenses include, in particular, interest from the convertible bond 2022/2027 for €101.9 million, the convertible bond 2023/2028 for €118.7 million with an interest coupon of 5.75% in each case. The non-cash imputed interest on the convertible bonds is established by approximating the below-market coupon with the comparable market interest rate at the time the convertible bonds were issued. Due to lower discount rates, the interest expense on pensions in the 2025 fiscal year was €6.7 million, slightly lower compared to the previous year's expense of €6.9 million.

11. Income tax expense

The breakdown of income taxes affecting profit between Germany and abroad is as follows:

€m	2025	2024
Current income taxes		
Germany	-1.1	-1.3
Other countries	-7.3	-10.3
Total	-8.4	-11.6
Deferred taxes		
Germany	-0.3	0.0
Other countries	-28.0	-20.9
Total	-28.3	-20.9
Total sum	-36.7	-32.5

The tax expense is attributable to a high negative valuation adjustment of deferred tax assets amounting to €32.5 million in the fourth quarter of 2025 (2024: negative valuation adjustment of €20.0 million), resulting from the reassessment of the tax group's deferred tax assets in the United States. In the 2025 fiscal year, this is based on a significant reduction in the forecasts for future tax results compared to the previous year's budget. The adjusted earnings prospects in the Graphite Solutions (GS) business unit is primarily influenced by lower growth expectations for the following years in sales of electric vehicles and the associated delay in our focus market of semiconductors. Additionally, the restructuring of the CF business unit, which was approved in 2025, and the related discontinuation of production at the Moses Lake (USA) site, also contributed to the negative variance from plan.

Depending on the future earnings performance, the carrying amount of deferred tax assets for which SGL Carbon recognized negative valuation adjustments in prior years may continue to change over time. This may lead to further negative valuation adjustments in the future (or, in the event of strong business performance, to positive valuation adjustments), with a corresponding impact on the effective tax rate.

A corporate income tax rate of 15%, a solidarity surcharge of 5.5% on corporate income tax and a trade tax rate of 15% were used to calculate taxes for the domestic companies in 2025, unchanged from 2024. The country-specific tax rates were used to calculate the deferred taxes for the foreign companies, for example, for the United States a federal tax

rate and a combined tax rate of 21% remained unchanged while a combined tax rate of 22.8% was applied (2024: 22.7%). Deferred tax assets and liabilities in Germany and abroad are measured at the tax rates that are expected to apply when the asset is realized or the liability is settled. The gradual reduction of the corporate tax rate in Germany, set at one percentage point annually for fiscal years 2028 to 2032, was taken into account.

The actual tax expense includes taxes for previous years from domestic and foreign companies amounting to €0.1 million as expense (previous year: €0.6 million as income). Deferred taxes included tax income of €4.3 million (previous year: €0.0 million) in connection with the development of temporary differences and loss carryforwards as well as tax expenses of €32.5 million (previous year: €20.9 million) from the impairment of previously recognized deferred taxes on temporary differences and tax loss carryforwards.

Based on a tax rate of 31.1%, the following table reconciles the expected tax expense with the effective tax expense recognized:

€m	2025	2024
Result before income taxes	-41.6	-46.9
Expected tax income/expense at 31.1% (2024: 31.1%)	12.9	14.6
Increase/decrease in income tax charge from:		
Non-deductible operating expenses	-6.6	-0.9
Change in expected tax rate	-6.3	-6.6
Non-recognition and change in the realizability of deferred tax assets and tax credits	-37.9	-41.6
Tax effect from investments accounted for using the equity method	2.5	4.9
Tax free income	-1.4	-3.1
Tax rate changes	0.2	-0.8
Tax from prior periods	-0.1	0.6
Other	0.0	0.4
Effective income tax expense	-36.7	-32.5

A reduction due to tax rates that differ mainly takes into account effects from withholding taxes and local taxes as well as taxation differences in Germany and abroad due to varying income tax rates.

In the reporting year, the actual tax expense was reduced by €0.6 million (previous year: €10.4 million) due to the usability of previously unrecognized tax losses.

Regarding applicable minimum taxation regulations (Pillar 2), there was no impact on tax expense.

12. Earnings per share

Earnings per share are calculated by dividing the net profit attributable to SGL Carbon shareholders by the average number of shares outstanding in the reporting year. Diluted earnings per share are based on the assumption that outstanding debt instruments can be converted into shares (convertible bonds). The following table contains the calculation of earnings per share for fiscal years 2025 and 2024:

Reconciliation between basic to diluted earnings per share

€m	Overall potentially dilutive financial instruments 2025	Dilutive financial instruments used for the calculation 2025	Share of net result attributable to the shareholders of the parent company 2025	Share of net result attributable to the shareholders of the parent company 2024
Numerator for basic earnings per share (share of net result attributable to the shareholders of the parent company)	-79.2	-79.2	-79.2	-80.3
plus: increase of the result by the interest costs of the convertible bonds	20.0			
Numerator for diluted earnings	-59.2	-79.2	-79.2	-80.3
Number of shares				
Denominator for basic earnings per share (weighted average number of shares)	122,270,977	122,270,977	122,270,977	122,270,977
Potentially dilutive securities (weighted average, in each case)				
Convertible bond 2022/2027 (see Note 26)	12,233,186	0	0	
Convertible bond 2023/2028 (see Note 26)	12,230,682	0	0	0
Denominator for potentially diluted earnings per share	146,734,845	122,270,977	122,270,977	122,270,977
Thereof to be included for dilution (adjusted weighted average)		122,270,977	122,270,977	122,270,977
Basic earnings per share (€)		-0.65	-0.65	-0.66
Diluted earnings per share (€)		-0.65	-0.65	-0.66

13. Intangible assets

€m	Industrial rights, software and similar rights	Customer relationships	Capitalized development costs	Goodwill	Total
Historical costs					
Balance at Jan. 1, 25	75.8	10.9	17.5	68.2	172.4
Foreign currency translation	-1.2	-0.1	0.0	-2.2	-3.5
Reclassification to the balance sheet item assets held for sale	-0.7	-2.7	0.0	0.0	-3.4
Additions	0.4	0.0	0.0	0.0	0.4
Disposals	-0.1	0.0	0.0	0.0	-0.1
Balance at Dec. 31, 25	74.2	8.1	17.5	66.0	165.8
Accumulated amortization and depreciation/impairment losses					
Balance at Jan. 1, 25	68.7	7.9	16.7	44.6	137.9
Foreign currency translation	-1.1	0.0	0.0	0.0	-1.1
Reclassification to the balance sheet item assets held for sale	-0.7	-2.7			-3.4
Additions	1.9	0.7	0.2	0.0	2.8
Impairment losses ¹⁾	0.3	0.6	0.0	0.0	0.9
Disposals	-0.1	0.0	0.0	0.0	-0.1
Balance at Dec. 31, 25	69.0	6.5	16.9	44.6	137.0
Net carrying amount at Dec. 31, 25	5.2	1.6	0.6	21.4	28.8
Historical costs					
Balance at Jan. 1, 24	73.7	10.9	17.4	67.0	169.0
Foreign currency translation	0.9	0.0	0.1	1.2	2.2
Reclassifications	0.5	0.0	0.0	0.0	0.5
Additions	0.8	0.0	0.0	0.0	0.8
Disposals	-0.1	0.0	0.0	0.0	-0.1
Balance at Dec. 31, 24	75.8	10.9	17.5	68.2	172.4
Accumulated amortization and depreciation/impairment losses					
Balance at Jan. 1, 24	65.5	7.1	16.4	44.6	133.6
Foreign currency translation	0.6	0.1	0.1	0.0	0.8
Additions	2.2	0.7	0.2	0	3.1
Impairment losses ¹⁾	0.5	0.0	0.0	0.0	0.5
Disposals	-0.1	0.0	0.0	0.0	-0.1
Balance at Dec. 31, 24	68.7	7.9	16.7	44.6	137.9
Net carrying amount at Dec. 31, 24	7.1	3.0	0.8	23.6	34.5

¹⁾Refer to Note 8 and 9

Industrial protective rights, software rights and similar rights mainly comprise purchased and internally developed computer software.

The table below shows the material assumptions used in the impairment testing of CGUs to which goodwill has been allocated for determination of the values in use as of October 1:

€m	Recognized goodwill	Discount rate before tax	Average annual growth rate ²⁾ (sales revenue/EBITDA)	Long-term growth rate
Oct. 1, 25				
Graphite Specialties ¹⁾	19.5	11.0%	9%/13%	1.0%
Process Technology	1.9	11.0%	3%/5%	1.0%
Dec. 31, 25				
Graphite Specialties ¹⁾	19.5	11.4%	9%/13%	1.0%
Oct. 1, 24				
Graphite Specialties ¹⁾	20.4	11.6%	7%/10%	1.0%
Process Technology	1.9	11.8%	3%/4%	1.0%

¹⁾ Graphite Specialties is a CGU of GS

²⁾ Basis: 2026-2030 (prior year 2025-2029)

SGL Carbon performed its mandatory annual impairment test as of October 1. As the recoverable amount determined on the basis of the value in use was estimated to be higher than their carrying amount, no impairment was identified for either of the CGUs with allocated goodwill.

The value in use is particularly sensitive to changes in assumptions regarding the discount rate, as well as the annual growth rate of sales revenue and EBITDA. The discount factors reflect the current market assessment of the specific risks of each CGU and are based on the CGUs' weighted average cost of capital.

The estimated recoverable amount (value in use) of Process Technology significantly exceeds its carrying amounts, while it only slightly exceeds the carrying amount of Graphite Specialties by approximately €33.7 million. If the discount rate were to increase by 0.4 percentage points, or if GS's projected EBITDA growth rate were to decrease by 0.6 percentage points, the estimated recoverable amount would equal the carrying amount.

Based on the medium-term plan for the CGU Graphite Specialties updated in the fourth quarter of 2025, significant deviations from the previous medium-term plan emerged, primarily due to lower demand in the Semiconductor market segment within the Graphite Solutions business unit. Consequently, an event-driven impairment test of the goodwill allocated to the CGU Graphite Specialties was performed as of December 31, 2025.

The estimated recoverable amount (value in use) of Graphite Specialties exceeds the carrying amount by approximately €50.7 million. An increase in the discount rate by 0.8 percentage points or a reduction in the planned EBITDA growth rate by 1.2 percentage points for GS would cause the estimated recoverable amount to equal the carrying amount.

14. Property, plant, and equipment

€m	Land, land rights and buildings	Plant and machinery	Office furniture and equipment	Assets under construction	Total
Historical costs					
Balance at Jan. 1, 25	510.4	1,301.1	73.3	78.0	1,962.8
Foreign currency translation	-23.0	-53.8	-1.8	-3.4	-82.0
Reclassifications	-0.2	45.5	0.8	-48.3	-2.2
Reclassification to the balance sheet item assets held for sale	-8.2	-91.6	-2.4	0.0	-102.2
Additions	0.9	19.0	1.3	30.6	51.8
Additions to right-of-use assets	6.4	1.1	1.1	0.0	8.6
Disposals	-1.6	-25.5	-6.1	-0.1	-33.3
Balance at Dec. 31, 25	484.7	1,195.8	66.2	56.8	1,803.5
Accumulated depreciation/impairment losses					
Balance at Jan. 1, 25	342.4	1,085.3	64.4	9.4	1,501.5
Foreign currency translation	-17.8	-42.3	-2.7	-0.1	-62.9
Reclassifications		7.2	1.8	-9.1	-0.1
Reclassification to the balance sheet item assets held for sale	-8.2	-89.5	-2.4		-100.1
Additions	10.9	35.5	3.5		49.9
Impairment losses ¹⁾	2.6	19.8	0.1	2.8	25.3
Disposals	-1.5	-24.9	-6.0	0.0	-32.4
Balance at Dec. 31, 25	328.4	991.1	58.7	3.0	1,381.2
Net carrying amount at Dec. 31, 25	156.3	204.7	7.5	53.8	422.3
Historical costs					
Balance at Jan. 1, 24	500.5	1,232.4	69.8	71.3	1,874.0
Foreign currency translation	12.3	30.3	1.0	1.7	45.3
Reclassifications	-10.3	30.1	2.0	-43.3	-21.5
Additions	7.3	20.6	2.7	48.4	79.0
Additions to right-of-use assets	2.2	2.4	1.6	0.0	6.2
Disposals	-1.6	-14.7	-3.8	-0.1	-20.2
Balance at Dec. 31, 24	510.4	1,301.1	73.3	78.0	1,962.8
Accumulated amortization and depreciation/impairment losses					
Balance at Jan. 1, 24	319.5	969.5	62.6	4.9	1,356.5
Foreign currency translation	8.2	23.3	0.8	0.0	32.3
Reclassifications	-12.3	1.4	0.0	-1.4	-12.3
Additions	12.7	39.9	3.4	0.0	56.0
Impairment losses ¹⁾	15.8	65.1	1.3	5.9	88.1
Disposals	-1.5	-13.9	-3.7	0.0	-19.1
Balance at Dec. 31, 24	342.4	1,085.3	64.4	9.4	1,501.5
Net carrying amount at Dec. 31, 24	168.0	215.8	8.9	68.6	461.3

¹⁾Refer to Note 8 and 9

In the reporting year, borrowing costs directly attributable to the construction or production of property, plant, and equipment were capitalized in the amount of €2.4 million (previous year: €3.9 million), with application of an interest rate of 8.0% (previous year: 8.0%).

The Company carried out an impairment test for the ZGE CS and CF CGU as of December 31, 2025; for further details, see [Note 9](#).

Leases

Leases are presented in accordance with the explanations given in [Note 3](#), “Summary of material accounting policies,” in the “Leasing” section.

Leases as lessee

SGL Carbon has entered into lease agreements for a variety of rights equivalent to real property as well as for buildings, technical equipment, machinery, furniture and office equipment which the Company uses in its operations. Lease agreements for real estate generally have terms of between 1 and 15 years. For technical equipment and machinery as well as for furniture and office equipment, the term is usually between 3 and 10 years. SGL Carbon leases IT equipment with contractual terms of between 1 and 3 years, and in some cases the terms extend up to 5 years. These leases are generally either short-term and/or based on objects of low value. SGL Carbon has decided not to recognize either right-of-use assets or lease liabilities for these leases. Information on leases for which SGL Carbon is the lessee is presented below.

Right-of-use assets

The following table shows the carrying amounts of the recognized right-of-use asset and the changes during the reporting period and the previous year:

€m	Land, land rights and buildings	Plant and machinery	Office furniture and equipment	Total
Balance at Jan. 1, 25	9.9	7.3	2.3	19.5
Additions to right-of-use assets	6.4	1.1	1.1	8.6
Depreciation	–3.6	–1.9	–1.1	–6.6
Disposal of right-of-use assets	–0.1	–2.0	–0.1	–2.2
Impairment losses/reversal of impairment losses ¹⁾		–0.2		–0.2
Foreign currency translation	–0.4	–0.1	0.0	–0.5
Balance at Dec. 31, 25	12.2	4.2	2.2	18.6

€m	Land, land rights and buildings	Plant and machinery	Office furniture and equipment	Total
Balance at Jan. 1, 24	13.6	7.1	1.7	22.4
Additions to right-of-use assets	2.2	2.4	1.6	6.2
Depreciation	–4.0	–2.4	–0.9	–7.3
Disposal of right-of-use assets	0.0	0.0	–0.1	–0.1
Impairment losses/reversal of impairment losses ¹⁾	–2.1			–2.1
Foreign currency translation	0.2	0.2	0.0	0.4
Balance at Dec. 31, 24	9.9	7.3	2.3	19.5

¹⁾ See Note 9

The maturity analysis of lease liabilities is presented in [Note 26](#).

Amounts recognized on the income statement:

Lease agreements in accordance with IFRS 16

€m	2025	2024
Expenses for short-term leases	-2.1	-2.5
Expenses for leases for low value assets	-2.4	-2.6
Depreciation of right-of-use assets	-6.6	-7.3
Interest expenses from lease liabilities	-1.4	-1.5

SGL Carbon's cash outflows for leases totaled €14.1 million in 2025 (2024: €14.6 million). In addition, the company reported non-cash additions to right-of-use assets and lease liabilities of €8.6 million in 2025 (previous year: €6.2 million).

Leases as lessor

From the lessor's perspective, all leases are classified as operating leases. SGL Carbon has entered into operating leases for its portfolio of investment properties. Material information can be found in [Note 15](#).

15. Investment property

The following table provides a clear overview of the development of investment property:

€m	2025	2024
Historical costs		
Balance at Jan. 1,	55.0	16.0
Foreign currency translation	-1.4	0.5
Reclassifications	1.2	21.0
Additions	1.4	17.5
Balance at Dec. 31	56.2	55.0
Accumulated depreciation		
Balance at Jan. 1,	14.5	1.3
Foreign currency translation	-0.2	0.1
Reclassifications	0.3	12.3
Additions	1.8	0.8
Balance at Dec. 31	16.4	14.5
Net carrying amount at Dec. 31	39.8	40.5

Investment property primarily consists of production, warehouse, and office space on the Meitingen plant premises, which are leased to BSCCB until 2035 and 2050, respectively. This balance sheet item also includes the land and buildings of former business units which are pooled in real estate companies in the United States and Germany. The properties and buildings in Gardena (USA) are leased to the purchaser of the business activities for a contractually fixed period until September 2026, with the option to extend the lease for an additional six months. During this period, the purchaser of the business activities is obliged to relocate the divested business activities to another site. All properties are assigned to the Corporate reporting segment.

SGL Carbon has classified these leases as operating leases, because not all of the risks and rewards associated with ownership have been transferred. The fair values of the land and the land value of the land held for construction purposes were determined on the basis of a market analysis and an external expert opinion and total €59 million (previous year: €60 million).

The fair values disclosed correspond to level 3 of the fair value hierarchy of IFRS 13.

In fiscal year 2025, rental income from this land totaled €8.0 million (previous year: €3.8 million). Expenses of €3.1 million (previous year: €1.7 million) were incurred. The lease

receivable under the lease to be received after the balance sheet date amounts to €0.8 million (previous year: €1.2 million) and is due in less than one year.

The future minimum lease receivables from non-cancellable operating leases as of December 31 are as follows:

€m	2025	2024
Less than one year	7.1	2.2
One to two years	4.3	1.7
Two to three years	4.0	1.7
Three to four years	3.6	1.7
Four to five years	3.5	1.7
More than five years	43.7	35.9
Total	66.2	44.9

16. Other non-current assets

This item mainly includes financial assets in the form of securities held by a foreign subsidiary to cover pension entitlements, but which do not meet the definition of plan assets according to IAS 19.8 and are therefore not deducted from the present value of the defined benefit obligation (see [Note 24](#)). Insofar as the need for coverage was no longer present, securities were sold at market prices in the reporting year.

17. Inventories

€m	Dec. 31, 25	Dec. 31, 24
Raw materials and supplies	72.4	92.9
Work in progress	156.1	171.6
Finished goods and merchandise	68.6	81.1
Total	297.1	345.6

Cost of sales in the 2025 fiscal year included consumption of inventories amounting to €605.3 million (2024: €737.4 million), which was recognized as an expense. The total amount of inventories recognized at net realizable value as of December 31, 2025, amounts to €8.6 million (2024: €24.2 million). Impairments of inventories of €17.5 million (2024: €17.8 million) increased cost of sales by €3.9 million (2024: €4.7 million) and were recognized as impairment losses of €0.0 million (2024: €11.1 million) and restructuring expenses of €13.6 million (2024: €2.0 million). Reversals of write-downs of €2.2 million (2024: €5.3 million) due to sales reduced the cost of sales.

18. Trade receivables and contract assets

€m	Dec. 31, 25	Dec. 31, 24
From customers	64.0	69.9
From investments accounted for At-Equity	1.7	7.0
Trade receivables	65.7	76.9
Contract assets	49.5	69.2
Trade receivables and contract assets	115.2	146.1

Additional information on the extent of credit risks included in trade accounts receivable and contract assets is provided in [Note 29](#) under “Credit risks.”

19. Other receivables and other assets

€m	Dec. 31, 25	Dec. 31, 24
Positive fair values of financial instruments	0.4	0.2
Security deposit from the factoring program	0.7	7.1
Other financial assets	1.1	7.3
Advance payments for leases and insurance premiums	6.3	5.0
Income tax assets	3.5	3.6
Other receivables due from suppliers	2.6	2.4
Prepayments to pension funds	2.6	2.3
Other tax claims	1.8	7.1
Receivables due from employees	0.9	0.7
Receivables from insurance claims	0.0	1.2
Other assets	2.4	4.6
Other receivables and other assets	21.2	34.2

20. Liquidity

The balance sheet item liquidity amounting to €148.9 million (2024: €148.0 million) consists of cash and cash equivalents and €47.8 million (2024: €17.8 million) from time deposits with an original maturity of more than three months. The cash and cash equivalents reported in the cash flow statement meet the definition of IAS 7 and also include €1.9 million in cash that is part of the disposal group under IFRS 5 (see [Note 21](#)).

21. Disposal group classified as held for sale

In December 2025, SGL Carbon signed an agreement to sell all shares in the fully consolidated SGL Composites S.A., Lavrado, Portugal and the sale is expected to be completed before the end of the first half of 2026. The assets and liabilities were allocated to the CF business unit and were classified as disposal group held for sale respectively as of December 31, 2025. The restructuring of CF already resulted in value adjustments to inventories, other intangible assets, and property, plant, and equipment totaling €9.1 million in the restructuring expenses line item during the reporting year (see [Note 8](#)).

€m	Dec. 31, 25
Property, plant and equipment	2.1
Trade receivables and contract assets	0.4
Other receivables and other assets	0.6
Liquidity	1.9
Assets held for sale	5.0
Provisions for pensions and similar employee benefits	0.3
Restructuring provision	2.7
Other provisions	0.3
Trade payables	0.2
Other liabilities	1.5
Liabilities in connection with assets held for sale	5.0

22. Deferred taxes

The following overview presents the deferred tax assets and liabilities:

€m	Dec. 31, 25			Dec. 31, 24			Change in 2025	
	DTA	DTL	net	DTA	DTL	net	total	thereof p&l
Non-current assets	26.2	–25.9	0.3	36.0	–29.1	6.9	–6.6	–5.7
Inventories	5.5	–1.6	3.9	4.1	–1.3	2.8	1.1	1.1
Receivables/other assets	0.6	–11.2	–10.6	6.8	–14.9	–8.1	–2.5	–2.5
Provisions for pensions and similar employee benefits	8.3	0.0	8.3	7.5	0.0	7.5	0.8	0.7
Other provisions	2.5	–0.5	2.0	0.5	–0.3	0.2	1.8	1.8
Liabilities/other liabilities	12.0	–9.6	2.4	8.7	–7.2	1.5	0.9	0.9
From tax loss carry forwards, interest carry forwards and tax credits	14.7		14.7	43.2		43.2	–28.5	–24.6
Tax receivables (liabilities) before offsetting	69.8	–48.8	21.0	106.8	–52.8	54.0	–33.0	–28.3
Tax netting	–48.1	48.1		–51.2	51.2			
Net tax assets (liabilities)	21.7	–0.7	21.0	55.6	–1.6	54.0	–33.0	–28.3

During the fiscal year, the presentation of deferred tax assets and liabilities in the financial statements was adjusted. Up to and including the previous year, deferred taxes were disclosed in the notes on a gross basis, meaning that the gross deferred tax assets and a valuation adjustment for these assets were shown separately. Starting with the current fiscal year, SGL Carbon will now present deferred taxes on a net basis. As a result of this change, the value adjustment will no longer be shown separately. The change in presentation was made to improve the clarity and usefulness of the information, as well as to

enhance comparability with other IFRS financial statements. The change only affects how deferred taxes are presented in the notes to the consolidated financial statements; the primary financial statements of SGL Carbon's consolidated financial statements are not affected by the change.

As of December 31, 2025, and in the previous year, no deferred tax assets were recognized by companies that have reported a loss on a cumulative basis over the past three years.

No deferred taxes were recognized for the following items (gross amounts):

	Without time limit		Expiration 1 to 5 years		Expiration 6 to 9 years		Expiration 10 years and more	
€m	2025	2024	2025	2024	2025	2024	2025	2024
Deductible temporary differences	741.9	759.9	-	-	-	-	-	-
Tax loss carryforwards			-	-	-	-	-	-
thereof			-	-	-	-	-	-
Domestic corporate income tax	539.0	532.3	-	-	-	-	-	-
Domestic trade income tax	399.2	393.7	-	-	-	-	-	-
Domestic interest carryforwards	74.8	57.4	-	-	-	-	-	-
Other countries	459.8	369.7	3.9	4.9	129.7	102.7	194.3	124.7

SGL Carbon recognizes in equity the cumulative deferred tax effects on items recognized outside profit or loss totaling €51.8 million gross (previous year: €44.7 million gross), primarily from pension provisions.

No deferred tax liabilities have been recognized for taxable temporary differences related to investments in subsidiaries (outside basis differences) amounting to €2.9 million (previous year: €1.7 million). This is because the parent company can control the timing of the reversal of these temporary differences, and it is unlikely they will reverse in the foreseeable future.

23. Equity

Issued capital

As of December 31, 2025, the issued capital of the parent company SGL Carbon SE amounted to €313,194,183.68 (unchanged from the previous year) and was divided into 122,341,478 (2024: 122,341,478) no-par value ordinary shares, each with a notional value of €2.56. The shares are traded on various markets in Germany (including Frankfurt am Main).

Authorized capital

Pursuant to Section 3 (6) of the Articles of Association, the Board of Management is authorized to increase the share capital, with the approval of the Supervisory Board, by up to a total of €125,276,160.00 by issuing new no-par value shares on one or more occasions (Authorized Capital 2023); this corresponds to 48,936,000 authorized shares. The Authorized Capital 2023 was created by the Annual General Meeting of May 9, 2023, and can be exercised until May 8, 2028. In principle, the shareholders will be entitled to preemptive subscription rights if the Authorized Capital 2023 is utilized. However, preemptive rights can or must be disappplied for fractional amounts, for the benefit of holders of bonds with warrants, conversion rights or mandatory conversion issued or to be issued, shares issued in return for contributions in kind to acquire companies, parts of companies or investments in companies, and, with the approval of the Supervisory Board, when issuing shares up to 10% of the issued share capital in the event of a capital increase against cash contributions. However, the preemptive rights for share capital 2023 is no longer available to a significant extent due to the recognition of the convertible bond issue in 2023.

Conditional capital

The Annual General Meeting has approved conditional capital increases in recent years to service the share-based Stock Appreciation Rights (SAR plan) and to service convertible

bonds (see also [Note 26](#)). Since the SAR plan has now been completed, a capital increase under Section 3(12) of the Articles of Association is no longer possible.

Conditional capital as of December 31, 2025

Articles of association	Date of resolution	€/Number of shares	Capital increase via:	Disapplication of pre-emptive rights/execution of the capital increase
Section 3 (7)	May 9, 2023	€ 31,319,040.00.00 =12,234,000 shares	Servicing the convertible bond, issued 2023	Share capital increase will be executed if participants make use of their subscription rights.
Section 3 (10)	May 10, 2019	€ 31,319,040.00.00 =12,234,000 shares	Servicing the convertible bond, issued 2022	Share capital increase will be executed if participants make use of their subscription rights.
Section 3 (12)	April 29, 2009	€ 4,875,517.44 = 1,904,499 shares	SAR-Plan 2010-2014	Share capital increase will be executed if participants make use of their subscription rights. Subscription rights have expired

¹⁾ SAR Plan = Stock Appreciation Rights Plan, refer to Note 31

Changes in share capital

Number of shares	2025	2024
Balance at January 1,	122,341,478	122,341,478
Balance at December 31,	122,341,478	122,341,478

As of December 31, 2025, 70,501 (2024: 70,501) treasury shares were held at a carrying amount of €180,482.56 (2024: €180,482.56).

The nature and purpose of the capital reserves

The capital reserve remains unchanged from the previous year, consisting of a share premium (€882.9 million), the respective fair value of conversion rights of convertible bonds (see [Note 3](#) Hybrid Financial Instruments) of €156.8 million, and the reserve for share-based remuneration (€28.1 million).

All other reserves are reflected in the Consolidated Statement of Changes in Equity.

Disclosures on capital management

The Group's capital management involves the interest of shareholders, employees and other stakeholders. The aim is to ensure the long-term going concern of the Company and to achieve a return on capital employed that is in line with market expectations.

Capital management includes both equity and debt components. Key financial indicators that SGL Carbon has set itself as a medium-term target include net financial debt, the leverage ratio, the equity ratio and return on capital employed. Net financial debt is defined as interest-bearing loans at their nominal value less cash, cash equivalents and time deposits. The leverage ratio is the ratio of net financial debt to adjusted EBITDA. Return on capital employed (ROCE) is the ratio of adjusted EBIT to the average amount of capital employed.

The key capital management figures developed as follows:

€m	Dec. 31, 25	Dec. 31, 24
Net financial debt	98.9	108.2
Equity attributable to the shareholders of the parent company	457.2	554.9
ROCE EBIT pre	9.8%	11.4%
Equity ratio	39.2%	41.5%
Leverage ratio	0.7	0.7

Net financial debt developed as follows:

€m	Dec. 31, 25	Dec. 31, 24
Carrying amount of current and non-current financial liabilities	232.2	231.3
Remaining imputed interest for convertible bonds	15.5	21.9
Accrued refinancing cost	2.0	3.0
Total financial liabilities (nominal)	249.7	256.2
Cash and cash equivalents ¹⁾	103.0	130.2
Time deposits	47.8	17.8
Net financial debt	98.9	108.2

¹⁾ Including cash and cash equivalents which are part of a disposal group classified as held for sale under IFRS 5

SGL Carbon aims to achieve a leverage ratio of ≤ 2.5 , an equity ratio of $\geq 30\%$ and a return on capital employed of $\geq 10\%$. These goals were largely met as of December 31, 2025, and will continue to be met.

In its dealings with lenders, SGL Carbon has an obligation to comply with certain covenants with respect to its lenders and bondholders, such as the company's ability to service the debt. Adherence to these covenants is monitored continuously. In the 2025 fiscal year, all requirements were met. Potential financial risks are continuously monitored and controlled using certain key performance indicators and regular internal reports. This includes, among other things, the internal financing framework for subsidiaries and its utilization, monitoring the hedged currency exposure, the change of actual cash flows, the change in the market value of the derivatives portfolio and the maintaining and utilization of guaranteed credit lines.

Change of control agreement

As of December 31, 2025, the company had two convertible bonds (nominal amount €101.9 million) that will mature in 2027 and 2028 (nominal amount €118.7 million) outstanding. Both convertible bonds entitle the bondholders in the event of a change of control to demand repayment of any outstanding bonds at par value (plus interest accrued up to that point) on a date to be determined by the company which shall be no less than 40 and no more than 60 calendar days after the date on which the change of control is made known. The bonds may also be converted into shares, in which case the bondholders will receive an improved conversion ratio, which will vary depending on the time remaining until the bonds mature. A change of control is deemed to occur for both convertible bonds if one or more persons acquire control over the Company, where control means direct or indirect, legal and/or economic ownership of shares (within the meaning of Sections 29 (2), 30 WpÜG) which together grant more than 30% of the voting shares in the company. For both convertible bonds, the improved conversion ratio will also apply in the case of a public takeover offer if, at the end of the acceptance period, the acceptance rate of the offer exceeds 30% of voting shares, any minimum acceptance threshold for the offer in excess of this amount has also been reached, and no further offer conditions remain unfulfilled (other than conditions that can legally be met after the acceptance period has expired).

In the event of a change of control, the lenders of the company's revolving syndicated loan of €100 million which was drawn at the end of 2025 have the right to terminate their respective participation in the facility. A change of control exists when one or more persons (by means of acting in concert pursuant to Section 2(5) WpÜG) acquire control over the company, whereby control means (i) the right to directly or indirectly exercise more than 30% of the voting rights of the company at a Annual General Meeting, (ii) the right to appoint all or the majority of the Board of Management, (iii) to issue binding instructions to the Board of Management regarding the operational and financial strategy of the company, or (iv) the direct or indirect ownership of more than 50% of the company's share capital. However, it does not constitute a change of control if control is acquired by Dr. h.c. Susanne Klatten, BMW AG or Volkswagen AG or companies controlled by them.

Furthermore, the agreement regarding the joint venture Brembo SGL Carbon Ceramic Brakes S.p.A., in which SGL Carbon SE holds 50% of the share capital, provides for the right of the other party to tender its shares in this joint venture in the event of a change of control on one side (put option) or to acquire the shares of the party subject to a change

of control in the joint venture (call option). A change of control exists (i) if a competitor of one of the parties to the joint venture directly or indirectly acquires 25% or more of the voting rights in the parties to the joint venture or SGL Carbon SE or (ii) if another third party directly or indirectly acquires 50% or more of the voting rights in one of the parties to the joint venture or SGL Carbon SE.

Other

Under IFRS, the assessment of whether or not an obligation exists to prepare consolidated financial statements must also be performed at the level of the potential subsidiary. IFRS 10 requires all enterprises to assess whether or not they are required to prepare consolidated accounts on the basis of a single model, the control concept, regardless of whether control is founded on corporate law, contractual provisions or the economic substance of the arrangement. The concept therefore also applies to parent-subsidiary relationships that are based on voting rights or derive from contractual agreements (please also refer to [Note 3](#), "Consolidation principles"). On the basis of these principles, SGL Carbon regularly assesses whether SGL Carbon SE is controlled by another parent company. SGL Carbon currently has no information that indicates that SGL Carbon SE is a subsidiary of any of its shareholders. SGL Carbon also has no indication that voting rights are exercised jointly or in concert by any shareholders. SGL Carbon SE therefore prepares consolidated financial statements as the ultimate parent company of the SGL Carbon Group.

SGL Carbon SE, as the parent company of SGL Carbon, reported a net loss for 2025 of €409.2 million in accordance with the German Commercial Code (HGB). Taking into account the loss brought forward of minus €711.5 million, the accumulated loss totaled €1,120.7 million. In accordance with the German Stock Corporation Act, dividends may only be paid out of the accumulated net profit reported by SGL Carbon SE in its annual financial statements prepared pursuant to the provisions of the German Commercial Code.

24. Provisions for pensions and similar employee benefits

The outstanding defined benefit plans are primarily based on company contributions. These plans are only influenced to a limited extent by longevity, inflation, and salary increases. The company's most important plans are covered by assets in external, restricted

pension funds. These plans are managed in accordance with national law via trust agreements with the respective pension fund in the interests of the beneficiaries.

Germany

In Germany, pension benefits are granted through SGL Grundversorgung Plus (GV Plus), Zusatzversorgung Plus (ZV Plus) and frozen plans with legacy commitments. Under GV Plus, regardless of their date of entry, all employees receive an employer-funded basic allowance, equal to 1% of eligible income up to the contribution ceiling, which is invested in investment funds. Employees can convert up to 4% of their eligible income into contributions. For as long as the employee makes these personal contributions, SGL Carbon pays a monthly employer's contribution in addition to the basic allowance up to a maximum of 5% of the contributory income. The contributions made by SGL and the employees are transferred to a contractual trust arrangement (CTA) and invested in stocks (investment funds). The benefits from this plan are mainly based on the nominal company contributions and investment income from the corresponding plan assets, with the employer guaranteeing the total amount of contributions paid in (nominal value preservation).

For members of senior management, the company grants contributions for income above the BBG based on a defined contribution rate of pensionable income (ZV Plus). The contributions are subject to a minimum rate of return, which is the maximum rate for life insurance policies plus one percentage point (2.0% p.a.). In addition, the amounts are contributed as assets to a CTA. When a benefit becomes payable, the lump sum or pension is based on the higher of the guaranteed minimum return or the current individual value of the assets. Senior management also has the option of converting contributions from the Short-Term Incentive Plan and/or the Long-Term Incentive Plan (see [Note 31](#)) in favor of ZV Plus (deferred compensation).

Both plans are covered by assets via CTAs. There are no legal or regulatory minimum funding requirements for CTAs in Germany.

The assets covering the pension rights under AV Plus (closed), GV Plus and ZV Plus pension plans are invested via a third-party investment firm as follows.

in % as at Dec 31, 25 (Dec 31, 24)	AV-Plus	ZV-Plus	GV-Plus
International mixed fund	50.2% (50.1%)	50.2% (50.2%)	50.3% (50.1%)
European fixed-income fund	24.4% (24.8%)	24.4% (24.8%)	24.4% (24.9%)
International equities fund	16.3% (15.9%)	16.3% (15.9%)	16.0% (15.8%)
European equities fund	9.1% (9.2%)	9.1% (9.1%)	9.3% (9.2%)

In the reporting year, the existing allocation was optimized and thus also the risk/reward profile by adding further and/or shifts within existing asset classes in favor of more defensive asset classes.

AV Plus was the predecessor plan to GV Plus and is also covered by assets via contractual trust structures (CTA). This plan was transferred to GV Plus in 2022; the entitlements from the contributions that had expired by the time of the transfer remain unaffected.

With the introduction of AV Plus (or GV Plus) and ZV Plus, the effect of salary increases was eliminated for benefits from the frozen plans with legacy commitments. However, SGL Carbon continues to bear the investment risk, interest rate and inflation changes, and longevity risk for the frozen plans. Beneficiaries of legacy commitments continue to have the option of converting their entitlements into a lump sum. This enables active and former employees (or their surviving spouses) to receive a capital sum either as a one-time payment or in ten yearly installments, instead of a retirement or survivor's pension. The probability of utilization for the different payout options was derived from the empirical acceptance rates for comparable cases.

All other pension obligations for German employees are covered by a funded multi-employer plan (frozen), which is accounted for as a defined contribution plan. The reason for this accounting rule is that the plan assets cannot be allocated to the participating companies. The pension fund benefits are funded based on the actuarial equivalence principle [Bedarfsdeckungsverfahren]. Based on the legally prescribed actuarial calculation for 2024, the obligations of the pension fund are fully funded. For 2025, it has been assumed that the pension obligations continue to be funded by the corresponding assets. The vested rights of active members and the rights of former members and pensioners will continue to be financed and administered by the multi-employer plan. There is therefore currently no obligation to make future contributions to the plan.

USA

In the United States, SGL Carbon maintains pension plans that are closed to new entrants and to the earning of further entitlements. In the US pension fund, plan assets are managed in trusts and invested solely for the purpose of providing future pension benefits to the beneficiaries, thereby minimizing the asset management costs. SGL Carbon regularly reviews the expected return on the plan assets of the North American funded pension plan. The plans are subject to the funding requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. There is a requirement to ensure a minimum funding level of 80% for defined benefit plans in order to avoid restrictions on benefit payments. Employers can make contributions over and above this regulatory requirement at their own discretion. The annual contributions are calculated by independent actuaries. The effective funding ratio for the US pension plan as of December 31, 2025, was 103% (2024: 103%).

The effective rate of return on plan assets in the US in 2025 was 7.8% (2024: minus 1.3%), above the expected return based on the discount rate of 5.6% as of December 31, 2024.

Given the funding ratio of over 100%, SGL Carbon's investment policy is primarily focused on fixed income bonds and bank balances. Plan assets were invested as follows as of December 31:

in %	Dec. 31, 25	Dec. 31, 24
Fixed-interest securities	98.8%	98.6%
Equities and interest in companies	0.0%	0.0%
Real estate	0.0%	0.0%
Hedge funds	0.0%	0.0%
Bank deposits	1.2%	1.4%

The fair value of the fixed-interest securities was based on prices provided by price service agencies. The fixed-income securities are traded on active markets and almost all fixed-income securities have an investment grade rating.

In addition, post-employment healthcare plans and an additional pension plan for senior managers, both of which are unfunded, exist in the United States. The future benefit

obligations in relation to healthcare plans are calculated using actuarial methods based on prudent estimates of the relevant parameters. The calculation parameters may be influenced to a significant degree by the assumptions with respect to cost increases in the healthcare sector.

Trend assumptions in relation to healthcare were as follows:

	Dec. 31, 25	Dec. 31, 24
Health care trend rated - medical		
Trend for next year	8.1%	8.7%
Ultimate trend	4.5%	4.5%
Year ultimate trend reached	2034	2034
Health care trend rates - prescription drugs		
Trend for next year	9.1%	9.9%
Ultimate trend	4.5%	4.5%
Year ultimate trend reached	2034	2034

At the end of the 2025 fiscal year, an increase (decrease) of 1 percentage- point in the assumed growth rate for healthcare costs would have led to an increase (decrease) in the present value of the defined benefit obligation of €0.2 million (€0.2 million) and an increase (decrease) in the service cost and interest cost of €0.0 million (€0.0 million).

Actuarial assumptions

In addition to biometric assumptions and the current long-term market interest rate, assumptions regarding future salary- and pension increases are also taken into account. The following parameters are used in Germany and the US, the most significant countries:

	2025	German plans 2024	2025	US plans 2024
Discount rate as of Dec. 31	4.10%	3.40%	5.45%	5.60%
Projected salary increase as of Dec 31	2.50%	2.50%		
Projected pension increase as of Dec. 31	2.1% and 1.0% respectively	2.1% and 1.0% respectively		
Expected return on plan assets in fiscal year	4.10%	3.40%	5.45%	5.60%
probability of acceptance of capital option	55%	55%		
Duration (years)	10.1	11.1	11.4	11.7

The disability tables used in Germany were SGL-specific tables, with a disability trend based on the Heubeck 2018G mortality tables.

Sensitivity analyses

A change of half a percentage point in any of the above assumptions (+/- 5 percentage points for the lump sum option) would increase or decrease the DBO as follows:

in million €	Change in DBO			
	Dec. 31, 25		Dec. 31, 24	
	Increase	Decrease	Increase	Decrease
Discount rate (+/- 0.5%-pts)	-12.7	14.2	-14.3	15.7
Projected pension increase (+/- 0.5%-pts)	8.5	-7.7	9.4	-8.7
Probability of acceptance of capital option (+/- 5%-pts)	-0.5	0.5	-0.5	0.5

The sensitivities reflect the change in the DBO caused by changed assumptions only, with all other assumptions remaining the same.

Change in defined benefit plans

The change in pension obligations relating to direct commitments and post-employment healthcare obligations, the change in plan assets and the funding status of the pension plans are described in the table below.

The funded status for 2025 was as follows:

€m	Germany 2025	USA 2025	Other 2025	Total 2025
Present value of the defined benefit obligation at beginning of year	261.1	73.5	8.7	343.3
Service cost	5.9		0.4	6.3
Interest cost	8.8	3.7	0.4	12.9
Actuarial gains (–)/losses (+)	–15.0	1.8	–0.5	–13.7
thereof: experience adjustments	–13.6	1.3	–0.6	–12.9
thereof: change in actuarial assumptions	–1.4	0.5	0.1	–0.8
Past service cost due to plan amendments (including curtailments)	–0.8	0.0	0.0	–0.8
Benefits paid	–11.7	–4.1	–1.0	–16.8
Other changes	2.9	0.1	0.0	3.0
Currency differences		–8.5	0.0	–8.5
Present value of the defined benefit obligation at end of year ¹⁾	251.2	66.5	8.1	325.8
Fair value of plan assets at beginning of year	89.6	59.5	4.0	153.1
Actual return on plan assets	4.8	4.1	0.2	9.1
Employer contributions	6.0	1.5	1.0	8.5
Contributions of the beneficiaries	2.9	0.1	0.0	3.0
Benefits paid	–2.2	–4.1	–0.7	–7.0
Currency differences		–6.8	0.0	–6.8
Fair value of plan assets at end of year ²⁾	101.1	54.3	4.5	159.9
Funded status at Dec. 31	150.1	12.2	3.6	165.9
Adjustments due to asset ceiling	2.9			2.9
Amount recognized	153.0	12.2	3.6	168.8
Termination benefits		0.0	1.1	1.1
Provisions for pensions and similar employee benefits	153.0	12.2	4.7	169.9

¹⁾ Of which €3.3 million relate to post-retirement care benefits

²⁾ This item also includes assets of €4.0 million to cover pension entitlements recognized as other non-current assets

The funded status for 2024 was as follows:

€m	Germany 2024	USA 2024	Other 2024	Total 2024
Present value of the defined benefit obligation at beginning of year	256.7	74.5	8.6	339.8
Service cost	6.3	0.0	0.4	6.7
Interest cost	8.4	3.6	0.4	12.4
Actuarial gains (-)/losses (+)	-2.9	-5.4	0.3	-8.0
thereof: experience adjustments	-5.4	-5.9		-11.3
thereof: change in actuarial assumptions	2.5	0.5		3.0
Past service cost due to plan amendments (including curtailments)	-0.8	0.0	-0.1	-0.9
Benefits paid	-10.7	-4.1	-0.9	-15.7
Other changes	4.1			4.1
Currency differences		4.9		4.9
Present value of the defined benefit obligation at end of year ¹⁾	261.1	73.5	8.7	343.3
Fair value of plan assets at beginning of year	74.1	59.3	4.5	137.9
Actual return on plan assets	7.9	-0.8	0.1	7.2
Employer contributions	5.7	1.6		7.3
Contributions of the beneficiaries	4.2	0.1		4.3
Benefits paid	-2.3	-4.1	-0.6	-7.0
Currency differences		3.4		3.4
Fair value of plan assets at end of year ²⁾	89.6	59.5	4.0	153.1
Funded status at Dec. 31	171.5	14.0	4.7	190.2
Reclassifications/Adjustments due to asset ceiling	2.9			2.9
Amount recognized	174.4	14.0	4.7	193.1
Termination benefits		0.3	2.2	2.5
Provisions for pensions and similar employee benefits	174.4	14.3	6.9	195.6

¹⁾ Of which €3.7 million relate to post-retirement health care benefits

²⁾ This item also includes assets of €5.1 million to cover pension entitlements recognized as other non-current assets

The consolidated statement of comprehensive income includes the following amounts:

€m	Germany 2025	USA 2025	Other 2025	Total 2025	Total 2024
Actuarial gains (+)/losses (–) from pensions ¹⁾	14.9	–1.8	0.5	13.6	6.8
Actuarial gains (+)/losses (–) on other long-term benefits	0.1	0.0	0.0	0.1	0.0
Actual return on plan assets	4.8	4.1	0.2	9.1	7.2
Less expected return on plan assets	–3.2	–3.0	–0.1	–6.3	–5.5
Currency effects	0.0	0.0	0.0	0.0	–0.1
Gains (+)/losses (–) for the reporting year (gross) recognized in equity	16.6	–0.7	0.6	16.5	8.4
Tax effect	0.0	0.0	0.2	0.2	0.0
Gains (+)/losses (–) for the reporting year (net) recognized in equity	16.6	–0.7	0.8	16.7	8.4

¹⁾ Thereof adjustments due to asset ceiling in accordance with IAS 19.64 of €2.9 million

The cumulative amount of actuarial losses recognized in equity (accumulated results) was €145.8 million net (2024: €169.2 million).

In fiscal year 2025, the following developments affected the defined benefit obligation: an actuarial gain of €12.8 million resulting from the increase of the discount factor for pension plans (previous year: actuarial gain of €11.6 million) and a decrease of €0.8 million (previous year: decrease of €4.3 million) mainly due to experience adjustments resulting from the differences between the actuarial assumptions and the actual outcomes. Pension provisions with a maturity of less than one year amounted to €16.7 million (previous year: €15.9 million).

SGL Carbon has pension and healthcare obligations of €131.9 million (2024: €126.3 million) in relation to funded pension plans. Pension obligations under unfunded pension plans were €193.9 million (2024: €217.0 million).

To cover the pension obligations to members of the Board of Management, the Company has entered into pension liability insurance arrangements with three large insurance companies. As of December 31, 2025, the asset values included in the pension provisions totaled €24.5 million (2025: €24.0 million). The expected return corresponds to the discount rate for the pension obligations. In fiscal year 2025, contractually agreed pension payments of €0.9 million were made to the pension liability insurance arrangements (2024: €0.4 million). The benefits under the insurance arrangements have been pledged to the

relevant members of the Board of Management. The pension expense for active members of the Board of Management is detailed in [Note 28](#).

The breakdown of pension expenses for 2025 and 2024 is as follows:

€m	Germany 2025	USA 2025	Other 2025	Total 2025	2024
Current service costs	5.9	0.0	0.4	6.3	6.7
Past service cost due to plan amendments (including curtailments)	-0.8	0.0	0.0	-0.8	-0.9
Service cost	5.1	0.0	0.4	5.5	5.8
Interest cost	8.9	3.7	0.4	13.0	12.4
Expected return on plan assets	-3.2	-3.0	-0.1	-6.3	-5.5
Net interest expense	5.7	0.7	0.3	6.7	6.9
Pension expenses for defined benefit plans	10.8	0.7	0.7	12.2	12.7
Pension expenses for defined contribution plans	0.5	2.4	1.7	4.6	5.2
Pension expenses	11.3	3.1	2.4	16.8	17.9

As of December 31, 2025, the anticipated future pension benefit payments by SGL Carbon and/or the plan assets to its former employees or their surviving dependents were as follows:

Pension payments to employees

Year	€m
2025	16.7
Due 2026	18.9
Due 2027	23.1
Due 2028	24.3
Due 2023	19.8
Due 2030	22.0
Due 2031-2035	103.3

Employer contributions to plan assets and pension liability insurance arrangements for 2026 are estimated at €6.4 million (2025: €6.2 million).

SGL Carbon's contributions to the state plans recognized in profit or loss amounted to a total of €17.9 million in 2025 (previous year: €18.4 million).

25. Other provisions

€m	Taxes	Personnel	Warranties, price reductions and guarantees	Restructuring	Other	Total
Balance at Jan. 1, 25	2.6	39.3	10.9	9.4	14.5	76.7
Utilizations	-0.2	-24.9	-1.7	-6.2	-5.4	-38.4
Releases	-1.4	-0.9	-2.8	0.0	-0.7	-5.8
Additions	0.3	11.1	1.0	7.3	5.1	24.8
Other changes/exchange differences	-0.2	-0.8	-0.4	-0.8	-0.8	-3.0
Balance at Dec. 31, 25	1.1	23.8	7.0	9.7	12.7	54.3
<i>thereof with a maturity of up to one year</i>	<i>1.1</i>	<i>21.6</i>	<i>6.7</i>	<i>9.7</i>	<i>12.7</i>	<i>51.8</i>
<i>thereof with a maturity of more than one year</i>	<i>0.0</i>	<i>2.2</i>	<i>0.3</i>	<i>0.0</i>	<i>0.0</i>	<i>2.5</i>

Provisions for personnel expenses mainly comprise provisions for variable compensation of €6.6 million (2024: €19.8 million), provisions for anniversary benefits of €2.1 million (2024: €2.1 million), and provisions for outstanding vacation and accumulated time credits of €8.3 million (2024: €9.3 million).

Provisions for warranties, price reductions and guarantees include provisions for price reduction risks, including bonuses, volume discounts, and other reductions in price.

In the reporting year, significant restructuring measures were initiated and completed primarily for personnel and contractual obligations arising from early contract terminations. Details can be found in [Note 8](#).

As of December 31, 2025, restructuring provisions primarily consisted of remaining personnel-related obligations totaling €4.7 million (previous year: €3.0 million) and a provision for contractual obligations to a supplier amounting to €3.4 million. In the previous year, expenses totaling €6.4 million were included, resulting from the early termination of an energy supply contract and the remaining costs for dismantling two sites.

26. Liabilities

€m	Dec. 31, 25	Remaining term to maturity > 1 year	Dec. 31, 24	Remaining term to maturity > 1 year
Interest-bearing loans				
Nominal value of convertible bonds	220.6	220.6	220.6	220.6
Less IFRS equity component	-15.5	-15.5	-21.9	-21.9
Convertible bonds	205.1	205.1	198.7	198.7
Bank loans, overdrafts and other financial liabilities	29.1	23.9	35.6	30.4
Refinancing costs	-2.0	-2.0	-3.0	-3.0
	232.2	227.0	231.3	226.1
Trade payables and contract liabilities	191.0	69.4	208.5	86.1
Other financial liabilities				
Derivative financial instruments	0.0	0.0	0.6	0.0
Lease liabilities	23.3	16.0	24.8	16.7
Miscellaneous other financial liabilities	4.0	0.0	4.7	0.0
	27.3	16.0	30.1	16.7
Income tax liabilities	4.4	0.0	5.6	0.0
Miscellaneous other liabilities	15.6	0.0	22.9	0.0
Other liabilities	47.3	16.0	58.6	16.7
Total	470.5	312.4	498.4	328.9

Interest-bearing loans

Convertible bonds

€m	Volume of issue	Outstanding volume	Net carrying amount at Dec. 31, 25	Market price ¹⁾ Dec. 31, 25	Coupon % p.a.	Issue price
Convertible bond 2022/2027	101.9	101.9	94.2	102.0	5.750%	100.0%
Convertible bond 2023/2028	118.7	118.7	108.9	115.9	5.750%	100.0%

¹⁾ Corresponds to level 1 of the fair value hierarchy of IFRS 13

Based on the current conversion price, full conversion of the outstanding amounts of both convertible bonds would result in the issue of 24.5 million shares. The fair value of the conversion rights was recognized in capital reserves upon issue and deducted from the bond liability.

The conversion price of the convertible bonds changed as follows:

€	Conversion price Dec. 31, 25	Original conversion price per share	Change
Convertible bond 2022/2027	8.33	8.33	0.00
Convertible bond 2023/2028	9.71	9.71	0.00

Please see [Note 3](#) “Hybrid financial instruments” for a description of the accounting treatment for convertible bonds and their separation into an equity component and a debt component.

The weighted cash-effective average interest rate for financial liabilities based on their nominal amounts increased mathematically to 5.52% p.a. in 2025 due to the significantly reduced financial liabilities (2024: 5.65% p.a.). Including the non-cash imputed interest cost on the convertible bonds, the weighted average effective interest rate was 8.10% p.a. in

2025 (2024: 7.62% p.a.). As of the balance sheet date, bank loans, overdrafts, and other financial liabilities amounted to €29.1 million (2024: €35.6 million). As in the previous year, these bore interest at fixed rates and were secured by land charges.

Syndicated credit facility

SGL Carbon has a syndicated credit line of €100 million for general corporate purposes. The credit line remains undrawn and is available to the company without collateral until March 2028.

The credit margin varies in particular depending on the Company's leverage ratio. The terms of the facility include financial covenants in respect of certain financial indicators and other financial restrictions. Additionally, the credit line is linked to ESG criteria, which may slightly impact the cost of utilizing it.

Trade payables and contract liabilities

Trade payables and contract liabilities totaled €191.0 million as of December 31, 2025 (2024: €208.5 million). As in the previous year, they were primarily due to unrelated third parties. Of the total, €121.6 million (2024: €122.4 million) was due for payment within one year. Trade payables include non-current and current contract liabilities of €122.3 million in total (2024: €141.2 million). These relate to prepayments received from customers on

contracts for which sales revenue is essentially recognized over a set period of time. In the reporting period, €43.5 million (2024: €42.5 million) in sales was recognized, which was included in the balance of contract liabilities at the beginning of the period.

Other liabilities

As of December 31, 2025, other financial liabilities include lease liabilities of €23.3 million (2024: €24.8 million).

Miscellaneous other financial liabilities include of €4.0 million (2024: €4.7 million) include, in particular, accrued interest for the outstanding convertible bond and a liability from the current factoring program.

Miscellaneous other liabilities totaled €15.6 million as of December 31, 2025 (2024: €22.9 million) and mainly included payroll and church tax liabilities of €5.7 million (2024: €8.2 million), social security liabilities of €0.1 million (2024: €0.2 million), other tax liabilities of €2.9 million (2024: €0.7 million), and deferred income of €1.6 million (2024: €6.3 million).

The table below shows all contractually agreed payments for the repayment of principal and payment of interest on recognized financial liabilities, including derivative financial instruments, as of December 31, 2025.

€m	2026	2027	2028	2029	2030	More than five years
Non-derivative financial liabilities						
Convertible bond 2022/2027	5.9	106.1				
Convertible bond 2023/2028	6.8	6.8	122.1			
Liabilities due to banks	6.3	5.4	4.4	3.1	3.0	7.4
Lease liabilities	7.3	6.4	4.3	1.6	1.3	2.4
Trade payables	68.7					
Miscellaneous other financial liabilities	4.0					
Derivative financial liabilities	0.0					
Total	99.0	124.7	130.8	4.7	4.3	9.8

There has been no significant change in the details shown compared to the previous year. Financial liabilities were determined using undiscounted contractual cash flows for future fiscal years.

The table below shows the development of liabilities from financing activities:

€m	Balance at Jan. 1, 25	Additions	Repayments	Effect of foreign exchange rate changes/others	Releases	Imputed interest/ amortisation	Balance at Dec 31, 25
Convertible bond 2022/2027	101.9						101.9
Convertible bond 2023/2028	118.7						118.7
Bank loans, overdrafts and other financial liabilities	35.6	5.2	-11.6	-0.1			29.1
Interest-bearing loans (nominal amount)	256.2	5.2	-11.6	-0.1	0.0	0.0	249.7
Remaining imputed interest for the convertible bond	-21.9					6.4	-15.5
Refinancing costs	-3.0					1.0	-2.0
Interest-bearing loans (carrying amount)	231.3	5.2	-11.6	-0.1	0.0	7.4	232.2
Lease liabilities	24.8	7.6	-9.6	-0.9	0.0	1.4	23.3
Total liabilities from financing activities	256.1	12.8	-21.2	-1.0	0.0	8.8	255.5

27. Contingent liabilities and other financial obligations

Other financial obligations in connection with purchase orders for approved capital expenditure on property, plant, and equipment amounted to €18.3 million as of December 31, 2025 (previous year: €36.6 million). Some of these capital expenditure projects extend beyond one year. The main investment projects are explained in the Group management report in the section on the financial position, under "Capital expenditure, depreciation and amortization." Furthermore, there were purchase obligations for services in the amount of €4.7 million as of December 31, 2025 (previous year: €4.8 million).

SGL Carbon secures the raw materials and energy required for production through procurement contracts with key suppliers. These agreements are normally for one year, include minimum quantities to be purchased by SGL Carbon, and are fulfilled by physical delivery. The prices for the supplies are based on a base price that is adjusted for variable components. A contract for the purchase of a raw material, concluded in the 2023 fiscal year and adjusted in 2025, results in a purchase volume of €18.5 million.

Of the liabilities to banks, a total of €29.1 million (previous year: €35.6 million) were secured by a land charge as of December 31, 2025. The other liabilities are not collateralized. Guarantees amounting to €30.4 million (2024: €33.5 million) were issued by banks for payment, advance payment, warranty, and contract performance guarantees of SGL Carbon. In our opinion, there are currently no indications of any claims arising from the aforementioned contingent liabilities.

Various lawsuits, court proceedings and legal claims are either pending or may be initiated in the future. This includes legal action arising in connection with alleged defects in SGL Carbon products, product warranties, and environmental protection issues. Tax risks may also arise as a result of the SGL Carbon group structure. Litigation is subject to considerable uncertainty; the outcome of individual cases cannot be predicted with any certainty. There is a reasonable probability that individual cases could be decided against SGL Carbon. Identifiable risks have been adequately covered by recognizing appropriate provisions. SGL Carbon is not exposed to any material lawsuits or legal disputes other than those for which a provision has been made. SGL therefore expects no material contingent liabilities at the present time.

28. Related party transactions

Joint ventures and associates

SKion GmbH, Bad Homburg, Germany, holds a share of approximately 28.55% in SGL Carbon SE according to notifications pursuant to the German Securities Trading Act (WpHG). No transactions for the sale of goods or services were conducted with SKion GmbH. SKion GmbH holds a nominal amount of €25 million in the 2023/2028 convertible bond.

In addition, in fiscal years 2025 and 2024, SGL Carbon maintained business relations within its normal course of business with a number of joint ventures and associates, related to sales of products and services, the rental of production and administrative building and the re invoicing of general and administrative expenses. The transactions took place at market conditions. Collateral is reported under other financial obligations; see [Note 27](#). Please refer to [Note 7](#) for information on joint ventures and associates.

The table below shows the volume of transactions with related companies:

2025

	Sales of goods	Sales of services	Purchases of goods	Purchases of services	Receivables at Dec. 31	Loans at Dec. 31	Liabilities at Dec. 31
Joint ventures	25.3	15.3			1.7		
Associates		0.1	-2.3				
Total	25.3	15.4	-2.3	0.0	1.7	0.0	0.0

2024

	Sales of goods	Sales of services	Purchases of goods	Purchases of services	Receivables at Dec. 31	Loans at Dec. 31	Liabilities at Dec. 31
Joint ventures	24.4	12.6			7.0		-0.1
Associates		0.3	-10.3				-1.1
Total	24.4	12.9	-10.3	0.0	7.0	0.0	-1.2

Related persons

Related persons include the members of the Board of Management and the Supervisory Board.

Remuneration of the Board of Management

The remuneration of the members of the Board of Management in office during the fiscal year 2025 and 2024 comprises:

€m	2025	2024
Fixed remuneration	1.5	1.1
Fringe benefits	0.1	0.1
Total fixed remuneration	1.6	1.2
One-year variable remuneration	1.2	1.2
Multi-year variable remuneration	1.9	2.0
Total variable remuneration	3.1	3.2
Total remuneration	4.7	4.4

Board of Management remuneration includes salaries, in-kind benefits and contributions to a defined contribution retirement plan.

The DBO of the pension commitments to active members as of December 31 was €2.2 million (previous year: €1.5 million), service cost amounted to €0.5 million (previous year: €0.4 million).

As of December 31, 2025, net amounts of €1.3 million were outstanding to members of the Board of Management (2024: €3.1 million).

These consist of provisions for annual bonuses. The LTI plans granted in the fiscal year and still running for the fiscal year for the active members of the Executive Board are shown in the following table:

Tranche	Allocation value in € at Dec 31, 24	Grant in € in 2025	Number of PSU at grant
LTI 2022-2025	1,190,000		153,945
LTI 2023-2026	1,190,000		166,433
LTI 2024-2027	1,190,000		190,705
LTI 2025-2028		1,363,000	332,438
Total	3,570,000	1,363,000	843,521

For further information on PSUs (performance share units), please refer to [Note 31](#).

Former Board of Management members and their surviving dependents received total compensation within the meaning of Section 314 No. 6a HGB in the amount of €2.9 million (previous year: €2.8 million). As of December 31, 2025, pension provisions (DBO) for former Board of Management members amounted to €45.3 million (2024: €49.9 million), of which €23.5 million (2024: €23.9 million) is covered by reinsurance policies.

The remuneration of the members of the Supervisory Board comprised basic remuneration plus additional remuneration for committee work and totaled €0.7 million (2024: €0.7 million), including attendance fees.

In addition, employee representatives on the Supervisory Board received remuneration of €327 thousand (2024: €323 thousand) within the framework of their employment contracts.

No members of the Board of Management or the Supervisory Board received any loans or advances from SGL Carbon.

29. Additional disclosures on financial instruments

The following table shows the reconciliation of balance sheet items to the classes and measurement categories of financial instruments:

€m	Measurement category under IFRS 9	Net carrying amount at Dec. 31, 25	Net carrying amount at Dec. 31, 24
Financial assets			
Cash and cash equivalents	1)	101.1	130.2
Time deposits	1)	47.8	17.8
Trade receivables	1)	63.1	73.1
Trade receivables (intended for factoring)	2)	2.6	3.8
Marketable securities and similar investments	2)	4.0	5.1
Other financial assets	1)	0.7	7.1
Derivative financial assets			
Derivatives without hedging relationship	3)	0.2	0.2
Derivatives with a hedging relationship	n.a.	0.2	0.0
Financial liabilities			
Convertible bonds	4)	205.1	198.7
Bank loans, overdrafts and other financial liabilities	4)	29.1	35.6
Refinancing costs	4)	-2.0	-3.0
Lease liabilities	n.a.	23.3	24.8
Trade payables	4)	68.7	67.3
Miscellaneous other financial liabilities	4)	4.0	4.7
Derivative financial liabilities			
Derivatives without hedging relationship	5)	0.0	0.0
Derivatives with a hedging relationship	n.a.	0.0	0.6
Thereof aggregated by measurement category in accordance with IFRS 9			
1) Financial assets measured at amortized costs		212.7	228.2
2) Financial assets measured at fair value through profit and loss		6.6	8.9
3) Other financial assets measured at fair value through profit and loss		0.2	0.2
4) Financial liabilities measured at amortized costs		304.9	303.3
5) Financial liabilities measured at fair value through profit and loss		0.0	0.0

n.a.= not applicable

The carrying amounts for cash and cash equivalents, time deposits, trade receivables and trade payables are approximately equivalent to their fair value, given the short residual maturities of these items.

The fair value of trade receivables intended for sale under a factoring agreement is the nominal value less the factoring fee. This measurement is based on unobservable market inputs and is therefore allocated to fair value hierarchy level 3. SGL Carbon uses the market price in an active market as the fair value of marketable securities and similar investments. If no such market price exists, the fair value is determined using observable market data.

Please refer to [Note 26](#) for disclosures on the market value of the convertible bonds as of the balance sheet date.

Forward exchange contracts are measured on the basis of benchmark rates, taking account of forward premiums and discounts.

SGL Carbon calculates the fair value of liabilities to banks, other financial liabilities and liabilities from finance leases by discounting the estimated future cash flows using the market interest rates for similar financial liabilities with comparable residual maturities. The fair values largely correspond to the carrying amounts.

As of December 31, 2025 and 2024, derivative financial assets included currency forwards as well as embedded derivatives for the contractually agreed early repayment options regarding the convertible bond. The embedded derivatives are measured using a generally accepted option pricing model.

Netting

SGL Carbon enters into global netting agreements for derivative financial instruments. No potential impacts arose as a result of these netting agreements in either 2025 or 2024, i.e., the gross amounts of currency forwards disclosed in the balance sheet are equal to the potential net amounts.

The table below shows the breakdown of the assets and liabilities measured at fair value into the three levels of the fair value hierarchy as of December 31, 2025 and 2024:

	Level 1	Level 2	Level 3	Dec. 31, 25 Total
Marketable securities and similar investments	4.0			4.0
Trade receivables			2.6	2.6
Derivative financial assets		0.4		0.4
Derivative financial liabilities		0.0		0.0

	Level 1	Level 2	Level 3	Dec. 31, 24 Total
Marketable securities and similar investments	5.1			5.1
Trade receivables			3.8	3.8
Derivative financial assets		0.2		0.2
Derivative financial liabilities		0.6		0.6

The table below shows the changes in level 3 trade receivables in the 2025 and 2024 reporting periods:

€m	2025	2024
Balance at Jan. 1,	3.8	3.6
Disposals/additions	-1.2	0.2
Gains/Losses recognized in profit and loss	0.0	0.0
Balance at Dec. 31	2.6	3.8

Net gains or losses on financial instruments by IFRS 9 measurement category were as follows:

Net gain/losses by measurement category

€m	2025	2024
Financial assets measured at amortized costs	–3.2	–4.6
Financial assets measured at fair value through profit and loss	–0.2	0.2
Other financial assets and financial liabilities measured as fair value through profit and loss	2.5	–0.6
Financial liabilities measured at amortized cost	0.2	–0.1

Net gains/losses for the “financial assets measured at amortized cost” measurement category mainly include impairments of trade receivables, reversals of loss allowances/cash receipts in respect of trade receivables previously written off, together with exchange gains/losses from foreign currency translation.

Net gains/losses for the “financial assets at fair value through profit or loss” measurement category primarily include results from the mark-to-market valuation. Net gains/losses for the “other financial assets and financial liabilities at fair value through profit or loss” measurement category mainly arise from the mark-to-market valuation of derivative currency instruments to which hedge accounting is not applied or was discontinued when the hedged operating item was recognized profit or loss. In economic terms, the derivative financial assets and liabilities are always based on a hedged item.

The net gains or losses on “financial liabilities measured at amortized cost” include gains or losses on foreign currency translation.

Interest income and expenses are not included in net gains and losses, as they are already stated as described in [Note 10](#). For changes in impairments of trade receivables and contract assets, please refer to “Credit risk (counterparty risk).”

Financial instrument risks, financial risk management and hedging transactions

SGL Carbon monitors financial risk (liquidity risk, credit risk and market price risk) using tested control and management instruments. Group reporting enables the central Group

Treasury function to record, analyze, measure and control financial risks on a regular basis. These activities include all subsidiaries.

Liquidity risk

Liquidity risk is the risk that an entity might have difficulty in meeting payment obligations in connection with its financial liabilities. In order to ensure SGL Carbon’s solvency and financial flexibility at all times, SGL Carbon carries out regular liquidity planning for day-to-day operations at frequent intervals. This is done in addition to financial planning, which normally covers five years. To ensure financial stability, SGL Carbon has endeavored to put in place a balanced financing structure based on a combination of various financing components (including capital market instruments, bank loans and factoring).

In fiscal year 2025, the volume of receivables sold totaled €30.5 million (2024: €48.4 million).

There are no material financial instruments due for repayment until September 2027. As at December 31, 2025, the company had cash and cash equivalents totaling €148.9 million (2024: €148.0 million). This amount represents a sufficient liquidity reserve for fiscal year 2026. Please refer to [Note 26](#) for information on the maturity of financial liabilities.

Credit risk (counterparty default risk)

Credit risk (counterparty default risk) arises if customers do not meet their contractual obligations to pay the agreed purchase price or do not do so on time.

By granting customers credit terms, the Company is exposed to normal market credit risks. For trade receivables and other financial assets, the maximum credit risk is equal to the carrying amount as of the balance sheet date. There were no significant individual defaults on customer receivables in the past year, but additional valuation allowances were recognized for various customers.

SGL Carbon has a credit management organization to manage customer credit risks. On the basis of a global guideline, the credit management organization initiates and supports all key processes, and it initiates and supports credit risk management action where required. After analyzing the individual and country risks, SGL Carbon insists – either in whole or in

part – on cash in advance, documentary credits, letters of credit or guarantees in connection with certain customer transactions.

SGL Carbon also has trade credit insurance in place that covers most of the trade receivables due from customers. In the event of default, the financial loss is reduced by claims paid under the credit insurance policy and, in exceptional cases, by the bank or Group guarantees furnished by the customer. The compensation paid by the insurer is usually 95% of the loss and thus provides for a deductible of 5%. When determining valuation allowances on receivables, existing cover commitments under the trade credit insurance are taken into account. In order to determine the credit risk, the credit management processes seek to evaluate the individual customer risks. The credit insurance underwriting ratio has been used to classify the credit risk of customer receivables. A distinction is made here between full, partial, and no cover by the credit insurer. Counterparty risks are categorized into risk classes on the basis of the subscription rate and therefore have a direct influence on the level and frequency of the internal limit review.

The default risk for trade receivables and contract assets is broken down by risk class as of December 31, 2025 and 2024, as follows (in €m):

Risk classes	Gross carrying amount Dec. 31, 25	Gross carrying amount Dec. 31, 24
Full coverage	75.2	83.1
Partial cover	47.2	64.8
No coverage	3.0	9.8
Total	125.4	157.7

The loss allowances for trade receivables and contract assets are determined using a simplified approach (see the loss allowance matrix below) since they do not contain any significant financing component. In this context, the customer receivables are classified according to the credit risk classes and the related past due status. A default on a receivable is deemed to have occurred when the contractually agreed cash flows are past due by more than 90 days or when the customer's credit quality has deteriorated to such an extent that payment can no longer be expected. The items are derecognized if it can no longer be reasonably expected that any statutory collection measures will be successful. Historical

loss rates are complemented with forward-looking estimates (such as country ratings), if necessary.

With respect to loss allowances for cash and cash equivalents and term deposits (liquidity), SGL Carbon assumes that credit risk has not increased significantly. Liquidity of €148.9 million are mainly held at banks and financial institutions with a high credit rating (S&P investment grade, i.e., AAA to BBB+). The loss allowances for liquidity is calculated based on twelve-month expected losses and therefore reflects the short maturities. As at the balance sheet dates of December 31, 2025 and 2024, loss allowances for cash and cash equivalents of €0.1 million each were recognized.

The following table provides information on default risk and expected credit losses in relation to trade receivables and contract assets as of December 31, 2025 and 2024:

Dec. 31, 25 in € million	Gross carrying amount	Loss rate (weighted average)	Impairment losses	Restricted credit rating
Not overdue	100.9	1.2%	1.2	No
1- 29 days overdue	11.5	4.3%	0.5	No
30- 60 days overdue	2.0	20.0%	0.4	Yes
61- 90 days overdue	0.3	66.7%	0.2	Yes
more than 90 days overdue	10.7	98.1%	10.5	Yes
Total	125.4		12.8	

Dec. 31, 24 in € million	Gross carrying amount	Loss rate (weighted average)	Impairment losses	Restricted credit rating
Not overdue	120.9	1.1%	1.3	No
1- 29 days overdue	23.5	14.5%	3.4	No
30- 60 days overdue	2.1	14.3%	0.3	Yes
61- 90 days overdue	0.6	50.0%	0.3	Yes
more than 90 days overdue	10.6	96.2%	10.2	Yes
Total	157.7		15.5	

The table below shows the development of loss allowances on trade receivables and contract assets:

in million €	2025	2024
Balance at Jan. 01	15.5	10.0
Reclass to Note 21	-2.7	0.0
Additions	0.3	6.5
Reversals	-0.1	0.0
Utilizations	-0.2	-1.0
Balance at Dec. 31	12.8	15.5

No loss allowances were recorded for contract assets in the reporting year or the prior year.

Market price risks

As an international enterprise, SGL Carbon is exposed to market price risks stemming in particular from changes in currency rates, interest rates and other market prices. These risks may result in fluctuations of earnings, equity and cash flows. The objective of risk management is to eliminate or limit these risks through appropriate measures, primarily through the use of derivative financial instruments. The use of derivative financial instruments is subject to rigorous controls based on internal policies. Derivative financial instruments are exclusively used to minimize or transfer financial risk, not for speculative purposes.

Currency risk

Due to the international nature of its operations, SGL Carbon is exposed to foreign currency risk. A currency risk exists when fair values or future payments vary due to changes in foreign exchange rates. It arises when transactions are denominated in a currency other than the functional currency of the Group company concerned. In order to minimize such foreign currency risks, the Company endeavors to minimize currency risks by achieving a balance between receipts and payments in non-functional currencies, i.e., a so-called natural hedging.

Currency hedges are entered into for the remaining net foreign currency positions (those that are not naturally hedged). In accordance with its internal hedging policy, SGL Carbon hedges up to 80% of these net foreign currency positions, as and when required, over a time horizon of up to two years. In terms of volume, the most significant currency risk from the operating business results from potential movements in the euro/US dollar exchange rate. As of the balance sheet date, the company was hedged at an average rate of EUR/USD 1.16. Additionally, a hedge was also entered into with the Chinese yuan, at an average rate of EUR/CNY 8.18. The Company plans to continuously reduce the cash flow risk through further hedging transactions in 2026.

The residual term of the derivative financial instruments used to hedge currency risks as of the balance sheet date is currently one year at most.

Derivative financial instruments in hedge accounting

SGL Carbon generally uses currency forwards to hedge its future net currency exposures. The derivatives used are accounted for as cash flow hedges (hedge accounting). The hedged transactions are highly probable future revenues or purchases in foreign currency. Hedges designated as cash flow hedges (recorded in the hedging reserve in equity) amounted to a total of €0.1 million as of December 31, 2025 (2024: minus €0.6 million). Changes in the market value of operating hedging transactions that are allocated to hedged items already realized as of the balance sheet date and therefore can no longer be designated as cash flow hedges are recognized in profit or loss at the balance sheet date. The market values here amount to €0.0 million (2024: minus €0.1 million). As of December 31, 2025 and 2024, the ineffective components of the derivative financial instruments designated as cash flow hedges will not have a significant impact on net income.

The effectiveness of any designated hedges is determined prospectively using the critical terms match method in accordance with IFRS 9. Under this effectiveness test method for hedging relationships, some important parameters (the “critical terms”) are reviewed in order to check the matching of hedged items to hedging instruments. Where there is a match, an economic hedging relationship exists between the hedged item and the hedging transaction; therefore the hedging relationship is deemed effective. Ineffectiveness may occur due to an unexpected discontinuation of the hedged items, a mismatch in timing between the hedged item and hedging transaction, or a default by the counterparty.

Qualitative effectiveness tests are performed retrospectively using the dollar offset method with hypothetical derivatives for the hedged items.

The table below shows the nominal amounts, the carrying amounts as of December 31, 2025, and the gains and losses from designated foreign currency derivatives in fiscal year 2025. The nominal amount is the functional currency equivalent of the foreign currency amounts bought or sold with external counterparties.

	Nominal amounts			Carrying amounts					
					Balance sheet disclosure of hedging instruments	Gains and losses recognized in other comprehensive income	Gains/losses transferred from equity (cash flow hedge) to profit and loss	Disclosure of the reclassified amount in profit and loss	
€m	Purchase Dec. 31, 25	Sale Dec. 31, 25	Total Dec. 31, 25	Total Dec. 31, 25					
Forward contracts	0.0	23.9	23.9	0.2	other receivables / financial liabilities	0.7	–1.9		Sales revenues
Thereof:									
USD		9.3	9.3	0.2					
CNY		14.7	14.7	0.0					
JPN									

The table below is a reconciliation of the accumulated other comprehensive income from cash flow hedges:

€m	Cash flow hedge 2025	Cash flow hedge 2024
Balance at January 1,	–0.6	1.4
Changes of the year recognized in equity	2.6	–1.2
Reclassifications from equity to profit and loss because the transaction originally hedged occurred	–1.9	–0.8
Balance at December 31,	0.1	–0.6

In the 2025 fiscal year as well as in the prior year, no profits or losses were recognized in other comprehensive income (currency translation reserve) for the hedging of net investments in foreign operations.

IFRS 7 requires sensitivity analyses to be performed to illustrate the currency risk relating to financial instruments. The analyses show the effects of hypothetical changes in relevant risk parameters on profit or loss and equity.

The analyses include all primary financial instruments used by SGL Carbon in its operating activities. Specifically, these include cash and cash equivalents of €4.1 million (2024: €18.6 million), trade receivables of €33.5 million (2024: €44.2 million), and trade payables of €26.0 million (2024: €48.0 million). Foreign currency effects from internal lending activities, whether recognized in profit or loss or directly in equity, are also included. It is assumed that the portfolio as of the reporting date is representative of the corresponding reporting period. All financial instruments not denominated in the functional currency of the relevant SGL subsidiary are therefore generally considered to be exposed to currency risk. Changes in exchange rates result in changes in fair value and impact either net profit or the hedging reserve, as well as SGL Carbon's total equity.

The following table provides a comparison between the amounts reported as of December 31, 2025, and December 31, 2024. The analysis is based on a hypothetical 10% increase in the value of the euro or the US dollar against all other currencies on the balance sheet date.

EUR €m	Hypothetical exchange rate		Change in fair value/equity		Thereof: change in net profit/loss		Thereof: change in hedging reserve	
	Dec. 31, 25	Dec. 31, 24	Dec. 31, 25	Dec. 31, 24	Dec. 31, 25	Dec. 31, 24	Dec. 31, 25	Dec. 31, 24
USD	1.2925	1.1428	1.1	1.8	0.9	2.2	0.2	-0.4
CNY	9.0591	8.2783	-1.0	-1.8	-1.0	-1.6	0.0	-0.2
PLN	4.6494	4.7003	1.0	0.3	1.0	0.3	0.0	0.0
GBP	0.9599	0.9121	0.5	-0.5	0.5	-0.5	0.0	0.0
JPN	202.4990	179.3660	0.2	-0.3	0.2	-0.3	0.0	0.0
Other	-	-	0.1	0.0	0.1	0.0	0.0	0.0

USD US\$m	Hypothetical exchange rate		Change in fair value/equity		Thereof: change in net profit/loss		Thereof: change in hedging reserve	
	Dec. 31, 25	Dec. 31, 24	Dec. 31, 25	Dec. 31, 24	Dec. 31, 25	Dec. 31, 24	Dec. 31, 25	Dec. 31, 24
EUR	0.9362	1.0588	-1.2	-2.5	-1.2	-2.5	0.0	0.0
CNY	7.7098	7.9683	-0.4	-0.2	-0.4	-0.2	0.0	0.0
JPN	172.3396	172.6499	0.0	-0.3	0.0	-0.3	0.0	0.0
GBP	1.2241	1.1390	-0.1	0.3	-0.1	0.3	0.0	0.0
Other	-	-	0.0	0.0	0.0	0.0	0.0	0.0

The approximate effect on SGL Carbon's equity, net profit and hedging reserve of a hypothetical 10% devaluation of the euro or the US dollar against all other currencies would be a reversal of the positive and negative signs shown above, with the amounts themselves remaining approximately the same.

Interest rate risk

Interest rate risk is the risk that the fair values of or future cash flows from existing or future financial liabilities may fluctuate due to changes in market interest rates. No interest rate risk existed as a result of variable-interest financing instruments as of December 31, 2025.

As of the balance sheet date, SGL Carbon had financial liabilities with a principal amount of €249.7 million (2024: €256.2 million). These all bear interest at a fixed rate and are therefore not subject to interest rate risk.

In addition, there are cash and cash equivalents totaling €148.9 million (2024: €148.0 million). An increase in interest rates of 100 basis points would lead to a theoretical positive increase of €1.5 million in income from cash and cash equivalents (2024: €1.5 million).

30. Segment reporting

Segment reporting corresponds to the internal organizational and reporting structure. Operations are managed by the four business units, which are also the reporting segments.

Based on established specialty graphites, the Graphite Solutions business unit supplies customer-specific solutions for traditional and structurally growing customer industries from 14 plants in Europe, America and Asia. Customized graphite components are offered based on a differentiated product portfolio. Growth drivers include the semiconductor and LED market and industrial applications.

The Process Technology business unit focuses on the construction and repair of plants and equipment for the chemicals industry. The focus here is on the design and manufacture of graphite heat exchangers and syntheses that are exposed to corrosive media.

The Carbon Fibers business unit pools the manufacturing activities for carbon fibers and carbon fiber semi-finished products. In the reporting year, SGL Carbon decided to restructure the business unit. The restructuring included the termination of production at the carbon fiber plant in Moses Lake (USA) and the plant in Lavradio (Portugal), which manufactured precursors for carbon fibers and textile fibers. The carbon fiber plant in Muir of Ord (Scotland) remains part of the Carbon Fibers business unit. Following the restructuring, the business unit's focus has shifted to include the production of fabrics, in addition to manufacturing carbon fibers for the automotive industry. The business unit also manufactures pre-impregnated carbon fiber products, which are used in the automotive industry, as well as in medical technology and aerospace. BSCCB, an equity-accounted joint venture for the production of carbon-ceramic brake discs, is linked to Carbon Fibers both via the supply chain and in terms of technology and is therefore also assigned to this business unit.

The focus of the Composite Solutions business unit is the production of customer-specific components and tailor-made applications made of composite materials based on glass and carbon fibers, especially for the automotive industry. The business unit focuses primarily on battery housing applications and GRP leaf springs as well as on various types of carbon

friction materials. Manufacturing is primarily carried out at two sites, one in Austria and one in the United States.

The reporting segments presented below are derived directly from the business units. In addition to the four operational reporting segments, there is a fifth reporting segment, Corporate, which comprises head office functions.

EBITDA adjusted for one-off effects and non-recurring items ("EBITDA pre") is used as the central operating KPI for the business units. EBITDA pre is calculated from the operating earnings before interest and taxes (EBIT), as well as depreciation, excluding non-recurring items and one-off effects. Non-recurring items and one-off effects can include impairments/reversals of property plant, and equipment and intangible assets, expenses and income from restructuring, effects from purchase price allocations, gains or losses on the sale of land and buildings, insurance receipts and other items that are not directly related to the operating earnings of the business units.

External sales revenue relates almost exclusively to revenue from the supply of products. Trading or other sales revenue is only generated to a small extent. Intersegment transfer prices are set at standard market conditions. The functions of the Corporate reporting segment include providing services to the other segments.

Capital expenditures and depreciation amortization relate to intangible assets (excluding goodwill), property, plant and equipment as well as investment properties. The consolidation adjustments relate to the elimination of intersegment sales of products and services.

Interest income and financing expenses are not allocated by segment, as this type of activity is performed by the central treasury department, which manages the Group's liquidity.

Current tax, deferred taxes and certain financial assets and liabilities are also not allocated to the individual segments, as they are managed at Group level.

Selected information on the segments of SGL Carbon is provided below:

€m 2025	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions	Corporate	Consolidation	SGL Carbon
External sales revenue	442.3	130.9	148.9	108.8	19.3		850.2
Intersegment sales revenue	5.2	2.0	8.1	1.0	25.2	–41.5	0.0
Total sales revenue	447.5	132.9	157.0	109.8	44.5	–41.5	850.2
Timing of revenue recognition							
Products transferred at point in time	171.0	0.0	87.9	19.4	19.3	0.0	297.6
Products and services transferred over time	271.3	130.9	61.0	89.4			552.6
Total sales revenue	442.3	130.9	148.9	108.8	19.3	0.0	850.2
Sales revenue by customer industry							
Mobility	49.9		63.6	104.5		0.0	218.0
Energy	65.5		2.9			0.0	68.4
Industrial Applications	139.1		82.4	4.3		0.0	225.8
Chemicals	25.3	130.9				0.0	156.2
Semiconductor	162.5					0.0	162.5
Services & Others					19.3	0.0	19.3
Total sales revenue	442.3	130.9	148.9	108.8	19.3	0.0	850.2
Cost of sales	–333.4	–80.9	–129.7	–92.5	–15.6		–652.1
EBITDA pre	81.1	31.8	14.1	11.4	–3.4		135.0
Amortization/depreciation on intangible assets and property, plant and equipment	33.1	1.8	3.5	6.1	8.9	0.0	53.4
EBIT pre	48.0	30.0	10.6	5.3	–12.3		81.6
Impairments/reversals of impairments	–10.6		–0.2	–12.8			–23.6
Restructuring expenses	–0.6	–0.1	–59.8	–0.5	–4.8		–65.8
One-off effects/purchase price allocation	–2.0			–1.0	–0.4		–3.4
EBIT	34.8	29.9	–49.4	–9.0	–17.5	0.0	–11.2
Capital expenditures ¹⁾	43.2	1.2	0.4	5.6	3.2	0.0	53.6
Working capital (Dec. 31) ²⁾	141.8	25.4	61.2	30.5	–37.6	0.0	221.3
Capital employed (Dec. 31) ³⁾	451.5	39.0	151.4	68.0	65.2	0.0	775.1
Cash generation ⁴⁾	60.0	30.0	53.9	8.2	–22.3	0.0	129.8
Result from investments accounted for At-Equity			7.3			0.0	7.3
Sales of investments accounted for At-Equity ⁵⁾			261.3			0.0	261.3

€m 2024	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions	Corporate	Consolidation	SGL Carbon
External sales revenue	539.0	138.3	209.8	124.6	14.7		1,026.4
Intersegment sales revenue	4.5	2.1	8.4	0.6	32.0	–47.6	0.0
Total sales revenue	543.5	140.4	218.2	125.2	46.7	–47.6	1,026.4
Timing of revenue recognition							
Products transferred at point in time	156.1	0.0	130.3	29.1	14.7	0.0	330.2
Products and services transferred over time	382.9	138.3	79.5	95.5			696.2
Total sales revenue	539.0	138.3	209.8	124.6	14.7	0.0	1,026.4
Sales revenue by customer industry							
Mobility	47.4		64.0	119.8		0.0	231.2
Energy	59.8		38.3			0.0	98.1
Industrial Applications	157.6		107.5	4.8		0.0	269.9
Chemicals	23.6	138.3				0.0	161.9
Semiconductor	250.6					0.0	250.6
Services & Others					14.7	0.0	14.7
Total sales revenue	539.0	138.3	209.8	124.6	14.7	0.0	1,026.4
Cost of sales	–371.6	–86.5	–221.6	–104.3	–13.5		–797.5
EBITDA pre	131.0	33.0	–11.0	18.2	–8.3	0.0	162.9
Amortization/depreciation on intangible assets and property, plant and equipment	33.6	1.5	9.7	6.7	7.2	0.0	58.7
EBIT pre	97.4	31.5	–20.7	11.5	–15.5		104.2
Impairment losses			–91.2				–91.2
Restructuring expenses	–19.8		–2.3		3.1		–19.0
One-off effects/Non-recurring items	–0.7		–2.9	–0.9	–3.8		–8.3
EBIT	76.9	31.5	–117.1	10.6	–16.2	0.0	–14.3
Capital expenditures ¹⁾	60.5	2.3	3.1	7.5	23.9	0.0	97.3
Working capital (Dec. 31) ²⁾	164.3	24.7	114.4	32.9	–53.1	0.0	283.2
Capital employed (Dec. 31) ³⁾	491.5	39.2	214.7	84.6	54.8	0.0	884.8
Cash generation ⁴⁾	85.8	27.8	–12.4	21.8	–48.0	0.0	75.0
Result from investments accounted for At-Equity			15.8			0.0	15.8
Sales of investments accounted for At-Equity ⁵⁾			284.3			0.0	284.3

¹⁾ Defined as the sum of investments in other intangible assets, property, plant, and equipment, and investment property

²⁾ Defined as sum of inventories and trade receivables and contract asset less trade payables and contract liabilities

³⁾ Defined as the sum of goodwill, other intangible assets, property, plant and equipment, investment property, investments accounted for At-Equity and working capital

⁴⁾ Defined as total of EBITDA pre plus change in working capital minus capital expenditures

⁵⁾ Aggregated, non-consolidated 100% values with third parties

Details regarding one-off effects/non-recurring items are presented in the economic report of the Group Management Report.

The following table presents selected items by geographic region:

€m	Germany	Europe excluding Germany	USA	China (incl. Hong Kong)	Rest of Asia	Other ²⁾	SGL Carbon
2025							
Sales revenue (by destination)	252.9	163.1	160.6	114.0	122.9	36.7	850.2
Sales revenue (by company headquarters)	376.7	211.8	197.5	46.7	17.5		850.2
Capital expenditure	21.6	8.2	23.4	0.3	0.1		53.6
Non-current assets ¹⁾	232.9	134.9	137.8	23.7	3.3		532.6
2024							
Sales revenue (by destination)	263.9	208.6	226.5	134.2	144.8	48.4	1,026.4
Sales revenue (by company headquarters)	412.5	270.2	271.3	53.5	18.9		1,026.4
Capital expenditure	51.4	13.2	29.6	3.0	0.1		97.3
Non-current assets ¹⁾	245.3	156.6	143.8	28.7	3.8		578.2

¹⁾ Non-current assets comprise other intangible assets, property, plant and equipment, investment property, investments accounted for At-Equity and other non-current assets (excluding financial assets)

²⁾ In particular Middle-/South America, Canada and Africa

31. Management and employee participation programs

SGL Carbon currently has two management and employee participation programs, comprising a short-term incentive plan and a long-term incentive plan.

Short-Term Incentive Plan (“STI”)

Non-tariff employees, as well as employees classified in one of the four current internal SGL management groups (MG1–MG4), receive an annual bonus based primarily on the achievement of short-term corporate and business unit targets. The reference value is the amount of the individual’s fixed annual remuneration.

The aim is to incentivize all managers on the basis of the Company's short-term success, thereby giving individuals a strong incentive to contribute to the positive development of the business.

In 2025, the maximum potential bonus a manager could achieve was again based on the targets for SGL Carbon as a whole and for the manager's business unit. At Group level, the targets were based on adjusted EBITDA, cash generation. For the business units, the targets were based on adjusted EBITDA and cash generation, as well as the accident frequency at the Group level. For employees in management groups MG1–MG3, a personal target component was also agreed in fiscal year 2025. Payment of the STI for managers in management groups MG1–MG3 is contingent on positive free cash flow and positive net profit.

The bonus is paid in March or April in the year after it is earned. The amount of the STI for the management levels is within a defined corridor (expressed as a percentage of basic salary) and reflects an appropriate contribution to the success of the enterprise.

MG	Threshold	Target	Stretch
MG1	0%	40%	70.00%
MG2	0%	30%	52.50%
MG3	0%	25%	43.75%
MG4/AT	0%	12%	24.00%

The three target categories have identical weightings for the three senior management groups. In order for entitlement to a bonus to arise, the "threshold" (0%) must be exceeded. A "stretch" was also set (175% for MG1–MG3, 200% for MG4/non-tariff), which represents the maximum achievable bonus entitlement.

Long-Term Incentive Plan ("LTI")

The Long-Term Incentive Plan for senior management, i.e., the members of management groups MG1–MG3 ("SGL Performance Share Plan" or "PSP"), is the basis for a uniform scheme with a long-term incentive effect and a balanced risk/reward profile, under which remuneration is granted in the form of virtual shares ("Performance Share Units" or "PSUs"). Adjusted LTI plan terms were agreed with senior management in 2021, following the review of the approach to senior management incentivization. Since then, senior

managers who are promoted to MG3 or join the company from outside no longer participate in the Long-Term Incentive Plan. The LTI replaces the previously applicable SGL Performance Share Plan (PSP) with effect from January 1, 2022. On July 1, 2025, the Board of Management of SGL Carbon SE resolved that the Long-Term Incentive Plan will now only apply to senior management employees whose employment began on or before June 30, 2025, and who are eligible to participate in the LTI Plan under the currently valid plan conditions as of June 30, 2025. The LTI plan will no longer apply to new hires or internal promotions after June 30, 2025.

The internal assessment basis for the long-term remuneration component is in principle SGL Carbon's return on capital employed (ROCE). Prior to the start of individual LTI plan tranches, the Board of Management of SGL Carbon SE may decide to use the ROCE for individual SGL Carbon business units or one or more other performance indicators as the basis for the tranche in question, either in place of or in addition to Group ROCE. The long-term remuneration component also depends on the performance of the SGL Carbon SE share price at the end of the performance period.

The PSP or LTI is a cash-settled long-term incentive plan. It does not grant a right to receive actual SGL Carbon SE shares and payouts depend on the degree of target achievement. The objective of granting PSUs is to retain senior management and to motivate them to ensure SGL Carbon's long-term success. In addition, the share price feature is intended to align the interests of senior management with the interests of shareholders in SGL Carbon's long-term value growth.

Based on an allocation value in euros to be determined by the Board of Management of SGL Carbon SE as well as the average opening share price for the last 20 trading days prior to commencement of the performance period, each participant is allocated a preliminary number of Performance Share Units ("number of allocated PSUs") at the beginning of the performance period. This number is then recalculated after the end of the performance period based on the actual degree of target achievement (the result of this performance-based adjustment is the "final number of PSUs"). The payout amount is calculated by multiplying the final number of PSUs by the average closing share price for the final 20 trading days of the performance period.

The payout potential of the LTI is a maximum of 120%. The existing plan tranches, including the relevant targets, are presented below as of December 31, 2025:

Tranche	Allocation value ¹⁾	Price ²⁾	PSU ³⁾	ROCE- Performance	Fair value ⁴⁾
	€m	€	Number	in%	€m
LTI 2022-2025	3.7	7.73	405,933	0.0	0.0
LTI 2023-2026	3.5	7.15	389,640	0.0	0.0
LTI 2024-2027	3.1	6.24	415,582	0.0	0.0
LTI 2025-2028	2.7	4.10	612,189	16.3	0.3

¹⁾ Corresponds to the value at grant date

²⁾ Fair value at grant date

³⁾ Outstanding at December 31, 25

⁴⁾ PSU-number weighted with the performance and the average share price of € 2.96, calculated on the basis of the last 20 trading days of the 2025 financial year

Target indicators ROCE	Minimum	Target	Maximum
Plan 2022-2025	10.0%	11.3%	-
Plan 2023-2026	12.0%	13.9%	-
Plan 2024-2027	10.5%	12.6%	-
Plan 2025-2028	10.6%	13.6%	-

The provisions for the existing LTI plans for the selected executives as of December 31, 2025, amounted to a total of €0.1 million (2024: €5.8 million). In fiscal year 2025, €0.2 million (2024: €1.4 million) was reversed to profit.

SGL Carbon has reassessed and restructured its management positions (MG 1-4) globally, basing this on regionally relevant compensation data. The project Job Revaluation and New Compensation System for Global Management Positions was initiated at SGL Carbon in 2023 and initially implemented in Germany, the USA, and Austria by January 1, 2026. The goal of this global project is to implement a globally standardized and market-aligned compensation system based on a new job architecture. This system will consider regional

differences, align with corporate objectives, meet regulatory requirements for compensation transparency, and comply with the EU Transparency Directive. In this context, the global STI MG 1-3 plan conditions, as amended on November 1, 2021, will take effect on January 1, 2026, and a new STI plan condition was introduced for Level 4 positions in the USA.

32. Audit fees and services provided by the auditors

The fees for audit services of KPMG AG Wirtschaftsprüfungsgesellschaft mainly related to the audit of the consolidated financial statements and parent company financial statements of SGL Carbon SE. Other assurance activities in 2025 mainly concerned, the audit of the non-financial Group report 2025, including CSRD and the audit of the remuneration report in accordance with IDW PS 490.

€m	2025	2024	Change
Audit fees	1.2	1.0	20.0%
Other assurance services	0.4	0.8	-50.4%
Total	1.6	1.8	-11.3%

33. List of shareholdings of SGL Carbon according to Section 313 [2] of the German Commercial Code [HGB]

A. Consolidated Companies		Interest in %	held via
a)	Germany		
1	SGL Carbon SE		
2	SGL CARBON GmbH ¹⁾	100	1
3	SGL Fuel Cell Components GmbH ¹⁾	100	1
4	SGL Battery Solutions GmbH	100	1
5	Dr. Schnabel GmbH ¹⁾	100	2
6	SGL CARBON Beteiligung GmbH ¹⁾	100	1
7	SGL TECHNOLOGIES GmbH ¹⁾	100	1
8	SGL Carbon Fibers GmbH	100	7
9	SGL epo GmbH ¹⁾	100	7
10	SGL/A&R Immobiliengesellschaft Lemwerder mbH	51	7
11	SGL/A&R Services Lemwerder GmbH	100	10
12	SGL/A&R Real Estate Lemwerder GmbH & Co. KG	100	11
13	SGL Carbon Asset GmbH ¹⁾	100	6
14	SGL Composites Materials Germany GmbH ¹⁾	100	7

¹⁾ Exemption in accordance with section 264 (3) of the German Commercial Code (HGB)

A. Consolidated Companies			Interest in %	held via
b) Other countries				
15	SGL GELTER S.A.	Madrid, Spain	64.0	2
16	SGL CARBON S.p.A. in liquidazione (i.L.)	Milan, Italy	99.8	13
17	SGL Graphite Verdello S.r.l.	Verdello, Italy	100	2
18	SGL CARBON do Brasil Ltda.	Diadema, Brazil	100	2
19	SGL Composites GmbH	Ried im Innkreis, Austria	100	7
20	SGL CARBON FIBERS LTD.	Muir of Ord, United Kingdom	100	7
21	SGL Composites S.A.	Alhos Vedros, Portugal	100	7
22	SGL BUSINESS SERVICES, UNIPESSOAL, LDA	Alhos Vedros, Portugal	100	2
23	SGL GRAPHITE SOLUTIONS POLSKA sp. z o.o.	Nowy Sącz, Poland	100	6
24	SGL CARBON S.A.S.	Passy (Chedde), France	100	1
25	SGL CARBON Technic S.A.S.	Saint-Martin d'Heres, France	100	1
26	SGL CARBON Ltd.	Alcester, United Kingdom	100	1
27	SGL CARBON, LLC	Charlotte, NC, USA	100	6
28	SGL Technologies LLC	Charlotte, NC, USA	100	27
29	SGL COMPOSITES INC.	Gardena, CA, USA	100	28
30	SGL TECHNIC LLC	Valencia, CA, USA	100	27

A. Consolidated Companies			Interest in %	held via
b) Other countries				
31	SGL CARBON TECHNIC LLC	Strongsville, OH, USA	100	27
32	SGL Carbon Fibers America LLC	Moses Lake, WA, USA	100	28
33	SGL CARBON Far East Ltd.	Shanghai, China	100	1
34	SGL CARBON Japan Ltd.	Tokyo, Japan	100	1
35	SGL CARBON Korea Ltd.	Seoul, South Korea	100	1
36	SGL CARBON ASIA-PACIFIC SDN BHD	Kuala Lumpur, Malaysia	100	1
37	SGL Quanhai High-Tech Materials (Shanxi) Co .Ltd.	Yangquan, China	89.1	6
38	SGL PROCESS TECHNOLOGY PTE. LTD.	Singapore	100	1
39	SGL CARBON Graphite Technic Co. Ltd.	Shanghai, China	100	38
40	SGL Carbon Technic Japan Ltd.	Yamanashi, Japan	100	38
41	SGL Graphite Solutions Taiwan Ltd.	Taipei City, Taiwan	100	2

B.		Equity investments over 20%		
Other countries				
42	Brembo SGL Carbon Ceramic Brakes S.p.A.	Stezzano, Italy	50.0	1
43	MCC-SGL Precursor Co. Ltd.	Tokyo, Japan	33.3	7
44	Fisigen S.A.	Lisbon, Portugal	49.0	21

34. Declaration of conformity with the German Corporate Governance Code

The annual declaration of conformity with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG) was issued by the Board of Management and Supervisory Board of SGL Carbon SE on November 26, 2025, and has been published on the SGL Carbon SE website.

35. Subsequent events

Following the successful restructuring and the resulting significant downsizing of the Carbon Fibers business activities, the two business units Carbon Fibers (CF) and Composite Solutions (CS) will be combined into the new business unit Fiber Composites (FC) with effect from January 1, 2026. As a result of this integration, the number of operating business units will be reduced from four to three as of January 1, 2026. Together with Corporate, these will constitute the four reporting segments of SGL Carbon.

On February 28, 2026, an armed conflict erupted between the United States and Israel on the one hand and Iran on the other. The event occurred after the reporting date and represents a non-adjusting event; therefore, it does not affect recognition or valuation as of the balance sheet date. The conflict has led to heightened geopolitical risks, potential

disruptions in supply chains, and increased volatility in energy and raw material markets. As of the date of reporting, no material impacts on our raw material or energy supply have been identified. Due to a high proportion of hedged energy prices, we do not expect a significant cost effect. The situation is being monitored continuously. Overall, the conflict could negatively affect future business performance; however, no additional material risks beyond those presented in the risk report have arisen at this time.

By resolution dated March 3, 2026, the Supervisory Board of SGL Carbon SE extended the term of office of Management Board member Dr. Stephan Bühler by one year until December 31, 2027. Dr. Stephan Bühler had assumed office on January 1, 2025, with an original term of two years.

Wiesbaden, March 18, 2026

SGL Carbon SE

The Board of Management of SGL Carbon SE

Andreas Klein

Dr. Stephan Bühler

Thomas Dippold

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Independent Auditor's Report

To SGL Carbon SE, Wiesbaden, Germany

Report on the Audit of the Consolidated Financial Statements and of the Group Management Report

Opinions

We have audited the consolidated financial statements of SGL Carbon SE, Wiesbaden, and its subsidiaries (the Group), which comprise the consolidated balance sheet as of December 31, 2025, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the financial year from January 1 to December 31, 2025, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the group management report of SGL Carbon SE for the financial year from January 1 to December 31, 2025.

In accordance with German legal requirements, we have not audited the content of those components of the group management report specified in the "Other Information" section of our auditor's report.

The group management report contains cross-references that are not required by law and which are marked as unaudited. In accordance with German legal requirements, we have not audited the cross-references and the information to which the cross-references refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities,

and financial position of the Group as of December 31, 2025, and of its financial performance for the financial year from January 1 to December 31, 2025, and

- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the group management report does not cover the content of those components of the group management report specified in the "Other Information" section of the auditor's report. The group management report contains cross-references that are not required by law and which are marked as unaudited. Our audit opinion does not extend to the cross-references and the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-

audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Recognition of deferred tax assets of the US tax group

Please refer to Note 2 in the notes to the consolidated financial statements for information on the accounting policies applied. Information on deferred tax assets and liabilities can be found under Note 22.

THE FINANCIAL STATEMENT RISK

Deferred tax assets in the amount of EUR 21,7 million are presented in the consolidated financial statements of SGL Carbon SE (hereinafter also referred to as "SGL", "Company" or "Group") as of December 31, 2025, of which EUR 16,2 million are attributable to the US tax group.

For the recognition of deferred tax assets, management assesses the extent to which existing deferred tax assets can be used in subsequent reporting periods. Utilizing these deferred tax assets requires that sufficient taxable income is generated in future periods. If there are reasonable doubts as to the future usability of the calculated deferred tax assets, deferred tax assets are not recognized or deferred tax assets already recognized are impaired.

The recognition of deferred tax assets greatly depends on the estimates and assumptions of management about the operating performance of country units and the Group's tax

planning and therefore is subject to considerable uncertainty. Moreover, utilizing deferred tax assets also depends on the respective tax environment.

In the prior year, the Group recognized deferred tax assets on loss carryforwards, interest carryforwards and temporary differences for the US tax group in the amount of EUR 53,7 million, which resulted from previous years and were considered recoverable. Although the tax group concerned generated taxable profits in the current financial year and in the two previous financial years on a cumulative basis, an impairment of deferred tax assets in the amount of EUR 32,5 million was recognized in financial year 2025 due to lower earnings prospects.

There is the risk for the consolidated financial statements that the Group's assessment is not appropriate and that the impairment is incorrectly determined and that the other deferred tax assets recognized for the US tax group are not recoverable.

OUR AUDIT APPROACH

We involved our German and US tax specialists in the audit to assess the recognition of the deferred tax assets of the US tax group. First, we critically examined the tax calculation for the current financial year and the calculation of the temporary differences between the IFRS carrying amounts and the tax carrying amounts. Furthermore, we reconciled the interest and loss carryforwards for the tax assessment notices and the tax calculations for the current financial year and also evaluated the off-balance sheet corrections.

We assessed the recoverability of deferred tax assets on the basis of the Company's internal forecasts of future taxable income and critically reviewed the underlying assumptions. In this regard, we reconciled the planning of the future taxable income of the US tax group with group planning and checked it for consistency with the group planning prepared by management and acknowledged by the Supervisory Board. The appropriateness of the planning used was assessed on the basis of external market analyses. We also confirmed the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with actual earnings realized and by analyzing deviations.

We had SGL Carbon SE's assessment of the development of the earnings position of the US tax group with interest and loss carryforwards explained to us by management. In this context, we analyzed the causes of the weakened earnings outlook and assessed the appropriateness of the impairment recognized in financial year 2025 and the sustainability of the expected taxable results.

OUR OBSERVATIONS

The assumptions underlying the recognition of the deferred tax assets for the US tax group are appropriate as a whole.

Valuation of goodwill, property, plant and equipment, and other intangible assets of the cash-generating units Graphite Specialties, Composite Solutions, and Carbon Fibers

Please refer to Note 2 in the notes to the consolidated financial statements for information on the accounting policies applied. The business performance of the business units is explained in the section "Financial performance of reporting segments" and the expected development with its opportunities and risks in the section "Opportunities and risks report" of the group management report.

THE FINANCIAL STATEMENT RISK

The carrying amounts of the cash-generating units Graphite Specialties, Composite Solutions, and Carbon Fibers amounted to EUR 600,1 million as of December 31, 2025, and, at 51.4%, represent a significant share of total assets.

Impairment tests are performed at the level of cash-generating units. If, during the year, there are indications of a potential impairment (impairment trigger) or evidence that a previously recognized impairment has been reversed (reversal of impairment), an event-driven impairment test is performed. In addition, goodwill is tested annually on a routine basis. The annual impairment test was performed as of October 1.

SGL Carbon determines the recoverable amount of the cash-generating unit and compares it with its respective carrying amount. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. The recoverable amount is the higher of fair value less costs of disposal and the value in use of the cash-generating unit. Value in use is determined using the discounted cash flow method. Any identified impairment loss must be allocated to the individual assets. However, the carrying amount of an individual asset may not fall below its lower limit. The lower limit is the higher of fair value less costs of disposal, value in use, and zero.

Based on the mid-term plan for the Graphite Specialties cash-generating unit updated in the fourth quarter of 2025, significant deviations from the previous mid-term plan have emerged, primarily due to lower demand in the semiconductor market segment within the Graphite Solutions business unit. An event-driven goodwill impairment test was therefore performed for the Graphite Specialties cash-generating unit as of December 31, 2025. The estimated recoverable amount (value in use) exceeds the carrying amount by approximately EUR 50.7 million. If the discount rate were increased by 0.8 percentage points or if the planned EBITDA growth rate were reduced by 1.2 percentage points, the estimated recoverable amount would correspond to the carrying amount.

Based on the mid-term planning for the Composite Solutions cash-generating unit updated in the fourth quarter of 2025, significant deviations from the previous mid-term planning have emerged, primarily due to the ongoing weakness in the automotive industry within the Composite Solutions business unit. Due to these changed planning assumptions, an impairment test was performed for Composite Solutions as a cash-generating unit as of December 31, 2025. Since the recoverable amount (value in use) of EUR 61.2 million was below the carrying amount of the assets, impairment losses of EUR 0.8 million and EUR 12.0 million were recognized on other intangible assets and property, plant, and equipment, respectively, in the Composite Solutions business unit.

Due to the decision in fiscal year 2025 to close certain production sites and the subsequent update of the mid-term planning within the Carbon Fibers business unit, there were indications in the fourth quarter of 2025 of a possible impairment of the remaining property, plant, and equipment. An impairment test of the Carbon Fibers cash-generating unit was therefore performed as of December 31, 2025. The recoverable amount (value in

use) of EUR 61.9 million is EUR 27.3 million below the carrying amount of the assets. Since these assets are already carried at their lower of cost or market value, no further impairment loss could be recognized. The lower of cost or market value was determined based on fair value less costs of disposal.

The impairment test is complex and relies on a number of judgmental assumptions. These include, in particular, the projected cash flows, the assumed economic useful life of the major production facilities, the assumed long-term growth rates, and the discount rates used.

There is a risk to the consolidated financial statements that an impairment existing as of the reporting date was not recognized or was not recognized in an appropriate amount. In addition, there is a risk that the notes to the financial statements related to the goodwill impairment test are not appropriate.

OUR AUDIT APPROACH

With the involvement of our valuation experts, we assessed, among other things, the appropriateness of the Company's significant assumptions and calculation method. To this end, we discussed the expected development of business and earnings as well as the assumed long-term growth rates with those responsible for planning. We also carried out reconciliations with the budget prepared by management and taken note of by the Supervisory Board. Furthermore, we evaluated the consistency of assumptions with external market assessments.

In addition, we examined the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with the actual earnings and by analyzing deviations. As budgeted figures were not met, we have assessed the significant assumptions in particular, e.g. revenue and margin performance. We compared the assumptions and data underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta coefficient, with our own assumptions and publicly available data and checked the estimated useful life assumed for significant production plants for plausibility.

To evaluate the methodically and mathematically correct implementation of the valuation method, we verified the measurement made by the Company using our own calculations and analyzed deviations.

In order to take forecast uncertainty into account, we examined the impact of potential changes in earnings performance and the long-term growth rate on the recoverable amount by calculating alternative scenarios and comparing these with the values stated by the Company (sensitivity analysis).

Finally, we assessed whether the notes to the financial statements regarding the impairment of goodwill are appropriate. This also included an assessment of the adequacy of the disclosures in the notes pursuant to IAS 36.134(f) regarding sensitivities to a possible change in significant assumptions underlying the valuation.

OUR OBSERVATIONS

The calculation method used for impairment testing goodwill, property, plant and equipment, and other intangible assets of the cash-generating units Graphite Specialties, Composite Solutions, and Carbon Fibers is appropriate and in line with the accounting policies to be applied. The Company's assumptions and data used for measurement are appropriate. The disclosures in the notes to the financial statements relating to the goodwill impairment test are appropriate.

Other Information

The Board of Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the group management report, whose content was not audited:

- the sustainability statement, which also constitutes the separate non-financial group report, which is referred to in the group management report,

- the Group's corporate governance statement included in the section "Corporate governance declaration, corporate governance and compliance report" of the group management report, and
- information extraneous to management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the group management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Board of Management and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The Board of Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Board of Management is responsible for such internal control as it has determined necessary to enable the

preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Board of Management is responsible for assessing the Group's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Board of Management is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Board of Management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with

the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the Board of Management and the reasonableness of estimates made by the Board of Management and related disclosures.

- Conclude on the appropriateness of the Board of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Board of Management in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Board of Management as a basis for the prospective information, and evaluate the

proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

[Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with Section 317 \(3a\) HGB](#)

Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file „52990038IB31TYK07X63-31-12-2025-1-de16_03_1557.xbri“ (SHA256 hash value: dec66bf58fee9110867501bb0676ecf00e2e179

194b4b854c815b38e480a6ef4) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from January 1 to December 31, 2025, contained in the "Report on the Audit of the Consolidated Financial Statements and the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described in the section "Auditor's Responsibilities for the Audit of the ESEF documents". Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1) (09.2022).

Responsibilities of the Board of Management and the Supervisory Board for the ESEF documents

The Company's Board of Management is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Board of Management is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Audit of the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on May 21, 2025. We were engaged by the Supervisory Board on September 4, 2025. We have been the auditor of the consolidated financial statements of SGL Carbon SE without interruption since financial year 2017.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the examined ESEF documents. The consolidated financial statements and group management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and

do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Daniel Hermanns.

Munich, March 18, 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft

[signature] Pritzer
Wirtschaftsprüfer
[German Public Auditor]

[signature] Hermanns
Wirtschaftsprüfer
[German Public Auditor]

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group Management Report includes a fair review of the development and performance of the business and the position of the group, together with a description of the material opportunities and risks associated with the expected development of the Group.

Wiesbaden, March 18, 2026

SGL Carbon SE
The Board of Management of SGL Carbon SE

Andreas Klein

Dr. Stephan Bühler

Thomas Dippold

Corporate Bodies

Board of Management

(Status: December 31, 2025)

Andreas Klein

Chairman/Chief Executive Officer of SGL Carbon SE

Responsible for:

Human Resources & Management Development
Corporate Development / Strategy
Corporate Communications
Purchasing
Production Technology Safety Environment (PTSE)
BU Graphite Solutions (also Head of BU GS)
BU Composite Solutions
BU Process Technology

Internal board memberships:

SGL Carbon Far East Ltd., China
SGL Carbon Japan Ltd., Japan

Thomas Dippold

Chief Financial Officer of SGL Carbon SE

Responsible for:

Group Accounting and Tax
Group Controlling
Group Treasury
Financial Reporting
Risk Management
Investor Relations
Information Technology, Information Security & Digitization

Internal board memberships:

Brembo SGL Carbon Ceramic Brakes S.p. A., Bergamo¹⁾
SGL CARBON GmbH, Meitingen,
SGL CARBON LLC, Charlotte, USA
SGL Process Technology Pte. Ltd., Singapore
SGL Carbon Asia-Pacific Sdn. Bhd., Malaysia

¹⁾ Shareholder Committee

With memberships outside Germany, the respective country is mentioned

Board of Management

(Status: December 31, 2025)

Dr. Stephan Bühler

Member of the Board of Management of SGL Carbon SE

Responsible for:

Legal
Compliance
Internal Audit
Corporate Sustainability & ESG
BU Carbon Fibers

Supervisory Board

(Status: December 31, 2025)

Prof. Dr. Frank Richter

Chairman of the Supervisory Board of SGL Carbon SE
Chairman of the Personnel and Nomination Committee

Managing Director SKion GmbH, Bad Homburg

Board memberships pursuant to Sec. 125 (1) 5 AktG:
SKion GmbH group companies:
Altana AG, Wesel ¹⁾

Georg Denoke

Deputy Chairman of the Supervisory Board of SGL Carbon SE
Chairman of the Audit Committee

Managing Director and CEO of ATON GmbH, Munich

Board memberships pursuant to Sec. 125 (1) 5 AktG:
EDAG Engineering Group AG, Arbon, Switzerland ²⁾

Dr. Sönke Bästlein

CFO and Managing Director of Vivlion GmbH, Frankfurt/M.

Board memberships pursuant to Sec. 125 (1) 5 AktG:
Exxeta AG, Karlsruhe

Ingeborg Neumann

Managing partner of Peppermint Holding GmbH, Berlin

Board memberships pursuant to Sec. 125 (1) 5 AktG:
FUCHS SE, Mannheim
BERLINER WASSERBETRIEBE AöR, Berlin

Markus Stettberger

Deputy Chairman of the Supervisory Board of SGL Carbon SE
Deputy Chairman of the Works Council (full-time), SGL CARBON GmbH, Meitingen
Chairman of the SE-Works Council

Dieter Züllighofen

Chairman of the Works Council (full-time)
SGL CARBON GmbH, Site Bonn

Kathrin Bamberger

Sales Controller, SGL Composites GmbH, Ort im Innkreis/Austria

Axel Hemleb

Deputy Chairman of the Works Council (full-time), SGL CARBON GmbH, Site Bonn
Member of the Supervisory Board of SGL CARBON GmbH, Meitingen

¹⁾ Chairwoman/Chairman of the supervisory board

²⁾ Chairman of the administrative board

³⁾ Member of the administrative board

With memberships outside Germany, the respective country is mentioned

Glossary

Commercial Glossary

Associated companies

Associated companies are entities in which significant influence can be exercised over their operating and financial policies and which are not subsidiaries, joint ventures or joint operations. In general, this applies to companies in which SGL has an investment of between 20% and 50%.

At-Equity method

Method used in the consolidated financial statements for measuring and accounting for investments in which the SGL Carbon has joint control in, or significant influence over. Under the equity method, investments of this kind are initially recognized at cost. In subsequent years, these investments then change in line with their profit or loss contribution.

Bond

Collective term for interest-bearing debt instruments with contractually fixed repayment terms. Bonds are issued either by governments or companies and sold through financial institutions and provide long term external financing.

Cash flow

An economic measure for the inflow and outflow of cash funds representing the net inflow from sales activity and other current activities in a period. In a cash flow statement, the change in cash and cash equivalents is broken down by operating activity, investing activity and financing activity.

Cashflow-Hedge

A hedge of a recognized asset or of future, highly likely (foreign currency) transactions. The change in value of the hedging instrument is recognized directly in equity.

Cash Generation

EBIT adjusted plus amortization/depreciation on intangible assets and property, plant & equipment plus change in working capital less capital expenditure.

Capital employed

The sum of Goodwill, other intangible assets, property, plant & equipment and working capital.

Capital expenditures (capex)

Capex is defined as additions to other intangible assets and property, plant and equipment excluding additions from acquisitions and right-of-use assets arising from leases.

Convertible bond

A corporate bond that includes a share option. Under the option, the bond can be exchanged (converted) for shares in the company subject to certain preconditions. The exchange is possible within a specific period at a fixed price. The conversion price normally exceeds the share price on the date of the bond issue.

Corporate Governance

The German Corporate Governance Code is the primary legislation governing the management and monitoring of German publicly traded companies and comprises international standards for adequate and responsible corporate management.

CSR (Corporate Social Responsibility)

Refers to the social responsibility of companies for the impact of their activities on society and the environment and measures derived from this. Also known as sustainability concerns, which are explained in detail in the CSR Report.

Declaration of conformity

Declaration of conformity by the Board of Management and Supervisory Board of compliance with the German Corporate Governance Code pursuant to section 161 German Stock Corporation Act (AktG).

Deferred taxes

Assets and liabilities arising from the different treatment of transactions for financial and tax reporting purposes.

Distributable accumulated profits/accumulated losses

Result of SGL Carbon SE as reported in its German GAAP financial statements based on calculation pursuant to the German Commercial Code (HGB).

DSO (Days Sales Outstanding)

Trade account receivables divided by sales revenue, times 360 (A low figure indicates that the company collects its outstanding receivables quickly).

Earnings per share (EPS)

The figure of EPS is calculated by dividing the net result of the year attributable to SGL Carbon SE shareholders by the weighted average number of outstanding shares for the financial year.

EBIT

Earnings before interest and taxes. EBIT is an important key performance indicator for assessing the operational profitability of companies.

EBIT-margin

EBIT pre to sales revenue, also known as return on sales.

EBIT pre (adjusted)

EBIT pre for non-recurring items and one-off effects. Unlike EBIT, this indicator eliminates non-recurring items to establish a better baseline for forecasts. Non-recurring items mainly include restructuring costs and effects from purchase price allocation. Examples of one-off effects are land sales, insurance compensation, reversal of certain provisions.

EBITDA

Earnings before interest, taxes, depreciation and amortization. In the case of EBITDA, the focus is rather more on cash earnings potential.

EBITDA pre (adjusted)

EBITDA pre for non-recurring items and one-off effects. In contrast to EBITDA, this indicator eliminates special items so that operating performance can be better compared over several periods. See "EBIT pre (adjusted)" for definition of non-recurring items and one-off effects.

Equity ratio

The shareholders' equity as a proportion of total assets. The higher the equity ratio, the more independent a company is from external providers of capital. The equity ratio is also an indicator of the creditworthiness and robustness of a company.

EURIBOR

Euro InterBank Offered Rate (EURIBOR) is an interest rate at which euro interbank term deposits are offered

ESG

Sustainability aspects based on environmental concerns (environmental, social and governance concerns).

Derivative financial instruments

Forward contracts whose value is derived from another existing (primary) market value. An example of a derivative is a currency option, in which the premium largely depends on the option price, the maturity of the option and the volatility of this currency.

Free cash flow

The balance of cash flow from operating activities and cash flow from investing activities. Free cash flow therefore reflects the amount available to the company, for example, for debt repayment or distribution of dividends.

Free float

The total number of shares not owned by major investors (e.g. the parent company). Free float shares are distributed among a large number of shareholders and can therefore be bought and sold by many people. The number of free float shares therefore also normally provides an indication of the liquidity of the shares.

Functional costs

Functional costs include cost of sales, R&D expenses, selling expenses and general and administration expenses.

Gearing

The ratio of net financial debt to equity. Gearing is a key performance indicator reflecting financial strength and illustrates the dependency of a company on third-party lenders. The higher the figure, the greater the theoretical dependency.

Goodwill

The excess of cost of an acquisition over the fair value of the acquired entity at the time of acquisition.

Global Reporting Initiative (GRI)

An initiative that publishes the GRI Standards. These contain specifications and indicators for sustainability reporting. The GRI Standards are internationally established as a framework for voluntary sustainability reporting.

Gross profit

Sales revenue less cost of sales.

Hedging

Strategy to limit or eliminate price risks. Hedging is standard practice in capital markets and is used by market players to offset risks.

International Financial Reporting Standards (IFRS), formerly International Accounting Standards (IAS)

Uniform accounting standards to enhance comparability of financial data. According to European Union regulation, publicly traded companies are required to prepare their consolidated financial statements in accordance with these rules.

Joint venture

A contractual agreement whereby two or more parties undertake an economic activity that is subject to joint control.

Joint operation

A joint arrangement whereby the parties that have joint control of the arrangement have rights of the assets, and obligation for the liabilities, relating to the arrangements.

Leverage Ratio

Net financial debt to EBITDA pre. Key figure that compares debt to operating earnings before interest, taxes, depreciation and amortization. Due to the cash earnings potential of EBITDA, this key figure is often used by banks for granting loans.

Market capitalization

Key performance indicator providing information on the stock market value of a listed company. It is calculated by multiplying the number of shares by the current share price.

Net Financial Debt

Interest-bearing loans (nominal) less cash and cash equivalents less time deposits.

Non-recurring items and one-off effects

Non-recurring items mainly include restructuring costs and effects from the purchase price allocation. In contrast to non-recurring items, one-off effects do reflect a period of time. They include, among other things, the sale of real estate, insurance compensation and the reversal of certain provisions.

Operating EBIT

EBIT before non-recurring items and one-off effects. In contrast to EBIT, this parameter eliminates non-recurring effects in order to establish a better baseline for forecasts.

Rating

Internationally recognized criteria for assessing the creditworthiness of a debtor or company. Ratings are determined by specialist agencies using standardized procedures.

Return on sales

Ratio of EBIT pre to sales revenue. Return on sales (ROS) provides information on a company's operating profit as a percentage of sales revenue in the period under review. A high return on sales indicates a high level of profitability.

ROCE (Return on capital employed)

The ratio of EBIT pre to capital employed. This key performance indicator provides information on the return on average capital employed by a company over a specific period.

Syndicated loan

A loan offered by a syndicate consisting of several core industries; the loan's overall risk (e.g. resulting from credit quality or capital lock-up) is spread across the financial institutions involved.

Term Loan Facility

A credit facility that enables the borrower SGL to borrow a fixed amount for a specified period of time (the term).

UN Global Compact

World's largest initiative for responsible corporate governance. Member companies commit to implementing ten universal principles and regularly documenting their progress. These include human rights, labor standards, the environment and corruption prevention.

Weighted average cost of capital (WACC)

An average representing the expected return on all of a company's securities. Each source of capital, such as stocks, bonds and other debt, is assigned a required rate of return, and then these required rates of return are weighted in proportion to the share each source of capital contributes to the company's capital structure. The resulting rate is what the firm would use as a minimum for evaluating a capital project or investment.

Working Capital

Inventories plus trade receivables and contract assets minus trade payables and contract liabilities. This figure describes the current assets employed by a company in the short-term. The lower the working capital, the better the liquidity position of a company.

Technical Glossary

Coarse grain graphite

The grain size lies between 1 mm and up to approx. 20 mm. Key material property is the high resistance to thermal shock. Typical product examples are graphite electrodes for steel scrap recycling, cathodes for aluminum electrolysis and furnace linings for crude steel.

Fine grain graphite

Specialty graphite with a fine grain structure and a grain size of between 1 mm and few μm , with which the required material strengths can be achieved. Fine grain graphites have a broad spectrum of applications in the semiconductor, mechanical engineering, metallurgical, industrial furnace construction, medical and analysis technology industries (isostatic graphite).

Fuel cell

A fuel cell is an electrochemical cell that convert chemical energy of a continuously supplied fuel (e.g. hydrogen, methanol) and an oxidizing agent (e.g. oxygen) into electrical energy. Gas diffusion layers (GDL), which ensure homogenous gas distribution on the electrode, are an important component of a fuel cell. This component often consists of a special paper that is based on short-cut carbon fibers.

GHG Protocol

The GHG Protocol distinguishes greenhouse gas emissions into three categories according to their origin:

Scope 1 includes all emissions that result from energy consumption directly within the company, such as the consumption of natural gas or heating oil.

Scope 2 covers all indirect emissions resulting from the generation of energy that the company purchases from external sources, such as electricity and district heating.

Scope 3 applies to all other emissions that arise in the course of corporate value creation. This includes both indirect emissions within the company itself (e.g., from business travel, commuting) and emissions from upstream value creation (e.g., purchasing, logistics) as well as emissions from the downstream value chain (e.g., at the customer).

Isostatic graphite

Special fine grain graphite for specific applications. Its name is derived from the method of production (isostatically pressed; in a chamber of water subjected to equal pressure from every side). The main features of isostatic graphite are strength, density and isotropic structure. It is therefore used in all applications where the mechanical properties of conventional graphite are inadequate.

Lithium-ion battery

Rechargeable battery with high energy and performance density. The cathode is made from a lithium compound, the anode from carbon or graphite. During the charging process, the

lithium ions in the cathodes migrate to the carbon lattice of the anode material (intercalation). During discharging, the lithium ions from the intercalation migrate back to the cathode. Lithium-ion batteries are the standard batteries for mobile applications today. The anode material often consists of synthetic graphite (GAM: graphite anode material).

Natural graphite

A natural mineral. It is extracted from both surface and underground mining. High purity (> 99%) is achieved by purification processes (flotation, thermal and chemical purification). Natural graphite possesses the nearly ideal crystalline structure of graphite. Its use as a lubricant is well known. The largest natural graphite amounts are used for fire proof applications. Small amounts are also included in the recipe for fine grain graphites. Inclusion of acids produces graphite salts, which are converted to expanded graphite in a thermal process.

PAN-Precursor

Synthetic fiber made from polyacrylonitrile (PAN). PAN precursor is the raw material used in the production of carbon fibers.

Petroleum coke

Is a mass volume by-product of the oil refining process and is used as one of the raw materials for the production of synthetic graphite.

REACH (regulation for chemicals)

REACH stands for Registration, Evaluation, Authorization and Restriction of Chemicals.

Wide-bandgap semiconductor

Materials whose band gap is at the upper end of the range of semiconductors (3 eV to over 4 eV). Traditional silicon-based semiconductors have a band gap of 1.1 eV. Examples of wide-bandgap semiconductor materials are GaN, SiC. Such materials are distinguished from traditional semiconductors by advantages such as processing higher voltages, operating at higher temperatures, processing higher frequencies and greater reliability. They are therefore suitable for applications in power electronics, low-noise amplifiers and for high-frequency and microwave amplifiers.

List of Acronyms

A AktG German Stock Corporation Act (Aktengesetz)	I IAS International Accounting Standards	R REACH Registration, Evaluation, Authorization and Restriction of Chemicals
C CFRP Carbon Fiber Reinforced Plastic	IASB International Accounting Standards Board	ROCE Return on Capital Employed
D DAX German Stock Index (large caps)	IFRIC International Financial Reporting Interpretations Committee	S SAR Stock Appreciation Rights
DCGK German Corporate Governance Code	IFRS International Financial Reporting Standards	SDAX SmallCap DAX
E EBIT Earnings before Interest and Taxes	IT Information technology	SE Societas Europae – (Share) corporate according to European law
EBITDA Earnings before Interest, Taxes, Depreciation and Amortization	L LTCI Long-Term Cash Incentive	STI Short-Term Incentive
EHSA Environment, Health & Safety Affairs	LTI Long-Term Incentive	U UmwG German Transformation Act
EPS Earnings per Share	M MDAX MidCap DAX	V VorstAG Act on Appropriateness of Management Board Remuneration
H HGB German Commercial Code	P PSU Performance Share Units	W WpHG German Securities Trading Act
		STI Short-Term Incentive

Financial Calendar

March 19, 2026

- Publication of Annual Report 2025
- Annual Press Conference
- Investor and analyst meeting (including conference call)

May 7, 2026

- Statement on the First Quarter 2026
- Conference call for analysts and investors

May 20, 2026

- Annual General Meeting (virtual)

August 6, 2026

- Report on the First Half Year 2026
- Conference call for analysts and investors

November 5, 2026

- Statement on the First Nine Months 2026
- Conference call for analysts and investors

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Production Credits

Published by

SGL Carbon SE
Head Office
Söhnleinstrasse 8
65201 Wiesbaden/Germany

Concept and Design of Cover

SGL Carbon

Inhouse produced with *firesys*

Photo Credits

Board of Management

Lisa Krieg

Chairman of the Supervisory Board

Martin Schmüdderich

5-year Financial Summary

€m	Footnote	2025	2024	2023	2022	2021
Financial performance						
Sales revenue		850.2	1,026.4	1,089.1	1,135.9	1,007.0
<i>thereof outside Germany</i>		70%	74%	74%	74%	69%
<i>thereof in Germany</i>		30%	26%	26%	26%	31%
EBITDApre	1)	135.0	162.9	168.4	172.8	140.0
Operating profit/loss (EBIT)		-11.2	-14.3	56.6	120.9	110.4
Result from continuing operations before income taxes		-41.6	-46.9	22.4	94.6	82.1
Consolidated net result (attributable to the shareholders of the parent company)		-79.2	-80.3	41.0	126.9	75.4
EBITDApre margin	2)	15.9%	15.9%	15.5%	15.2%	13.9%
Return on capital employed (ROCE _{EBIT pre})	3)	9.8%	11.4%	11.3%	11.3%	8.0%
Earnings per share, basic (in €)		-0.65	-0.66	0.34	1.04	0.62
Net assets						
Equity attributable to the shareholders of the parent company		457.2	554.9	605.3	569.3	371.5
Total assets		1,167.4	1,336.9	1,472.6	1,480.3	1,376.3
Net financial debt		98.9	108.2	115.8	170.8	206.3
Equity ratio	4)	39.2%	41.5%	41.1%	38.5%	27.0%
Leverage Ratio	5)	0.7	0.7	0.7	1.0	1.5
Headcount	6)	3,635	4,394	4,676	4,760	4,680
Financial position						
Capital expenditure in non-current assets		53.6	97.3	87.1	52.9	50.0
Depreciation/amortization expense		53.4	58.7	58.9	60.8	60.3
Working capital		221.3	283.2	306.0	345.3	341.2
Free cash flow	7)	37.0	38.7	95.6	67.8	111.5

¹⁾ Before one-off effects/non-recurring items of minus €92.8 million in 2025, minus €118.5 million in 2024, minus €52.9 million in 2023, €8.9 million in 2022 and €30.7 million in 2021

²⁾ EBITDApre to sales revenue

³⁾ EBITpre to average capital employed (total of goodwill, other intangible assets, property, plant and equipment, investment property, investments accounted for At-Equity and working capital)

⁴⁾ Equity attributable to the shareholders of the parent company to total assets

⁵⁾ Net debt to EBITDA pre

⁶⁾ As of Dec. 31, including employees with fixed-term contracts, since 2023 excluding apprentices (2025, 2024 and 2023: 84, 117 and 132 apprentices)

⁷⁾ Cash flow from operating activities (continuing operations) minus cash flow from investing activities (continuing operations)

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