

Report of the Management Board of SECO/WARWICK S.A. on the Operations of the SECO/WARWICK Capital Group for the Year Ended December 31, December 2025

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I. REPORT OF THE MANAGEMENT BOARD SECO/WARWICK S.A. ON THE SECO/WARWICK

The Management Board of SECO/WARWICK S.A. (hereinafter: the Company, the Issuer) hereby submits the Report on the Group's Operations for the period from January 1 to December 31, 2025, prepared in accordance with the provisions of the Regulation of the Minister of Finance of June 6, 2025, on current and periodic information disclosed by issuers of securities and the conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws of 2018, item 757) (hereinafter referred to as the "Regulation").

The consolidated financial statements of the SECO/WARWICK S.A. Group (hereinafter the "Group," "SECO/WARWICK") have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and to the extent required by the Regulation, and cover the period from January 1 to December 31, 2025, and the comparative period from January 1 to December 31, 2024.

1. Information on the SECO/WARWICK Group

1.1 Parent Company Information

The parent company of the SECO/WARWICK Capital Group (hereinafter: SECO/WARWICK Capital Group, Capital Group, Group) is SECO/WARWICK Spółka Akcyjna with its registered office in Świebodzin (hereinafter: Issuer, Company). The Company was established on January 2, 2007, pursuant to a decision of the District Court in Zielona Góra, 8th Commercial Division of the National Court Register, which entered the Company into the Register of Entrepreneurs of the National Court Register under KRS number 0000271014.

The SECO/WARWICK Group's operations are divided into four main product groups:

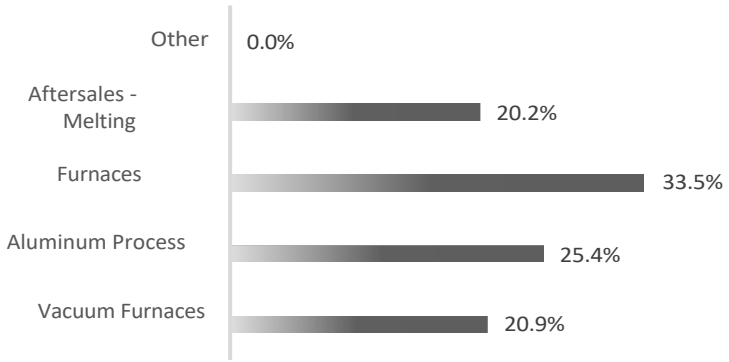
- vacuum furnaces,
- aluminum heat treatment lines (Aluminum Process+ Controlled Atmosphere Brazing),
- melting furnaces,
- aftersales – maintenance services.

Information regarding individual operating segments is presented in the consolidated financial statements of the SECO/WARWICK Group (Note 2 to the consolidated financial statements for the 12-month period ended December 31, 2025) and in Section 27.8 of this report.

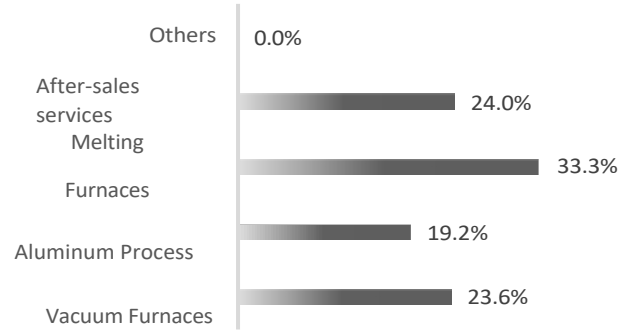
Table: Revenue from sales of products, goods, and materials (in thousands of PLN)

	MAIN PRODUCTS 01/01/2025–12/31/2025					Business Total
	Furnaces Vacuum	*Aluminum Process*	*Melting Furnaces*	*After-sales services Service*	*Other*	
Jan. 1, 2025– 12/31/2025	155,586	189,257	249,730	151,021	329	**745,923**
	MAIN PRODUCTS 01/01/2024–12/31/2024					
Jan. 1, 2024– 12/31/2024	168,305	136,611	237,052	170,857	-	**712,825**

MAIN PRODUCTS 2025



MAIN PRODUCTS 2024



1.2 Information on the organizational and capital ties between companies of the SECO/WARWICK S.A. Group and other entities, specifying its main domestic and foreign investments (securities, financial instruments, intangible assets, and real estate), including capital investments made outside its group of related entities, along with a description of the methods used to finance them.

Table: As of December 31, 2025, the SECO/WARWICK Group consisted of the following entities:

Entity Name	Headquarters	Business activity	Seco/Warwick's percentage share in share capital
Parent company			
SECO/WARWICK S.A.	Świebodzin	Holding company within the SECO/WARWICK Group. Ownership oversight and provision of strategic management services . Manufacture of equipment for heat treatment of metals.	**Not applicable**
Direct and indirect subsidiaries			
SECO/WARWICK Corp.	Meadville (USA)	Sales and distribution of vacuum furnaces, service operations, and manufacturing of equipment for metal heat treatment	**100%**
SECO/WARWICK of Delaware, Inc.	Wilmington (USA)	Holding company activities, registration of trademarks and patents, and granting of licenses for their use by SECO/WARWICK Corp.	**100%**
Retech Systems LLC	Buffalo (USA)	Trade and service activities, as well as manufacture equipment metallurgical for melting, vacuum casting of metals and special alloys.	**100%**
SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co., Ltd.	Tianjin (China)	Manufacturing of equipment for of metals.	**93%**
Retech Tianjin Holdings LLC	(USA)	Holding company activities.	**80%**
OOO SCT	Solnechnoe rsk (Russia)	Provision of services in the thermal metal processing in Russia.	**50%**
SECO/WARWICK Germany GmbH	Bedburg-Hau (Germany)	Sales and service operations.	**100%**
SECO/WARWICK Services Sp. z o.o.	Świebodzin	Service operations.	**100%**
SECO/WARWICK INDIA PVT. Ltd.,	Mumbai (India)	Sales, service, and manufacturing of metal heat treatment equipment	**100%**
SECO/WARWICK INDIA Pvt. Ltd. (DUBAI BRANCH)	DUBAI (UAE)	Recruitment in the sale of SECO/WARWICK Group products.	**100%**

All entities within the Group, with the exception of OOO SCT, are fully consolidated.

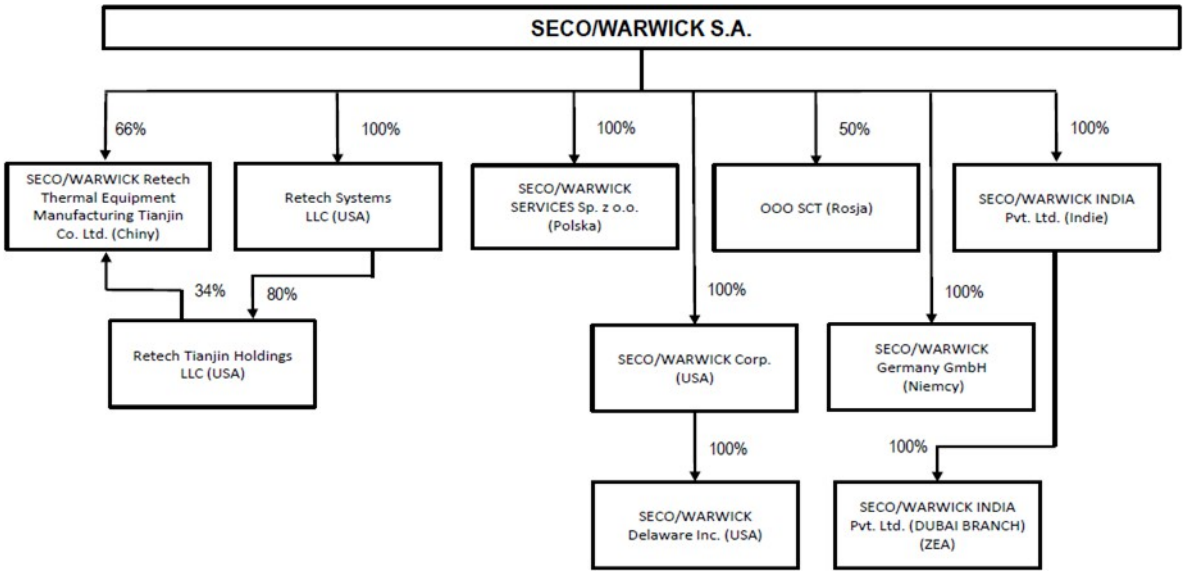
Changes in the Group's composition:

30 In April 2025, an effective merger took place between SECO WARWICK USA HOLDING LLC, SECO VACUUM TECHNOLOGIES LLC, and SECO/WARWICK Corporation into a single company named SECO/WARWICK Corporation.

In the second quarter of 2025, the parent company lost control over its subsidiary SECO/WARWICK Rus, based in Russia, due to a lack of access to financial, administrative, and operational data.

Consequently, in accordance with IFRS 10 "Consolidated Financial Statements," this company was excluded from consolidation.

SECO/WARWICK Group Structure as of December 31, 2025



Composition of the SECO/WARWICK Group as of the date of publication of this report

The composition of the SECO/WARWICK Capital Group has not changed from December 31, 2025, to the date of publication of this report.
Major domestic and foreign investments (financial instruments, intangible assets, and real estate) are included in the notes to the SECO/WARWICK Group's annual consolidated financial statements; no capital investments were made outside the group of related entities.

1.3 Changes in the fundamental management principles of the Issuer and its Capital Group.

During the period under review, there were no changes in the fundamental management principles of the Issuer and its Capital Group.

1.4 The value of remuneration, awards, or benefits, including those arising from incentive or bonus programs based on the equity of the SECO/WARWICK, including programs based on senior bonds, convertible bonds, and subscription warrants, whether paid, due, or potentially due, separately for each member of the management and supervisory bodies of the SECO/WARWICK Group.

MANAGEMENT BOARD

Members of the Management Board are remunerated on the basis of employment contracts and resolutions of the Supervisory Board. Severance pay or compensation is governed by the Labor Code. The amount of remuneration for Members of the Management Board for the 2025 fiscal year is governed by resolutions of the Issuer's Supervisory Board dated April 21, 2022.

Table: Remuneration of Members of the Management Board of SECO/WARWICK S.A. in 2025 (in thousands of PLN)

First and last name	Remuneration for the period	Other benefits	Accrued incentive program costs	Total compensation for the period
12/31/2025	**in PLN thousand**	**in PLN thousand**	**in PLN thousand**	**in PLN thousand**
Sławomir Woźniak	570	919	-	1,489
Piotr Walasek	396	453	-	849
Earl Good (1)	1,125	698	548	2,370
Bartosz Klinowski	396	454	-	850
Total	**2,487**	**2,523**	**548**	**5,557**

(1) Under the employment contract between Retech and Mr. Earl Good.

None of the members of the Management Board receives remuneration for serving on the governing bodies of subsidiaries.

SUPERVISORY BOARD

Members of the Supervisory Board are entitled to a monthly remuneration in the amount determined by the General Meeting, paid by the fifteenth day of the month following the month for which the remuneration is due. The remuneration covers all costs related to the performance of the duties of a Member of the Supervisory Board. Members of the Supervisory Board are not entitled to severance pay.

Table: Remuneration of Members of the Supervisory Board of SECO/WARWICK S.A. for 2025 (in thousands of PLN)

First and last name	Total remuneration 12/31/2025
Andrzej Zawistowski, including:	349
- for serving as Chairman of the Supervisory Board Supervisory Board	229
- under a consulting services agreement (1)	120
Jeffrey Boswell, including:	162
- under an employment contract (2)	162
Marcin Murawski	55
Robert Jasiński	54
Maciej Karnicki	74
Total	**695**

(1) Under the Cooperation Agreement concluded between SECO/WARWICK S.A. and Mr. Andrzej Zawistowski, operating the business USŁUGI DORADCZE Andrzej Zawistowski. The subject of the agreement dated January 2, 2020, is cooperation in the provision of technical consulting and product development services.

(2) Under the employment contract between SECO/WARWICK Corp. and Mr. Jeffrey Boswell.

None of the members of the Supervisory Board receives remuneration for serving on the governing bodies of subsidiaries.

On June 5, 2020, the Company's Annual General Meeting adopted the Remuneration Policy for Members of the Management Board and the Supervisory Board of Seco/Warwick S.A. ("Remuneration Policy"). The Remuneration Policy sets out the organizational framework for the remuneration of members of the Management Board and the Supervisory Board and ensures a consistent remuneration system. The Company pays remuneration to members of the Governing Bodies exclusively in accordance with the aforementioned Policy. On June 10, 2021, the Annual General Meeting adopted amendments to the Remuneration Policy by Resolution No. 20. On May 25, 2022, Resolution No. 28 adopted the amended Remuneration Policy for members of the Management Board and Supervisory Board of S/W S.A. On June 13, 2024, the Annual General Meeting, by Resolution No. 23, adopted changes to the remuneration of Supervisory Board members.

1.5 All agreements concluded between the companies of the SECO/WARWICK Group and management personnel providing for compensation in the event of their resignation or dismissal from their position without just cause, or when their dismissal or termination occurs due to a merger of the Company through acquisition.

Employment contracts concluded between the Company and management personnel do not provide for compensation in the event of their resignation or dismissal. Any severance pay or compensation is governed by the Labor Code, and the employment contracts do not contain separate provisions in this regard. Employment contracts

concluded between the Company and management personnel also do not contain provisions regarding severance pay related to dismissal or termination due to the merger of SECO/WARWICK S.A. through acquisitions.

1.6 All obligations arising from pensions and similar benefits for former management, supervisory, or administrative body members, as well as obligations incurred in connection with such pensions, specifying the total amount for each category of body.

The parent company has no liabilities arising from pensions and similar benefits toward management, supervisory, or former members of administrative bodies.

1.7 Specification of the total number and par value of all shares of SECO/WARWICK S.A. and shares and equity interests in the Parent Company's affiliates held by management and supervisory personnel.

As of December 31, 2025, and as of the date of publication of this report

	January 1, 2025				December 31, 2025			
	Number of S/W S.A. shares held	Share of the company's capital	Share of total votes	Decrease / Increase	Number of S/W S.A. shares held	Share of share capital	Percentage of total votes	Total par value per share (PLN)
Management Board								
Sławomir Woźniak	182,490	1.82%	1.82%	-	182,490	2.17%	2.17%	36,498
Bartosz Klinowski	166,753	1.67%	1.67%	-	166,753	1.99%	1.99%	33,351
Earl Good	26,225	0.26%	0.26%	27,576	53,801	0.64%	0.64%	10,760
Piotr Walasek	90,096	0.90%	0.90%	-	90,096	1.07%	1.07%	18,019
Supervisory Board								
Andrzej Zawistowski	65,000	0.65%	0.65%	-	65,000	0.77%	0.77%	13,000
Jeffrey Boswell	9,776	0.10%	0.10%	-	9,776	0.12%	0.12%	1,955
Marcin Murawski	-	-	-	-	-	-	-	-
Robert Jasiński	-	-	-	-	-	-	-	-
Maciej Karnicki	-	-	-	-	-	-	-	-
Total	**540,340**	**5.40%**	**5.40%**	**27,576**	**567,916**	**6.76%**	**6.76%**	**113,583**

The management and supervisory personnel of SECO/WARWICK S.A. do not hold shares or equity interests in affiliated companies.

Specification	12/31/2025	12/31/2024
Number of shares	8,400,000	10,000,000
Par value per share	0.20	0.20
Share capital	**1,680,000.00**	**2,000,000.00**

1.8 Information on agreements known to the SECO/WARWICK Group (including those concluded after the balance sheet date) that may result in future changes in the proportions of shares held by existing shareholders and bondholders.

SECO/WARWICK S.A. Incentive Program for 2022–2024

On December 15, 2022, the Supervisory Board, by Resolution No. 2/2022, established individual targets for 2023 for participants in the Incentive Program, as the Company disclosed in Current Report No. 11/2022 dated December 15, 2022. Achievement of the individual targets is a condition for granting the Program participants the rights arising from the Program, subject to their remaining in an employment relationship with the Company during the period from January 1, 2023, to December 31, 2023. These targets were approved by the General Meeting by Resolution No. 23 on June 7, 2023.

On December 14, 2023, the Supervisory Board, by Resolution No. 1/2023, set individual targets for 2024 for participants in the Incentive Program, as the Company disclosed in Current Report No. 19/2023 dated December 14, 2023. Achievement of the individual targets is a condition for granting the Program participants the rights arising from the Program, subject to their remaining in an employment relationship with the Company during the period from January 1, 2024, to December 31, 2024. These targets were approved by the General Meeting of Shareholders by Resolution No. 21 on June 13, 2024.

For both the 2023 and 2024 Incentive Programs, the targets relate to the financial and operational indicators of individual subsidiaries, organizational units associated with specific technologies, or the entire Capital Group, depending on the role performed by a given Program participant.

The achievement of the 2023 targets was approved by the Annual General Meeting by Resolution No. 22 of June 13, 2024.
The achievement of the 2024 targets was approved by the Ordinary General Meeting by Resolution No. 9 of June 9, 2025.

The costs incurred in 2023 in connection with the Incentive Program for the years 2022–2024 amounted to PLN 1,726,000.
The costs incurred in 2024 in connection with the Incentive Program for the years 2022–2024 amounted to PLN 1,342,000.
The costs incurred in 2025 in connection with the Incentive Program for the years 2022–2024 amounted to PLN 567,000.

1.9 Information on the control system for employee stock programs.

The Incentive Program for 2022–2024, adopted by the Extraordinary General Meeting by Resolution No. 7 of October 7, 2021, is supervised by the Supervisory Board and the Management Board of SECO/WARWICK S.A.

1.10 Information on the acquisition of treasury shares.

On October 10, 2025, the Management Board of SECO/WARWICK S.A., acting pursuant to the resolution of the Company's Supervisory Board dated April 23, 2025, and Resolution No. 21 of the Ordinary General Meeting dated June 9, 2025 – regarding the verification of the achievement of the Annual Targets of the Incentive Program Beneficiaries for the 2024 fiscal year, as reported by the Company in Current Report No. 7/2025, announced the transfer of ownership of a total of 28,501 shares of the Company's treasury stock in connection with their registration in the brokerage accounts of persons covered by the Incentive Program.

The shares were sold to the beneficiaries of the Incentive Program at a price of PLN 0.20 (in words: twenty groszy) per share.

The treasury shares sold represent 0.34% of the Company's share capital and entitle the holders to 28,501 votes, which constitute 0.34% of all votes at the General Meeting.

Significant transactions involving treasury shares include the purchase of 1,494,000 shares and the cancellation of 1,600,000 shares. These transactions, together with the issuance of shares under the incentive program, account for the change in the number of treasury shares held by the Group between December 31, 2024, and December 31, 2025. As of the date of publication of this report, SECO/WARWICK S.A. holds 1,130,592 treasury shares, representing a 13.46% stake in the share capital. The Company does not exercise voting rights attached to its treasury shares.

Pursuant to Article 364 §2 of the Commercial Companies Code, the Company may not exercise shareholder rights attached to its own shares, except for the right to dispose of them or to take actions aimed at preserving such rights.

Pursuant to a resolution of the Extraordinary General Meeting, treasury shares acquired by the Company may be retired based on a separate resolution of the General Meeting or, following a prior favorable opinion from the Company's Supervisory Board, may be allocated for the purposes of existing or future incentive programs within the Company or its subsidiaries, for further resale, or for another purpose specified by a resolution of the Company's Management Board.

2. Discussion of key economicdisclosed in the annual consolidated financial statements, in particular a description of factors and events, including those of an unusual nature, having a significant impact on the Group's operations and the profits it achieved or losses it incurred during the fiscal year, as well as a discussion of the prospects for the Group's business development at least for the coming fiscal year.

STATEMENT OF COMPREHENSIVE INCOME

In 2025, the SECO/WARWICK Group recorded sales revenue of PLN 745.9 million, representing an increase of PLN 33 million (+4.6% compared to 2024). The following companies reported sales growth: SECO/WARWICK Corp. +50% (2025: PLN 104.1 million; 2024: PLN 69.4 million; including the effect merger of SWC and SVT) and SECO/WARWICK S.A. +17% (2025: PLN 334 million; 2024: PLN 286 million). also SECO/WARWICK India PVT. Ltd. +33% (2025: PLN 14.6 million; 2024: PLN 11 million).

The order backlog at the end of 2025 is slightly lower than at the end of 2024, amounting to PLN 668.9 million (at the end of 2024: PLN 767.3 million).

In 2025, Melting Furnaces and Aluminum Process led the sales structure (by main products). Geographically, in 2025, the largest share of the SECO/WARWICK Group's sales came from the U.S. market (36.4%), the European Union (34.9%), and Asia (21.5%).
In 2025, the Group generated gross profit from sales of PLN 167.4 million and operating profit (EBIT) of PLN 43.1 million.

In 2025, there were one-time and unusual events that affected the Group's financial results. The result was impacted by the loss of control over the subsidiary SECO/WARWICK Rus, resulting in its exclusion from consolidation as of April 1, 2025, and the recognition of a loss on discontinued operations in the amount of PLN 2,632 thousand.
After taking into account the above factors, financial expenses, tax charges, and the share of non-controlling interests and minority interest, the SECO/WARWICK Group reported a net profit attributable to the parent company's shareholders of PLN 26.1 million in 2025.

STATEMENT OF FINANCIAL POSITION

In 2025, compared to 2024, total assets decreased by -8% (from PLN 709.9 million to PLN 750 million). The value of fixed assets increased by 7.3% from 2024 to 2025. The main driver of this change was investment in property, plant, and equipment. The 25% decrease in current assets during the period under review was primarily due to a reduction in cash.

On the liabilities side, 2025 saw a noticeable increase in long-term liabilities (36.5%) compared to 2024, resulting mainly from the loan obligations of Retech Systems LLC, while equity decreased by 12.8%.

In 2025, compared to the previous year, the share of equity in total assets remained at a similar level of 35.4% compared to 37.2%.

The first-, second-, and third-degree liquidity ratios remained at a similar level, amounting to 0.2, 0.6, and 0.8, respectively. These ratios indicate that the Group operates stably and is able to settle all its current liabilities.

Due to the increase in sales in 2025, the efficiency ratios changed. The accounts receivable turnover cycle was 56.3 days. Inventory turnover was 53 days, while trade payables were settled on average within 44 days. Asset turnover ratios, particularly for fixed assets (5.03), indicate good utilization of the Group's existing production capacity.

CASH FLOW STATEMENT

In 2025, the Group generated negative operating cash flow of PLN -4.4 million, compared to PLN +101.4 million in 2024. The most significant items in cash flows from operating activities are: change in contract assets and liabilities (PLN -69.2 million), depreciation and amortization (PLN +21.1 million), change in current liabilities excluding financial liabilities (PLN +19.9 million), and change in receivables (PLN -11.8 million).

In 2025, cash flows from investing activities amounted to PLN -38.6 million (2024: PLN -10.9 million), the majority of which was spent on intangible assets and property, plant, and equipment at SECO/WARWICK SA and Retech Systems LLC.

Cash flows consisted mainly of the purchase of treasury shares in the amount of PLN 41.4 million and the repayment of loans and borrowings in the amount of PLN 12.5 million. As a result, cash and cash equivalents at the end of 2025 decreased to PLN 59.6 million, compared to PLN 145,837 million in 2024.

3. Assessment of factors and unusual events affecting the operating result for the fiscal year, specifying the extent of the impact of these factors or unusual events on the achieved result.

As of the date of this report, the armed conflict in Ukraine has no material adverse impact on the Group's operations. However, based on current observations, the Group identifies the following main areas of potential impact of the war in Ukraine on the Company's and the Group's operations and financial position:

- increased volatility in exchange rates,
- a global economic downturn accompanied by rising inflation (stagflation),
- increased geopolitical risk translating into the risk of reduced investment activity in the industries served by the Group,
- potential disruptions in supply chains—including issues with the availability of certain components, raw materials, and supplies, such as steel, as well as significant increases in their prices,
- rising energy costs (electricity, fuels, and natural gas),
- rising interest rates resulting in higher financing costs,
- IT risks.

The Group has not identified any significant changes in the timing of receivables collection. Consequently, no significant impairment charges were recognized for receivables or contract assets.

Tariff measures currently in effect and potentially expanded by the U.S. may have a significant impact on the Group's operations. This applies in particular to the production of equipment carried out in Poland and exported to the U.S. market. In addition to previously imposed tariffs on selected raw materials and components (including steel and aluminum), heightened regulatory uncertainty regarding U.S. trade policy persists, affecting various groups of industrial goods.

These factors increase the risk of disruptions in global supply chains and may generate cost pressure on the purchase of components and raw materials essential to the Group's operations. An additional risk stems from potential retaliatory measures by the U.S.'s major trading partners, including China.

Consequently, trade and geopolitical tensions may influence customers' investment decisions, leading to the postponement or scaling back of projects, which may impact the Group's order volume and financial results in subsequent periods.

4. Information on sales markets, including a breakdown into domestic and foreign markets, and information on sources of supply for production materials, goods, and services, specifying dependence on one or more customers and suppliers, and in cases where the share of a single customer or supplier reaches at least 10% of total sales revenue - the name (company name) of the supplier or customer, their share in sales or procurement, and their formal ties to SECO/WARWICK S.A.

Breakdown by geographic area based on the location of sales markets. The following areas have been identified:

- the European Union market,
- the United States market,
- the Asian market,
- other countries, including Ukraine.

The Group sources most of the materials needed for the production of heat treatment equipment from three main markets.

The first, and at the same time the largest, market supplying the SECO/WARWICK Group with production materials is the domestic Polish market. Next in line is the European Union market, with Germany holding a significant lead. Among the most important and largest supply markets for the SECO/WARWICK Group, the United States of America ranks third in terms of importance and size. In addition to these three main supply markets, the SECO/WARWICK Group also purchases production materials in India, China, and Japan.

With a wide range of suppliers and access to many markets, the SECO/WARWICK Group is not dependent on any single component supplier (no single supplier accounts for more than 10% of revenue), thereby ensuring uninterrupted production of heat treatment equipment.

The markets in which the customers of the SECO/WARWICK Group operate include the automotive, aerospace, energy, tooling, medical, electrical engineering, and machinery industries. The economic situation observed in these markets affects the condition of many other markets operating around the aforementioned ones. The Group supplies its products both to manufacturers representing these industries and to the industry suppliers of these manufacturers. Customers include both automobile and aircraft manufacturers, as well as manufacturers of individual structural components and machine spare parts. The machinery industry, defined as the SECO/WARWICK Group's customer base, constitutes a very broad sphere of economic activity, whose growth is similar to overall GDP growth. There is no dependence on a single customer. There is no dependence on a single customer (there is no customer whose turnover exceeds 10% of revenue).

5. Information on agreements concluded that are significant to the Issuer's Capital Group's operations, including agreements known to the Group concluded between shareholders (partners), insurance agreements, and cooperation or collaboration agreements.

On November 30, 2023, the Management Board of SECO/WARWICK S.A. announced in Current Report No. 18/2023 the conclusion of a long-term loan agreement ("Agreement") between the Issuer's subsidiary (Retech Systems LLC, with its registered office in Buffalo, New York, USA) as the Borrower, and Fundusz Ekspansji Zagranicznej 2 FIZ AN as the Lender.
Pursuant to the Agreement, the Lender granted the Borrower a cash loan bearing interest at market rates in the maximum amount of USD 10 million, i.e., approximately PLN 39.81 million, based on the average USD/PLN exchange rate announced by the National Bank of Poland as of November 30, 2023 ("Loan"). The interest rate on the Loan is based on a fixed interest rate.

The Loan was granted to finance part of the expenditures related to the implementation of the SECO/WARWICK Group Strategy for 2023–2026, announced in Current Report No. 17/2023 dated September 26, 2023
. In particular, the Loan will be allocated to a project for the development of metal powder production technology, including the construction and installation of Plasma Gas Atomizer furnaces (on a large and small scale) utilizing Retech's proprietary PAM (Plasma Arc Melting) technology, as well as the expansion and equipping of a production and assembly hall. The investment is being carried out at the Retech Systems LLC facilities in Buffalo, New York, USA, and its total value is estimated at approximately PLN 45 million, to be incurred between 2023 and 2025.
In 2025, the Agreement continued to be implemented, and the funds from the Loan were used as intended to finance the investment in Retech Systems LLC.

All significant insurance, partnership, or cooperation agreements entered into by the SECO/WARWICK Group are typical for the Group's operations and comply with market standards. The SECO/WARWICK Group is also not aware of any other significant agreements entered into between shareholders.

6. Description of transactions entered into by the SECO/WARWICK Group with related parties on terms other than arm's length terms.

In 2025, the Company and its subsidiaries did not enter into any transaction agreements with related parties on terms other than market terms.

7. Information on credit and loan agreements entered into and terminated during the financial year, specifying at least their amounts, type, interest rate, currency, and maturity date.

Long- and short-term loans and borrowings as of December 31, 2025:

Currency	Loan amount		Loan currency	Credit limit under the Agreement	Interest rate	Maturity date	Collateral	Interest	Type
	PLN (thousands)	Value in currency (thousands)							
Huntington National Bank	162	45	USD	36		2026-01-31		*fixed-7%*	Overdraft
Volkswagen Credit	56	16	USD	27		2026-09-30		*fixed*	Overdraft
SANTANDER	-	-	PLN	2,000		2024-02-28	promissory note	WIBOR 1M + 1.0 % p.p.	Overdraft facility
mBank	65	-	PLN	-		-	promissory note	-	Credit card limit
mBank	37	9	EUR	-		-	promissory note	-	Credit card limit
mBank	53	-	PLN	-		-	promissory note	-	Credit card limit
mBank	16	4.3	USD	-		-	promissory note	-	Credit card limit
mBank	124	29	EUR	-		-	promissory note	-	Credit card limit
HSBC Bank	-		USD	1,300		12/31/2025		*fixed-11%*	Overdraft
Expansion Fund Foreign 2 Fund Closed Investment Account Non-Public Assets	30,470	8,460	USD	10,000		December 20, 2030	mortgage, SWSA guarantee, Statement on voluntary submission to enforcement pursuant to Art. 777.1 of the Code of Civil Procedure	fixed-7%	Investment Credit in the Account Banking
Santander	23,254	-	PLN	34,000		2026-09-25	Statement of Voluntary subject to enforcement pursuant to Art. 777.1 CPC	WIBOR 1M + 0.9 % p.a.	Overdraft facility
BNP Paribas S.A.	12,264	-	PLN	50,000		2026-11-09	Declaration of voluntary subject to enforcement pursuant to Art. 777.1 CPC	WIBOR 1M + 0.9 % p.a.	Overdraft facility
mBank	11,044		PLN	20,000		2026-09-03	Declaration of Voluntary subject to enforcement pursuant to Art. 777.1 KPC	WIBOR ON + 1.05 % p.a.	Overdraft facility
mBank	1,036		PLN	6,908		2026-09-30	mortgage, securities lock	WIBOR 1M + 1.35% p.a.	Investment loan in the account bank account
mBank	15,776	-	PLN	17,616		June 28, 2030	mortgage, securities lock	WIBOR 1M + 1.00% p.a.	Investment credit in the account bank
mBank	13,140	-	PLN	14,600		June 30, 2026	Statement of voluntary subject to enforcement pursuant to Art. 777.1 CPC	WIBOR 1M + 1.00% p.a.	Investment loan in a bank
Car Loan facility	831	20,727	INR						Overdraft facility
Total:	**108,328**								

Detailed information regarding the SECO/WARWICK Group companies' liabilities under loans and borrowings is disclosed in Note 21 of the SECO/WARWICK Group's Consolidated Financial Statements for 2025.

On June 9, 2025, SECO/WARWICK S.A. signed an investment loan agreement with mBank S.A. in Warsaw for PLN 18,400,000. The loan was granted to finance the purchase of up to 734,000 of the Company's own shares, in accordance with the program established pursuant to Resolution No. 22 of the Company's General Meeting dated June 9, 2025. A loan in the amount of PLN 17,616,000 was drawn down. As of December 31, 2025, the loan utilization amounted to PLN 15,776,000.

On July 16, 2025, SECO/WARWICK S.A. signed an investment loan agreement with mBank S.A. in Warsaw for PLN 14,600,000. The loan was granted to finance the purchase of up to 760,000 of the Company's own shares, in accordance with the program established pursuant to Resolution No. 24 of the Company's Ordinary General Meeting of June 9, 2025. As of December 31, 2025, the amount drawn down under the loan was PLN 13,140,000.

On November 30, 2023, Retech Systems LLC signed an investment loan agreement with Fundusz Ekspansji Zagranicznej 2 FIZ AN, managed by PFR TFI S.A., for an amount of USD 10,000,000. The loan was granted to finance part of the expenditures related to the implementation of the SECO/WARWICK Group Strategy for 2023–2026, announced in Current Report No. 17/2023 dated September 26, 2023. In particular, the Loan will be allocated to a project for the development of metal powder production technology, including the construction and installation of Plasma Gas Atomizer furnaces (on a large and small scale) utilizing Retech's proprietary PAM (Plasma Arc Melting) technology, as well as the expansion and equipping of the production and assembly hall. The investment is being carried out at the Retech Systems LLC facilities in Buffalo, New York, USA, and its total value is estimated at approximately PLN 45 million, to be incurred between 2023 and 2025. The development of powder technology will contribute to further strengthening the SECO/WARWICK Group's position in the global market for thermal processing and metallurgy, including the promising segment of 3D metal printing (additive manufacturing). As of December 31, 2025, the credit utilization amounted to USD 8,460,000, i.e., PLN 30,470,000. As of December 31, 2024, the credit utilization amounted to USD 6,500,000, i.e., PLN 26,658,000.

No loans or credits were terminated in 2025.

8. Information on sureties and guarantees granted and received by the SECO/WARWICK Group during the financial year.

Contingent liabilities arising from guarantees and sureties granted as of the end of 2025 amounted to PLN 2,294 thousand, while as of the end of 2024 they amounted to PLN 1,370 thousand. Guarantees were granted for:

Description	12/31/2025	12/31/2024
performance bond	2,294	504
Bid bond	-	866
Total	**2,294**	**1,370**

9. Information on loans granted during the financial year, with particular emphasis on loans granted to the Company's related parties, specifying at least their amount, type, interest rate, currency, and maturity date.

In 2025, SECO/WARWICK S.A. did not grant any loans to related parties.

In 2025, SECO/WARWICK S.A. did not grant loans to members of the Management Board, members of the Supervisory Board, or unrelated entities.

10. An assessment, along with its justification, regarding the management of financial resources, with particular emphasis on the ability to meet incurred obligations, and an identification of potential risks and actions that the Group has taken or intends to take to mitigate these risks. An assessment of the feasibility of implementing investment plans, including capital investments, in relation to the amount of available funds, taking into account possible changes in the financing structure of such activities.

As of December 31, 2025, the SECO Group'sWARWICK S.A.'s debt from investment loans and overdraft facilities amounted to PLN 108,328 thousand, representing an increase of PLN 22,791 thousand compared to the debt level at the end of 2024, which was PLN 85,537 thousand.
Based on available financial resources and credit lines, the Group had sufficient funds to carry out its planned investment projects, as well as capital expenditures planned and executed in 2025.
In the opinion of the Parent Company's Management Board, as of the balance sheet date, there are no risks regarding the fulfillment of incurred liabilities.

The financial liquidity ratios for the SECO/WARWICK Group are presented below.

LIQUIDITY RATIOS	12/31/2025	12/31/2024
Current Ratio I	0.18	0.4
Liquidity II	0.6	1.05
Liquidity III	0.8	1.28

11. Issuance of securities and a description of how SECO/WARWICK S.A. used the proceeds from the issuance of these securities.

No such events occurred in 2025.

12. Explanation of differences between the financial results presented in the annual report and previously published forecasts for the year.

SECO/WARWICK S.A. did not publish financial forecasts for the Company or the SECO/WARWICK Capital Group for 2025.

13. Description of significant risk factors and threats, specifying the extent to which the Issuer's Capital Group is exposed to them.

The dynamic environment and the development of the SECO/WARWICK Capital Group require continuous improvement and high activity in the area of risk management. The SECO/WARWICK Capital Group focuses primarily on financial risks (liquidity, credit, market, and currency risks), operational risks (mainly related to the quality, timeliness, and costs of projects), and compliance risks (legal and regulatory risks).

Detailed description of key risks in the SECO/WARWICK Capital Group

#	Risk	Description	Mitigation Measures	Potential consequences	Significance	Trend
FINANCIAL RISKS						
1	**Geopolitical and macroeconomic situation** Conflict in Ukraine + US tariffs 2025; US–China tensions	Conflict in Ukraine + tariffs US 2025; US-China tensions	• Monitoring of sanctions and export regulations (reputable law firms) • Updating the strategy for geographic diversification of sales • Mapping the impact of customs tariffs on export contract margins	• Risk of sanctions violations • Rising costs of components and transportation • Margin pressure on export contracts • Restricted access to the U.S. or Chinese markets	4	↑
2	**Industry risk** Automotive and aerospace – EV EV, OEM restructuring	Automotive and aerospace – EV crisis, OEM restructuring	• Diversification of the customer portfolio across segments (Automotive, Aerospace, Energy) • Prioritization of cyclically resilient segments (energy, defense) • Early threat detection through backlog monitoring	• Reduction in orders for automotive equipment • Pressure on revenues and margins in the Thermal and Vacuum segments	3	↑
3	**Liquidity Liquidity and financing**	Inadequate management	• Regular analysis and forecasting of cash flows for the Group • Diversification of funding sources	• Decreased sales effectiveness	3	→

#	Risk	Description	Mitigation Measures	Potential consequences	Significance	Trend
	Inadequate working capital management	working working	• Maintaining active credit lines	• Suspending or delaying investment and R&D activities		
4	**Market risk** Currencies (USD/PLN, EUR/PLN, CNY), interest rates, commodity prices	Currencies (USD/PLN, EUR/PLN, CNY), interest interest rates, commodity prices	• Currency hedging policy in accordance with established procedures • Price escalation clauses in long-term contracts • Monitoring of commodity markets	• Deterioration in financial results and contract margins • Deterioration in financial liquidity	3	↑
5	**Credit risk** Insolvency of trading partners in commercial transactions	Insolvency of trading partners	• Monitoring the financial situation and ratings of counterparties • Use of hedging instruments (letters of credit, receivables insurance) • Limiting exposure to a single counterparty	• Deterioration of financial results • Deterioration in financial liquidity	2	↓
OPERATIONAL RISKS						
6	**IT systems and cybersecurity risk**	AI-assisted cyberattacks AI;	• Regular IT security audits and penetration tests	• Loss or leakage of confidential data	4	↑

#	Risk	Description	Mitigation Measures	Potential consequences	Significance	Trend
	AI-assisted cyberattacks AI; threats to OT/SCADA systems (ESG ESG: social)	threats for OT/SCADA systems	• IT and OT system security management procedures • Employee training and awareness tests (cybersecurity) • Real-time threat monitoring (SOC)	• Business continuity disruptions • Financial losses and regulatory penalties (GDPR/NIS2) • Reputational damage		
7	**Employee risk** Recruiting and retaining qualified engineers (ESG ESG: social)	Recruiting and retaining qualified engineers	• Collaboration with high schools and universities (partner classes, internships) • Employer branding initiatives • Developing career paths and development programs • Employee satisfaction surveys and implementation of recommendations	• Scaling back operations • Cost pressure on salaries • Risk of losing the know-how of key specialists	4	→
ESG RISKS						

9	**Environmental risks** Climate climate, Circular circular economy	Climate change, Circular economy	• Implemented Sustainability Policy • Group reporting procedures	• Physical risks related to climate change (including power outages) • Risks of rising raw material costs resulting from environmental regulations	4	→

#	Risk	Description	Mitigation Measures	Potential consequences	Significance	Trend
10	**Social Social** Own resources, Employees in the value chain, Consumers and end users	Own workforce, Employees in the , Consumers and end users	• Implemented Code of Ethical Business Conduct • Implemented Sustainable Development Policy • SWSA	• Risk of reduced occupational safety and health in own • Non-compliance with labor standards in the supply chain • Retention of key employees	4	→
11	**Risks related to corporate governance**	Corporate culture, Whistleblower of whistleblowers, Supplier management, Corruption and bribery	• Code of Ethical Business Conduct implemented • Procurement and supplier qualification procedures implemented	• Non-compliance with anti-corruption regulations • Supplier relationship management, including timely payments	3	→

14. Statement on the application of corporate governance within the SECO/WARWICK Group in 2025.

a. set of corporate governance principles to which the parent company of the SECO/WARWICK Group is subject and the location where the text of the principles is publicly available

As of July 1, 2021, SECO/WARWICK S.A. is subject to the corporate governance principles set forth in "Best Practices for Companies Listed on the Warsaw Stock Exchange 2021," introduced by Resolution No. 13/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange S.A. dated March 29, 2021.

The text of the aforementioned principles is available to the public at: www.corp-gov.gpw.pl and www.secowarwick.com.

The Company did not apply corporate governance practices that went beyond the requirements of national law.

b. the extent to which the Issuer has deviated from the provisions of the set of corporate governance principles referred to above, an indication of those provisions, and an explanation of the reasons for such deviation, as well as how the Company intends to address any consequences of non-compliance with a given principle or what steps it intends to take to reduce the risk of non-compliance with a given principle in the future

On December 22, 2025, pursuant to Section 29(3) of the Rules of the Warsaw Stock Exchange S.A., the Company submitted an updated report on the status of the Company's compliance with the principles contained in the "Good Practices of Companies Listed on the WSE 2021" compendium, which is available at www.secowarwick.com.
In accordance with the aforementioned SECO/WARWICK S.A. report, the company has opted not to apply the following principles:

1.4. To ensure proper communication with stakeholders regarding its adopted business strategy, the company publishes on its website information about the strategy's objectives, measurable goals—including, in particular, long-term goals—planned actions, and progress in its implementation, as measured by both financial and non-financial metrics. Information on the ESG strategy should include, among other things:

Company Comment: The SECO/WARWICK Group actively implements a sustainable development strategy. In 2024, a comprehensive analysis of ESRS double materiality and carbon footprint reporting was conducted, and material IROs with assigned targets and KPIs were identified. Information on the ESG strategy, progress, and metrics was published in the management report. The Group plans to expand its ESG communication in the future through a dedicated section on its corporate website.

1.4.1. explain how climate change issues are taken into account in the decision-making processes of the company and its group entities, highlighting the resulting risks;

Company Comment: The SECO/WARWICK Group incorporates climate change issues into decision-making processes through an integrated climate risk management system, which includes a dual materiality analysis (ESRS E1), carbon footprint reporting (Scope 1, 2, 3) for all Group companies, and integration with the corporate risk management system.
Key climate risks: the impact of extreme weather events on operations in the U.S., China, and India; exposure to the CBAM (carbon border adjustment mechanism) starting in 2026; increasing legal requirements regarding efficiency and emission limits, reputational risk in the fossil fuel-fired furnace sector, rising energy prices, and supply chain disruptions.

Identified opportunities: building competitive advantage through innovation in low- and zero-emission technologies, increased demand for products supporting decarbonization (including green steel), increased sales driven by regulatory pressure, and improved energy efficiency.
The Group has implemented a Climate Change Mitigation Transformation Plan for SECO/WARWICK S.A. and an ESG Roadmap, incorporates climate considerations into strategic projects, and monitors the achievement of emission reduction targets.

1.4.2. disclose the value of the pay equity ratio for its employees, calculated as the percentage difference between the average monthly pay (including bonuses, awards, and other allowances) for women and men for the previous year, and provide information on actions taken to eliminate any inequalities in this regard, along with a presentation of the associated risks and the timeframe within which equality is planned to be achieved.

Company Comment: Regarding pay equity, the Company applies principles of non-discrimination in pay based on gender, and employees' performance is evaluated solely on the basis of their substantive contribution to the development of the Company's operations.
In 2024, the first analysis of the gender pay gap was conducted, revealing variations across locations: Poland 7%, USA 24%, China 30%, India 50%. These differences stem from the employment structure at the C-level and N-1 positions, which is characteristic of the industrial machinery sector.
As part of mitigation measures, guidelines regarding compensation and benefits policies were implemented across the Group, incorporating the principle of equal pay for work of equal value, and recruitment policies were standardized to ensure non-discrimination. Planned actions include continuing the harmonization of HR policies, a succession process for key positions, and monitoring the ratio. The Group has not yet set a specific timeline for the complete elimination of the gap, but is actively working to reduce it.

2.1. The company should have a diversity policy regarding the management board and the supervisory board, adopted by the supervisory board or the general meeting, respectively. The diversity policy sets out diversity goals and criteria in areas such as gender, field of study, specialized knowledge, age, and professional experience, and specifies the timeline and method for monitoring the achievement of these goals. With regard to gender diversity, the condition for ensuring diversity in the company's governing bodies is that the representation of minorities in a given body must be no less than 30%.

Company Comment: The Company does not have a diversity policy regarding the above issue. The Company provides employees (including members of its governing bodies) with equal opportunities for professional development and promotion regardless of skin color, religion, gender, age, nationality, citizenship, minority status, marital status, political views,
disability, or other legally protected status. The composition of the Supervisory Board is the result of decisions made by the General Meeting of Shareholders, while determining the composition of the Management Board falls within the competence of the Supervisory Board.
When selecting candidates, the bodies responsible for appointing members of the Management Board and the Supervisory Board are guided by the Company's current and long-term needs, which are reflected in the consideration of the candidates' professional experience, competencies, and education.

2.2. Those making decisions regarding the selection of members of the company's Management Board or Supervisory Board should ensure the diversity of these bodies by selecting individuals who promote diversity, thereby enabling, among other things, the achievement of the target minimum minority representation rate set at no less than 30%, in accordance with the objectives set forth in

the adopted diversity policy referred to in Principle 2.1.

Company Comment: The composition of the Supervisory Board is the result of decisions made by the General Meeting of Shareholders, while determining the composition of the Management Board falls within the competence of the Supervisory Board. When selecting candidates, the bodies appointing members of the Management Board and the Supervisory Board are guided by the Company's current and long-term needs, which are reflected in particular by taking into account the candidates' relevant professional experience, competencies, and education. As already mentioned in the explanations to section 2.1, factors such as skin color, religion, gender, age, nationality, citizenship, membership in a minority group, marital status, political views, and disability are not criteria in the selection of members of the Management Board and the Supervisory Board.

2.11.6. Information on the degree of implementation of the diversity policy with respect to the Management Board and the Supervisory Board, including the achievement of the objectives referred to in Principle 2.1.

This principle is not applied.

Company comment: Due to the absence of a diversity policy adopted by the Company with respect to the Management Board and the Supervisory Board, this principle is not applied.

3.6. The head of internal audit reports organizationally to the CEO and functionally to the chair of the audit committee or the chair of the supervisory board, if the supervisory board serves as the audit committee.

Company comment: Due to the Company's organizational structure and the scale of the Group's operations, the head of internal audit reports organizationally to the relevant member of the Management Board, while functionally reporting to the Chair of the Audit Committee.

4.1. The Company should enable shareholders to participate in the general meeting using electronic means of communication (e-general meeting) if this is justified by the expectations of shareholders communicated to the Company, provided that the Company is able to provide the technical infrastructure necessary to conduct such a general meeting.

Company Comment: The Company does not conduct General Meetings using electronic means of communication (e-General Meetings). Currently, the Company has not received any expectations from a broader group of Shareholders regarding this matter, which, in the Company's assessment, may result from the shareholder structure. In light of the above explanations, holding a General Meeting using electronic means of communication is not justified due to the significant cost involved. At the same time, the Management Board declares that if such a need is expressed by a broader group of Shareholders, it will make every effort to apply this principle.

6.4. The Supervisory Board performs its duties on an ongoing basis; therefore, the remuneration of its members cannot be contingent on the number of meetings held. The remuneration of committee members, particularly those of the Audit Committee, should account for the additional workload associated with serving on these committees.

Company Comment: The Company does not fully comply with this principle. The rules governing the remuneration of Supervisory Board members are set forth in the Company's remuneration policy adopted by the General Meeting of Shareholders. Members of the Supervisory Board, regardless of their participation in committees operating within the Supervisory Board, receive a fixed remuneration independent of the number of meetings held. Members of the Supervisory Board participating in committees do not receive additional remuneration.

c. Description of the main features of the internal control and risk management systems applied within the SECO/WARWICK Group with respect to the process of preparing financial statements and consolidated financial statements

The Management Board of the parent company is responsible for the Group's internal control system and its effectiveness during the process of preparing interim reports and financial statements prepared and published in accordance with the Regulation of the Minister of Finance of June 6, 2025, on current and interim information disclosed by issuers of securities.
The fundamental objective of the Group's effective internal control system for financial reporting is to ensure the relevance, reliability, and accuracy of the financial information included in interim reports and financial statements. The Group's efficient internal control and risk management system for financial reporting has been established through:

- **a clearly defined division of responsibilities and work organization in the financial reporting process**

The body responsible for preparing the Group's financial statements, ongoing management reporting, and periodic financial reporting is the parent company's finance department, headed by the Chief Financial Officer.
The SECO/WARWICK Group's financial statements are prepared by employees of the parent company's finance department based on financial data contained in the financial and accounting system, following approval by the Chief Financial Officer, taking into account other supplementary data provided by designated employees from other departments of the Group. The complete financial statements, prior to submission to the independent auditor, are reviewed by the Chief Accountant and then by the Chief Financial Officer.
The Group's interim reports are prepared by a team of employees from the finance department based on financial data contained in the financial and accounting system, following approval by the Chief Financial Officer, taking into account other supplementary data provided by designated employees from other departments. Complete interim reports, prior to submission to the independent auditor, are reviewed by the Chief Accountant and then by the Chief Financial Officer.

- **The specific scope of financial reporting practiced by the Group**

Each year, the Group reviews its strategies and business plans in collaboration with senior and middle management. Following this review, a budgeting process covering all areas of the Group's operations is established based on the findings. Throughout the year, the Management Board of the parent company analyzes current financial results by comparing them with the approved budget using the management reporting system applied within the Group, which is based on the Group's accounting policy (International Financial Reporting Standards), taking into account the format and level of detail of the financial data presented in the SECO/WARWICK Group's periodic financial statements.
The accounting policies adopted for statutory reporting are incorporated into the Group's budgeting process as well as the preparation of its periodic management reports.
The Group makes every effort to ensure that the financial statements, interim reports, and other reports presented to investors are based on a consistent accounting policy.

- **Regular review of the SECO/WARWICK Group's results using the financial reporting system employed by the Group**

The financial data serving as the basis for financial statements and periodic reports are derived from the financial and operational reporting maintained by the SECO/WARWICK Group. Employees of the finance department, led by the Chief Financial Officer, jointly analyze the Group's financial results after the accounting close of each calendar month, comparing them to previously set targets while taking business segments into account.
Any errors identified during the analysis are corrected on an ongoing basis in accordance with the adopted accounting policies.
Work on financial statements and interim reports begins after the Chief Financial Officer approves the results for the completed month (period).

- **Requirement to submit financial statements for authorization prior to publication**

Interim reports and financial statements, following completion of the auditor's review or audit, are submitted to the members of the Company's Supervisory Board.
All members of the Supervisory Board have the opportunity to review the content of the report or audit. Any concerns may be discussed with the Chief Financial Officer, who remains at the disposal of the Board members.

- **Verification of the Company's financial statements by an independent certified public accountant**

In accordance with applicable laws, the SECO/WARWICK Group submits its financial statements to an independent auditor for review or audit, as appropriate.

d. Shareholders holding, directly or indirectly, significant stakes in the Company

Table: Shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the General Meeting as of December 31, 2025, and as of the date of submission of this report, are as follows:

Shareholders	Number of shares Number	Share in capital of shares (%)	Share of total votes at the General Meeting of Shareholders (%)
SW Holding	3,387,139	40.32%	3,387,139	40.32%
Generali Open Pension Fund	640,798	7.63%	640,798	7.63%
Quercus Investment Fund Company Joint-stock 475.768		5.66%	475768	5.66%
PKO BP Bank Open Pension Fund	464,484	5.53%	464,484	5.53%

The data in the table is based on notifications from shareholders received by the Company pursuant to Article 69 of the Act on Public Offering.
As of December 31, 2025, SECO/WARWICK S.A. holds 1,130,592 treasury shares, representing a 13.46% stake in the share capital. The Company does not exercise voting rights attached to its treasury shares.

e. holders of any securities conferring special control rights, together with a description of such rights

SECO/WARWICK S.A. (the parent company) has not issued any securities conferring special control rights over SECO/WARWICK S.A.

f. indication of restrictions on the exercise of voting rights, such as restrictions on the exercise of voting rights by holders of a specific portion or number of votes, time-based restrictions on the exercise of voting rights, or provisions under which, with the Company's cooperation, the capital rights associated with securities are separated from the holding of securities

There are no restrictions on the exercise of voting rights, such as restrictions on the exercise of voting rights by holders of a specific portion or number of votes; there are no time-based restrictions on the exercise of voting rights; nor are there any provisions under which, with the Company's cooperation, the capital rights associated with the securities are separated from the holding of the securities.

g. Indication of any restrictions on the transfer of ownership of the issuer's securities

To the best of our knowledge, there are no restrictions on the transfer of ownership of the issuer's securities.

h. a description of the rules governing the appointment and removal of management personnel and their powers, in particular the right to decide on the issuance or redemption of shares

The Company's Management Board consists of two to seven members and is appointed and dismissed by the Supervisory Board, which may appoint any number of Vice Presidents. The Management Board is appointed for a joint three-year term. The Management Board of the parent company consists of the President of the Management Board, Vice Presidents of the Management Board, and members of the Management Board. When appointing members of the Management Board, the Supervisory Board determines which member of the Management Board will serve as President of the Management Board and which as Vice Presidents of the Management Board. The terms of office of Management Board members expire on the date of the General Meeting approving the report on the Management Board's activities, the statement of financial position, and the statement of comprehensive income and losses for the last year of their term. Members of the outgoing Management Board may be re-elected to the new Management Board. The Management Board may appoint a proxy or proxies.
The Management Board has full authority to manage the Company's day-to-day affairs, except for those matters reserved for other Company bodies. The Management Board determines the Company's organizational structure and rules of operation. For this purpose, it may issue regulations or other internal acts. Each member of the Management Board may, without a prior resolution of the Management Board, handle matters not exceeding the scope of the Company's ordinary activities, except in situations where, prior to the matter being resolved, at least one of the other members of the Management Board objected to its handling. Each member of the Management Board represents the Company individually for obligations or the exercise of rights up to the amount of PLN 200,000 (two hundred thousand). In the event of incurring liabilities or exercising rights exceeding PLN 200,000 (two hundred thousand), the joint action of two members of the Management Board, or a member of the Management Board together with an independent proxy, or a member of the Management Board together with one of the persons granted joint proxy authority, is required. In matters exceeding the scope of the Company's ordinary activities, a resolution of the Management Board is required.
Shares may be redeemed either with the shareholder's consent through their purchase by the company (voluntary redemption) or without the shareholder's consent (compulsory redemption), subject to the conditions set forth in the Commercial Companies Code. Shares may be redeemed without the shareholder's consent

pursuant to a resolution of the General Meeting if: the shareholder has been declared bankrupt, enforcement proceedings have been initiated against the shares, a Common Court has ruled in civil proceedings that the shareholder acted to the detriment of the Company, or a final criminal judgment has been issued convicting the shareholder of a crime related to acting to the detriment of the Company.
Compulsory redemption shall be effected for consideration which may not be lower than the value of the net assets attributable to the shares, as shown in the financial statements for the most recent fiscal year, less the amount allocated for distribution among the shareholders. The General Meeting may redeem all or part of a shareholder's shares upon the shareholder's written request. Redemption then takes place at a value determined by a resolution of the General Meeting, provided that for the resolution to be valid, the shareholder requesting the redemption of shares must vote in favor of it. The Company may acquire its own shares for the purpose of their redemption and to achieve the objectives specified in Article 362 § 1 of the Commercial Companies Code. The General Meeting of Shareholders may authorize the Management Board to acquire the Company's shares from shareholders for the purpose of their subsequent redemption. The Management Board has no authority to make decisions regarding the issuance of shares.

i. Description of the rules for amending the parent company's Articles of Association

An amendment to the Articles of Association of SECO/WARWICK S.A., in accordance with Article 430 § 1 of the Commercial Companies Code, requires a resolution of the General Meeting and entry in the registry. The Management Board of SECO/WARWICK S.A. submits the amendment to the Articles of Association to the registry court. The General Meeting of SECO/WARWICK S.A. may authorize the Supervisory Board to establish a consolidated text of the amended Articles of Association or to introduce other editorial changes specified in a resolution of the General Meeting.

j. the manner of operation of the General Meeting and its fundamental powers, as well as a description of shareholders' rights and the manner of exercising them, in particular the rules arising from the General Meeting's rules of procedure, if such rules have been adopted, provided that such information does not result directly from statutory provisions

The General Meeting operates pursuant to the Rules of Procedure of the General Meeting of SECO/WARWICK S.A., adopted by Resolution No. 32 of the General Meeting of SECO/WARWICK S.A. on June 24, 2016. Only persons who are shareholders of the company sixteen days prior to the date of the General Meeting are entitled to participate in the General Meeting. The record date for participation in the General Meeting is the same for holders of bearer shares and registered shares. (Art. 406 [1] of the Commercial Companies Code). Pledgees and usufructuaries who are entitled to vote have the right to participate in the general meeting of a public company if the establishment of a limited real right in their favor is registered in the securities account on the record date for participation in the general meeting. The General Meeting may be attended by persons whose presence is deemed necessary by the Supervisory Board or the Management Board of the Company (Rules of Procedure of the General Meeting
§ 4).
After presenting each item on the agenda, the Chairperson opens the discussion, granting the floor to speakers in the order in which they sign up. A shareholder may speak only on matters included in the agenda within the scope of the item currently under consideration. Each shareholder has the right to one statement and one reply in the discussion of each item on the agenda. (Rules of Procedure of the General Meeting § 14).
Resolutions of the General Meeting are adopted, depending on their subject matter, by a majority of votes required in accordance with the provisions of the Company's Articles of Association, the Commercial Companies Code, and other generally applicable laws. (Rules of Procedure of the General Meeting § 18).
The General Meeting adopts resolutions by open vote, subject to the provisions of paragraph 2 regarding secret ballots ordered: in elections, on motions to remove members of the Company's governing bodies or liquidators, on motions to hold members

of the Company's governing bodies or liquidators, in personnel matters, at the request of even one of the shareholders present or represented at the General Meeting, or in other cases specified in applicable law (Rules of Procedure of the General Meeting § 16).
The Chair of the General Meeting presents the agenda and requests its approval by the General Meeting. In the absence of any objections, it is deemed that the General Meeting has approved the agenda. (Rules of Procedure of the General Meeting § 9). Once the Chair of the General Meeting announces the closure of the list of speakers, no one may be added to the list of speakers, and once the closure of the discussion is announced, no one may take the floor or submit proposals as referred to in the Rules of Procedure of the General Meeting § 15.

In 2025, three General Meetings of SECO/WARWICK S.A. were held, each formally convened, and took place on June 9, 2025 (AGM), September 2, 2025 (EGM), and December 17, 2025 (EGM). The Company's shareholders did not submit any motions to convene a General Meeting in 2025.

The General Meetings were held in accordance with the provisions of the Commercial Companies Code and the rules set forth in the Standing Rules of Procedure of the General Meeting of SECO/WARWICK S.A., in accordance with the principles of the Code of Best Practice for Companies Listed on the Warsaw Stock Exchange 2021. Shareholders had the opportunity to review the content of the draft resolutions, which were published on the Company's website and disclosed in current reports No. 5/2025 dated May 13, 2025; No. 20/2025 dated August 7, 2025; 35/2025 dated November 20, 2025, at least 26 days prior to the General Meeting. The Company accepted the documents presented by the shareholders and their proxies, recognizing their authenticity and the right to represent and participate in the General Meeting.

In 2025, within the scope of its powers, the Annual General Meeting adopted resolutions significant to the Company's operations, including a resolution regarding the approval of the Management Board's report on the Company's activities and the financial statements for the 2024 fiscal year, a resolution on the distribution of profit for the 2024 fiscal year, and a resolution approving the Management Board's report on the activities of the SECO/WARWICK Capital Group and the consolidated financial statements of the SECO/WARWICK S.A. for the 2024 fiscal year, as well as resolutions on granting discharge to the members of the Company's governing bodies for the performance of their duties. A resolution was also adopted expressing an opinion on the Supervisory Board's report on remuneration, a resolution approving the report of the Supervisory Board of SECO/WARWICK Spółka Akcyjna, and a resolution approving the Resolution setting Annual Targets for 2024 adopted by the Supervisory Board in connection with the 2022-2024, on the approval of the Verification Resolution adopted by the Supervisory Board in connection with the 2022-2024 Incentive Program, and on the amendment of the remuneration of Supervisory Board members.

The Extraordinary General Meeting of SECO/WARWICK S.A. on September 2, 2025, adopted resolutions concerning, in particular, the redemption of 1,600,000 treasury shares, the reduction of the share capital from PLN 2 million to PLN 1.68 million, amendments to the Company's Articles of Association, and the adoption of their consolidated text.

The Extraordinary General Meeting of SECO/WARWICK S.A. on December 17, 2025, adopted resolutions regarding the adoption of the amended Remuneration Policy for members of the Management Board and the Supervisory Board, effective as of January 1, 2025, adjusting remuneration to the average remuneration in the enterprise sector as announced by the Central Statistical Office (GUS).

The Chairman of the General Meeting ensured the smooth conduct of the proceedings and respect for the rights and interests of all shareholders. There were no adjournments or interruptions of the proceedings.

Members of the Management Board and the Supervisory Board were available to shareholders and proxies, ready to provide explanations within the scope of their knowledge and applicable law. None of the resolutions adopted at the General Meetings were challenged in court proceedings.

All resolutions adopted in 2025 by the Company's General Meeting are intended to serve the Company's interests while taking into account the rights of other stakeholders. The resolutions adopted by the General Meeting have been published on the Company's website at: www.secowarwick.com.

k. Composition and changes that occurred during the last fiscal year, as well as a description of the activities of the issuer's management, supervisory, or administrative bodies and their committees.

Management Board

Composition of the Management Board

As of the date of publication of these financial statements, as of December 31, 2025, and December 31, 2024, the Management Board of SECO/WARWICK S.A. consisted of the following members:

- Sławomir Woźniak – President of the Management Board,
- Bartosz Klinowski – Member of the Management Board,
- Earl Good – Member of the Management Board,
- Piotr Walasek – Member of the Management Board.

Changes in the composition of the Management Board:

From January 1, 2025, until the date of publication of these financial statements, there were no changes in the composition of the Management Board of SECO/WARWICK S.A.

Principles of the Management Board's Operation

The Company's Management Board operated in accordance with the provisions of the Commercial Companies Code, the publicly available Rules of Procedure of the Management Board approved by a resolution of the Supervisory Board, and in accordance with the Code of Best Practice for Companies Listed on the Warsaw Stock Exchange. The Rules of Procedure of the Management Board outline the division of responsibilities, tasks, and competencies among the Members.

The Management Board is the Company's executive body, managing its day-to-day operations and representing it externally. The Management Board's powers include all matters not expressly reserved for the exclusive authority of the General Meeting of Shareholders and the Supervisory Board. The acquisition and disposal of real estate, perpetual usufruct rights, or interests in real estate does not require the consent of the General Meeting of Shareholders and falls within the exclusive authority of the Management Board.

The Management Board consists of 2 (two) to 7 (seven) members elected by the company's Supervisory Board, who serve as: President, Vice President, and members of the Management Board. The Supervisory Board may appoint any number of Vice Presidents. Members of the Management Board are appointed by the Supervisory Board for a joint three-year term. Each member of the Management Board represents the Company individually for obligations or the exercise of rights up to an amount equivalent to PLN 200,000 (two hundred thousand). In the event of incurring liabilities or disposing of rights exceeding the amount of PLN 200,000 (two hundred thousand), the joint action of two members of the Management Board or a member of the Management Board together with a

or a member of the Management Board together with one of the persons granted joint power of attorney. The Management Board operates in accordance with regulations approved by the Supervisory Board at the request of the Management Board.
In setting both strategic goals and day-to-day tasks, the Management Board was guided primarily by the Company's overriding interests and applicable laws. The Management Board also took into account the interests of the Company's shareholders, employees, and creditors.
In order to ensure the clarity and effectiveness of the management system, the Management Board adhered to the principle of professional conduct within the limits of reasonable business risk, drawing on a wide range of available information, opinions, and analyses.
The Supervisory Board determines the remuneration of Management Board members based on clear procedures. Remuneration for serving as Management Board members was awarded taking into account the economic results achieved, based on the competencies and responsibilities of individual Management Board members. The amount of remuneration for Management Board members is determined based on the Company's Remuneration Policy for Management Board and Supervisory Board Members of Seco/Warwick S.A. and is governed by resolutions of the Issuer's Supervisory Board dated April 21, 2022. The amount of remuneration for Management Board members did not deviate from the level of remuneration for management boards in companies of similar size in the electrical machinery industry.

Supervisory Board

Composition of the Supervisory Board

As of the date of publication of these financial statements, as of December 31, 2025, the Supervisory Board of SECO/WARWICK S.A. consisted of the following members:

- Andrzej Zawistowski - Chairman of the Supervisory Board
- Maciej Karnicki – Vice Chairman of the Supervisory Board
- Jeffrey Boswell – Member of the Supervisory Board
- Marcin Murawski – Member of the Supervisory Board
- Robert Jasiński – Member of the Supervisory Board

Changes in the composition of the Supervisory Board:

From January 1, 2025, until the date of publication of these financial statements, there were no changes in the composition of the Supervisory Board of SECO/WARWICK S.A.

Rules of Procedure of the Supervisory Board

The Supervisory Board of SECO/WARWICK S.A. operates in accordance with the provisions of the Commercial Companies Code, the publicly available Rules of Procedure of the Supervisory Board approved by the Company's General Meeting, and the Code of Best Practice for Companies Listed on the Warsaw Stock Exchange S.A. The aforementioned Rules of Procedure outline the division of responsibilities, tasks, and powers among the members of the Supervisory Board.

The Supervisory Board of SECO/WARWICK S.A. adopts resolutions or issues opinions on matters within its competence in accordance with the provisions of the Company's Articles of Association and in the manner prescribed by the Articles of Association or applicable law.
The Supervisory Board met the requirement of having at least two independent members in its composition in accordance with the adopted independence criteria set forth in the Company's Articles of Association.

In 2025, meetings of the Supervisory Board were held regularly, with the participation of Management Board members, who provided the Board with reliable and comprehensive information on significant issues concerning the Company's operations. The Supervisory Board held five meetings, during which

resolutions on the matters listed on the agenda, which were sent to the members of the Board in the meeting notices.
The provision of any benefits by the Company or related entities to members of the Management Board was approved by a majority of the members of the Supervisory Board.
The remuneration of Supervisory Board members is determined based on the Company's Remuneration Policy for Management Board and Supervisory Board Members of Seco/Warwick S.A. Remuneration for serving as members of the Supervisory Board was granted taking into account the economic results achieved, based on the competencies and responsibilities of individual members of the Supervisory Board. The amount of remuneration did not deviate from the level of remuneration of Supervisory Boards in companies of similar size in the electrical machinery industry. Throughout 2025, members of the Supervisory Board informed the Company's Management Board of any transactions involving the purchase or sale of SECO/WARWICK S.A. shares.
During its work in 2025, the Supervisory Board focused primarily on matters of significant importance to the Company's operations.
As part of its responsibility to define the Company's development strategy, the Supervisory Board conducted several analyses of the long-term development directions of the SECO/WARWICK S.A. Group in light of changes occurring in the market for heat treatment furnace manufacturers, including technological advancements and increasing competition.
Within the scope of its responsibilities regarding the supervision of operations, the Supervisory Board conducted an analysis and performed periodic evaluations of the financial statements of the Company and the SECO/WARWICK S.A. Group; reports on the Company's operations were also analyzed and evaluated.

The Supervisory Board will submit to the Company's Ordinary General Meeting an assessment of the Company's situation, including an assessment of the internal control system and the risk management system relevant to the Company, an assessment of the Company's compliance with its disclosure obligations, an assessment of the rationality of the Company's sponsorship and charitable policies, and an assessment of the work of the Supervisory Board, in 2025, prepared in accordance with the 2021 Code of Best Practice for Companies Listed on the Warsaw Stock Exchange, together with a report on the Board's activities in 2025, prepared in accordance with Article 382 §3 (1) of the Commercial Companies Code.

Supervisory Board Committees

In 2025, the Audit Committee operated within the Supervisory Board, performing analytical and control functions in accordance with the Rules of Procedure of the Supervisory Board and the guidelines of the Act of May 11, 2017, on Certified Public Accountants, Audit Firms, and Public Oversight ("the Act") and the 2021 Code of Best Practice for Companies Listed on the Warsaw Stock Exchange.

The Audit Committee held four meetings in 2025. The Audit Committee's work included analytical and control functions in accordance with the Rules of Procedure of the Supervisory Board, the Rules of Procedure of the Audit Committee, and the guidelines on Good Practices of Listed Companies, in particular:

a) Monitoring the financial reporting process of the Company and the Capital Group, including the analysis of periodic financial results, and informing the Supervisory Board of the results of this work.
b) Monitoring the effectiveness of internal control systems and the risk management system within the Company and the Capital Group (including a review of business scenarios and their impact on the financial situation).
c) Cooperation with the independent auditor, including an assessment of the auditor's independence and a discussion of the plan, schedule, and key areas of the financial

statement audit.

d) Discussing ad hoc risks affecting the Group's operations (commercial, regulatory, and sanction/reputational) and reviewing remedial measures.
e) Preparing and adopting the Audit Committee's annual work plan and monitoring key macroeconomic changes affecting the Group's risk profile.
f) Discussing the results of the internal audit and monitoring the implementation of the internal audit plan.
g) Monitoring the implementation of post-audit recommendations and the timeliness of corrective actions.
h) Monitoring risks, particularly in the area of cybersecurity, including initiating and overseeing cybersecurity tests.
i) Monitoring risk types and the adequacy of internal controls in subsidiaries.
j) Reviewing and updating information in the area of risk management, including legal risk.
k) Reviewing the compliance area and identifying new significant areas of non-compliance risk.
l) Overseeing preparations for non-financial (ESG) reporting, including reviewing the scope of the audit/attestation and the work schedule.
m) Recommending to the Supervisory Board the adoption and publication of financial statements and key reporting documents.
n) Monitoring corrective actions following selected operational audits and overseeing the preparation of materials for subsequent reviews/audits.

All matters discussed at individual Audit Committee meetings were recorded in the minutes of the Audit Committee meetings.

The Audit Committee's systematic reporting of the results of its supervisory and monitoring activities to the Supervisory Board contributed to a better understanding of these areas, improved communication between management and supervisory bodies, and, as a result, enhanced the quality of the monitored processes.

As of December 31, 2025, and as of the date of publication, the Audit Committee consisted of:

1. Marcin Murawski - Chairman
2. Robert Jasiński - Secretary
3. Maciej Karnicki - Member

The statutory criteria of independence, as well as experience and knowledge in the field of accounting and financial reporting, were met by Mr. Marcin Murawski and Mr. Robert Jasiński on the Supervisory Board and the Audit Committee.

Mr. Maciej Karnicki, on the other hand, possesses extensive knowledge and skills in the industry in which the Company operates. He acquired his knowledge during his studies at the Technical University of Dresden and throughout his long professional career, particularly while working at SECO/WARWICK S.A.

Policy for Selecting an Audit Firm

1. During the procedure for appointing an audit firm, the Supervisory Board pays attention to:
   a) the audit team's experience in auditing the financial statements of public interest entities (in particular joint-stock companies whose securities are traded on a regulated market);
   b) the overall competence of the audit team;
   c) financial criteria;
   d) the audit firm's and the audit team's prior experience in auditing the financial statements of companies engaged in activities similar to those of the Company (including with respect to industry and geographic structure).
2. The Supervisory Board makes a decision regarding the selection of the audit firm, taking due account of the principle of the audit firm's independence and after analyzing the work performed by the audit firm at the Company, the scope of which extended beyond the scope of the financial statement audit.
3. The Audit Committee may discuss with the audit firm threats to the audit firm's independence and the safeguards applied to mitigate those threats.
4. Prior to commencing the audit, the audit firm and members of the audit team shall annually submit a statement confirming compliance with the independence requirements referred to in Articles 69–73 of the Act of May 11, 2017, on Certified Public Accountants, Audit Firms, and Public Oversight.
5. The selection of the audit firm and the subsequent conduct of the audit shall be based on applicable legal provisions, in particular the Act of May 11, 2017 on Statutory Auditors, Audit Firms, and Public Oversight (i.e., Journal of Laws of 2023, item 1015, as amended) and the Act of September 29, 1994, on Accounting (i.e., Journal of Laws of 2023, item 120, as amended).
6. The audit will be conducted in accordance with International Financial Reporting Standards and the requirements and principles applicable to the Company, in particular those arising from the best practices of companies listed on the Warsaw Stock Exchange S.A. applied by the Company.
7. It is prohibited to include any contractual clauses that would require the Supervisory Board to select an audit firm from a specific category or list of eligible audit firms.

l. Expenses incurred for sponsorship, charitable, or other similar activities (Principle 1.5 of DPSN2021)

In the 2025 fiscal year, the SECO/WARWICK S.A. Group undertook, among other things, the following activities and incurred the following expenses related to sponsorship and charitable activities:

- - Zielona Góra Speedway Club Falubaz – PLN 12,000.00
- - AZYL NA KOZIEJ Animal Welfare Association – PLN 5,000.00
- - WOŚP e-Skarbonka – PLN 4,400.00
- - Szlachetna Paczka Campaign – PLN 3,926.70
- - Guild of Various Trades and Entrepreneurship – 2,000.00 PLN
- - "MADA" Foundation for Assistance to People with Autism – 2,000.00 PLN
- - Home Hospice – "Fields of Hope" Campaign – 1,675.00 PLN
- - "On the Other Side of Sugar" Association – 1,000.00 PLN
- - Forest Cleanup Campaign – 876.07 PLN
- - Family Day – SECO/FAMILY – 16,873.31 PLN
- - Daffodil Campaign – 2,026.76 PLN
- - Forest Planting Campaign – 1,870.37 PLN
- - Niesulicka Ten – PLN 3,000.00

The total value of expenses related to sponsorship and charitable activities amounted to PLN 56,648.21.

m. Description of the Diversity Policy

The Company does not have a formal diversity policy regarding the Management Board and the Supervisory Board; however, it makes every effort to ensure that its governing bodies and management are diverse in terms of gender, age, education, and professional experience

The goal of diversity management at SECO/WARWICK S.A. is to create a work environment in which every employee feels respected and valued, and in which they can fully realize their potential, thereby contributing to the company's success.

The Company provides employees with equal opportunities for professional development and promotion regardless of skin color, religion, gender, age, nationality, citizenship, marital status, having children, political views, disability, or any other legally protected status.

Decisions regarding the hiring of employees, as well as the selection of members of the Management Board and Supervisory Board, are made based on objective criteria. SECO/WARWICK S.A. strives to ensure the diversity of the Company's governing bodies, particularly in terms of gender, educational background, age, and professional experience, with the primary selection criteria being the candidate's high qualifications, professionalism, and competence to perform a specific role.

The Company's actions are aimed at eliminating discrimination in the workplace and building an organizational culture open to a diverse workforce, which leads to strengthening the Company's market position and competitive advantage.

In accordance with the 2021 Code of Best Practices for Companies Listed on the Warsaw Stock Exchange, we hereby report that over the past two years (2024–2025), the representation of women and men on the Company's Management Board and Supervisory Board was as follows: men – 100%, women – 0%.

15. Significant proceedings pending before a court, an arbitration body, or a public administration authority

In 2025, no significant proceedings concerning the liabilities or receivables of SECO/WARWICK S.A. with any counterparty or its Group were pending before a court, an arbitration body, or a public administration body.

16. Characteristics of external and internal factors significant for the development of the Group's business

External factors:

- The macroeconomic situation observed in the markets where the SECO/WARWICK Group companies operate or plan to expand will have a significant impact on financial results in the future. The Group's growth dynamics will depend on market conditions in its operating markets and key macroeconomic indicators, such as: demand for capital goods, the gross domestic product growth rate, the inflation rate, the unemployment rate, or the value of capital expenditures.
- The SECO/WARWICK Group's ability to achieve its strategic goals may be hindered by the actions of competitors. Any intensification of competition, particularly in Asian countries, may negatively impact the Group's ability to achieve its planned financial results.
- Exchange rate fluctuations, particularly those of the EUR/PLN pair, have a significant impact on the SECO/WARWICK Group's performance. Nevertheless, the Group actively mitigates foreign exchange risk by adjusting the reference prices of its equipment, using hedging instruments in the futures market, and making purchases in EUR and USD.
- The war in Ukraine, described in section 3 of this report.
- Tariffs imposed by the U.S., as described in section 3 of this report.

Internal factors:

- The SECO/WARWICK Group's achievement of its planned financial results depends on retaining professional staff in management and specialist positions within the SECO/WARWICK Group. As in many sectors of the Polish economy, salaries for qualified staff in the sector in which the parent company operates are lower than in other European Union countries, which may encourage employees to seek work abroad. To counter this risk, the parent company is taking active measures, which include, among other things, a stock-based incentive program and financial assistance for tuition and specialized courses. To retain professional staff in the medium and long term, there may be a further increase in employee-related costs, which could result in a decline in the Group's profitability.

17. Information on the adopted development strategy of the issuer and its capital group, as well as the actions taken to implement it during the reporting period, along with a description of the prospects for the issuer's business development for at least the coming fiscal year

The Management Board of Seco/Warwick S.A. ("Issuer," "Company") announced in Current Report No. 17/2023 that on September 26, 2023, by a resolution of the Management Board, the SECO/WARWICK Group Development Strategy for 2023–2026 ("Strategy") following its prior approval and recommendation for implementation by the Company's Supervisory Board on the same date.

The SECO/WARWICK Group Strategy ("Group") outlines the Group's structured and purposeful development, taking into account the rapidly changing market environment, and in particular the opportunities and challenges arising from the environment as well as internal resources, the Group's strong competencies, and its leading position in the global heat treatment and metallurgy markets.

The Group's Mission and Vision are defined in the Strategy as follows:

- SECO/WARWICK Mission:

"Thanks to the experience and expertise of our employees and our collaboration with business partners, we create innovative products that provide our customers with reliable, safe, and environmentally friendly solutions for heat treatment and metallurgy, ensuring business efficiency."

- SECO/WARWICK Vision:

"We want to be the company of first choice in providing solutions for heat treatment and metallurgy.

Innovation and reliability are evident in our thinking and creation everywhere in the world." The

implementation of the Strategy is based on the following directions, reflecting the priority axes of

development:

1. Business agility—the organization's ability to adapt to changing environmental conditions to achieve business objectives.

2. Industry 4.0 – the effective use of Industry 4.0 solutions to streamline processes and develop products within the Group, including activities such as the continued implementation of automation and robotization, as well as solutions based on artificial intelligence.

3. Attractive Workplace – creating an environment based on mutual trust, partnership, and responsibility, supporting professional and personal development, and bridging the needs of different generations, including initiatives aimed at, among other things, increasing employee satisfaction and engagement, boosting efficiency, and maintaining the current turnover rate.

4. Operational excellence – a process of continuous self-improvement within the organization to optimize quality, efficiency, and productivity, including, among other things, improving project execution efficiency and reducing complaint costs.

5. Local autonomy within a global architecture—operational independence of companies in the local market while maintaining the Group's established standards, including, among other things, increased international cooperation within the Group and the development of competitive products by leveraging the local advantages and competencies of companies in the context of local and global requirements and the changing market situation.

6. Business development—increasing sales and product margins within current segments in existing and new markets, including activities such as preparing companies for self-sufficient operations and a flexible production profile to serve the local and

global markets, increasing sales and product margins within current segments in existing and new markets.

7. New business opportunities – seeking and/or creating new business opportunities outside the Group's current operations, including increasing the share of sales from new business areas in total sales.

The Group's strategy within each development area defines objectives and performance metrics, identifying specific strategic projects to be implemented in the coming years. Strategic projects have been grouped into five initiatives—for the Group's key companies, key markets, technologies, or functions within the Group's organization.

The initiatives include the following main strategic actions:

- further building the market shares of local companies in key European and non-European markets (the U.S., China, and India)
- strengthening the position of the Group's technologies (vacuum furnaces, furnaces for aluminum processing—Aluminum Process and Controlled Atmosphere Brazing, melting furnaces) in local and global markets
- strengthening specific functions and ensuring the operational self-sufficiency of local companies in key non-European markets
- leveraging local cost and competency advantages to ensure competitive production of components and equipment for the entire Group
- developing new technologies and markets
- harmonizing the Group's processes and organizational culture on a global scale to achieve business objectives

In 2025, the Management Board pursued strategic objectives by implementing projects under five strategic initiatives covering key areas of the Group's operations, including market and technology development, as well as strengthening operational and organizational efficiency.

The Company's Management Board estimates that the implementation of these strategic objectives will enable the following financial targets to be achieved in 2026:

- consolidated sales revenue of approximately PLN 980 million (CAGR 2022–2026: +12.1%)
- consolidated EBITDA* of approximately PLN 92 million (CAGR 2022–2026: +12.7%).

* The above targets for 2026 were determined based on an exchange rate of USD/PLN 4.2. It should be noted that due to the Group's international operations, there is a risk of exchange rate volatility, and hedge accounting is applied; depending on exchange rate fluctuations, this may result in significant positive/negative foreign exchange differences or gains/losses from the valuation or maturity of hedging instruments. These items are shown in the income statement below the EBITDA level; however, due to their nature, if their values are material, they should be analyzed in conjunction with the EBITDA result. In 2025, the net result on matured instruments or their valuation amounted to PLN 6.5 million.

The Company's Management Board estimates the total value of capital expenditures for the years 2023–2026 at approximately PLN 110 million, of which about 55% is allocated to strategic projects (development of new technologies and product lines, upgrading of production and assembly facilities, and capacity expansion) and 45% to replacement CAPEX. At the same time, the target ratio of consolidated net financial debt to consolidated EBITDA on an annual basis has been set at a maximum of 1.5x.

Furthermore, the Company announces that it is the intention of the Issuer's Management Board for SECO/WARWICK to maintain its status as a company sharing profits with Shareholders during the implementation of the Strategy. The recommendation regarding the payment of dividends will be determined annually, taking into account the Group's growth prospects and operating environment, investment plans and financing options, as well as the current and projected level of liabilities and the Group's financial position.

At the same time, the Management Board informs that the Group is engaged in ESG activities. The first ESG report was published in 2024, and another ESG report will be published in 2025 on a voluntary basis, despite the absence of an obligation under applicable regulations.

The adopted Strategy will be subject to periodic reviews and verification by the Issuer's Management Board, particularly in a dynamic macroeconomic environment. The financial figures presented in this Report represent the targets set by the Company's Management Board in connection with the implementation and execution of the Strategy and do not constitute forecasts. The Strategy's assumptions do not quantify certain initiatives regarding potential new product lines that are in the preliminary (pre-commercial) development stage.

The year 2025 was another year of implementing the seven pillars of the 2023–2026 Strategy. The direction and operational priorities remain unchanged, and the implementation of strategic initiatives is proceeding according to plan.

Revenue growth was lower than originally anticipated. This was due to external factors: the appreciation of the Polish zloty, which reduced the value of foreign currency contracts; a slowdown in the European automotive sector; and order postponements in the U.S. related to customs and macroeconomic uncertainty. The order backlog at the end of 2025 amounted to PLN 668.9 million, compared to PLN 767.3 million a year earlier.

At the same time, we significantly improved the quality of our results: the gross margin rose to 22.4%, and EBIT reached PLN 43.1 million—a 35.7% increase over the previous year. This is the result of deliberate management of our contract mix and cost structure, which has strengthened the Group's fundamentals regardless of revenue growth.

The revenue target of the 2026 Strategy, amounting to approximately PLN 980 million, remains a management target, the achievement of which will depend on the pace of replenishing the order book and market conditions. In the final year of the strategy, the Management Board's priority is to further strengthen profitability and execute the backlog, while fully acknowledging the challenges facing the market environment.

18. Information on major achievements in research and development.

Work conducted by the SECO/WARWICK Group's Research and Development (R&D) Department in 2025:

- **The following development projects were successfully completed:**
  - SECO/SCADA+ Advanced.
  - New low-pressure carburizing algorithm
  - Protection of Seco/Warwick know-how in PLC units
  - Adaptation of the DBA method in the PrepPoMAX program
  - Development of 4DQ systems (FEM simulations)
  - Development of mathematical models for selected furnace parameters
  - Standardized VP modular furnace, phase II

- **A patent application for the invention was filed with the Polish Patent Office:**

- Application No. P.450932, titled “Gas collector module and method for replacing the gas collector in a furnace”
- Application No. P.452133, titled “Furnace for thermochemical treatment”

- **A patent was granted for the invention:**
  - Method and apparatus for directional crystallization of castings with a directional or single-crystal structure

19. Information regarding environmental issues.

Due to the scale and nature of its operations, the SECO/WARWICK Group is subject to environmental regulations in various jurisdictions.

In the course of its business operations, the Company holds two required permits for waste generation and the discharge of gases and dust into the air:

1. Regarding the waste generation permit, the Company holds a renewed permit dated June 16, 2017, valid until June 16, 2027. The Company maintains records of all generated waste. The Company has signed appropriate contracts with specialized waste collection companies that handle waste disposal, recycling, and processing; these companies hold the required permits. In accordance with applicable regulations, the Company is registered in the Database on Products, Packaging, and Waste Management (BDO) under number 00025175.
2. Regarding the permit for the release of gases and dust into the air, the Company holds a renewed permit dated March 21, 2017, valid until March 21, 2027. Measurements of dust and gas emissions into the air are conducted regularly once a year by a specialized external company to monitor pollution emission levels.

SECO/WARWICK Corp. and Retech Systems LLC are not required to obtain any environmental permits. These companies comply with applicable environmental laws in the United States and submit waste disposal reports to the relevant public authorities.
Given the scope of the Capital Group’s current operations, the other companies do not require special environmental permits, and the applicable standards in this regard do not affect the use of property, plant, and equipment by these companies.
The SECO/WARWICK Group, in compliance with relevant regulations established by law or by the relevant administrative authorities, makes every effort to ensure that neither its operations nor the products of those operations have a negative impact on the natural environment. To this end, the SECO/WARWICK Group maintains its production facilities in accordance with technical recommendations and modernizes them, particularly the equipment used for production and for the collection and containment of hazardous waste, and conducts research aimed at minimizing the negative environmental impact of the production lines or furnaces it manufactures. As a rule, companies within the SECO/WARWICK Group comply with the conditions set forth in environmental permits and fulfill the related reporting obligations.
In light of the above, the Company sees no grounds for initiating proceedings against it or against other companies of the SECO/WARWICK Group based on environmental protection regulations. Furthermore, to the best of the Group’s knowledge, no proceedings are currently pending against it or against any other company of the SECO/WARWICK Group, nor have any

proceedings related to environmental protection. The SECO/WARWICK Group is also unaware of any obligations that could be imposed on it or on any other company within the SECO/WARWICK Group in connection with environmental protection regulations.
Detailed information regarding environmental matters is disclosed in Note 36 of this report.

20. Information regarding employment.

Detailed information regarding employment at SECO/WARWICK S.A. is disclosed in Note 30 of the consolidated annual financial statements for 2025 and in section 30.1 of this report.

21. Characteristics of the structure of assets and liabilities in the consolidated statement of financial position, including from the perspective of the Issuer's Capital Group's liquidity.

Information on the characteristics of the structure of assets and liabilities in the consolidated statement of financial position, including from the perspective of the SECO/WARWICK Capital Group's liquidity, as well as a discussion of key economic and financial figures along with key ratios, is presented in section 2 of this report.

22. Presentation of significant off-balance-sheet items by entity, nature, and value.

Significant off-balance sheet items by entity, subject matter, and value are presented in section 2 of this report.

23. Description of the structure of major capital investments made within the issuer's capital group during the given fiscal year.

No capital investments were made in 2025.

24. Significant events having a material impact on the operations and financial results of the issuer's capital group during the fiscal year or whose impact is possible in subsequent years.

Significant events that materially affected the Group's operations and occurred during and after the fiscal year are described in detail in Section 3 of this report.
Events occurring after the balance sheet date are described in detail in Note 37 of the SECO/WARWICK Group's Consolidated Financial Statements for 2025.

25. Characteristics of the policy regarding the capital group's development directions. Main assumptions of the Group's new development strategy for 2023–2026:

The mission and vision defining the operations of the SECO/WARWICK Group ("the Group") for the years 2023–2026 are defined in the Strategy as follows and described in section 17 of this report.

26. Information regarding:

a) the date on which the Company entered into an agreement with an audit firm to audit or review the financial statements or consolidated financial statements, and the term of such agreement,
b) whether the issuer used the services of the selected audit firm, and if so, during what period and what was the scope of those services,
c) the body that selected the audit firm,
d) the audit firm's remuneration, paid or due for the fiscal year and the preceding fiscal year, separately for:
   - the audit of the annual financial statements,
   - other assurance services, including a review of the financial statements,
   - tax advisory services,
   - other services.

The agreement with the entity authorized to audit financial statements was concluded for a period of 3 years, 2025–2027. KPMG Audyt Sp. z o.o. Sp. K., with its registered office in Warsaw at ul. Inflancka 4a, is listed on the register of entities authorized to audit financial statements maintained by the KRBR under number 3546.
In 2025, the Company engaged the services of an audit firm for the following: the audit of the annual separate financial statements of SECO/WARWICK S.A., the consolidated financial statements of the SECO/WARWICK Group, a review of the semi-annual separate and consolidated financial statements, as well as an assessment of the remuneration reports of the Supervisory Board and the Management Board. In addition, the audit firm also audited the financial statements of Seco/Warwick Services.

The Company's Supervisory Board, pursuant to §29(1)(6) of the Articles of Association, under which it is authorized to appoint a certified public accountant, adopted Resolution No. 2/2024 dated March 7, 2024, pursuant to which the audit of the annual separate financial statements of SECO/WARWICK S.A., the consolidated financial statements of the SECO/WARWICK Capital Group, and the review of the semi-annual separate and consolidated financial statements for 2025 was performed by KPMG Audyt Sp. z o.o. Sp. K., with its registered office in Warsaw, at ul. Inflancka 4a.

Table: Remuneration of entities authorized to audit financial statements for the years 2025 and 2024.

Type of service	Remuneration for 2025 in PLN thousand	Remuneration for 2024 in PLN thousand
Audit of the consolidated annual financial statements	841	773
Review of the consolidated financial statements	305	266
Other services	29	28
Total	**1,175**	**1,067**



Statement on Sustainable Development for the Management Board's Activity Report for the Period from January 1 to December 31, 2025

II. STATEMENT ON SUSTAINABLE DEVELOPMENT TO THE MANAGEMENT BOARD'S REPORT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2025

27. General Information

27.1 [BP-1] General Basis for Preparing the Sustainability Statement

This sustainability statement of the SECO/WARWICK Capital Group (hereinafter: "Statement," "Report") has been prepared on a consolidated basis for the period from January 1 to December 31, 2025. The scope of consolidation is consistent with the financial statements. The sustainability statement is prepared on an annual basis.

The Report includes the following companies in the consolidation:

/ SECO/WARWICK S.A. (SWSA), Poland;
/ SECO/WARWICK Services Sp. z o.o. (SWS), Poland;
/ SECO/WARWICK Retech Thermal Equipment Manufacturing Tianjin Co., Ltd (SWR), China;
/ Retech System LLC (RETECH), USA;
/ SECO/WARWICK Germany GmbH (SWGe), Germany;
/ SECO/WARWICK Corporation (SWC), USA;
/ SECO/WARWICK India Private Limited (SWI);

The consolidation did not include companies that do not conduct operating activities and are holding companies:

/ SECO/WARWICK of Delaware, Inc.;
/ Retech Tianjin Holdings LLC;
/ SECO/WARWICK Private Limited (Dubai Branch);

The subsidiaries included in the consolidation were not required to prepare sustainability reports and therefore did not avail themselves of the exemption from individual or consolidated reporting in this regard.

SECO/WARWICK S.A. did not avail itself of the option to be exempt from the reporting obligation under the Act of February 27, 2026, amending the Accounting Act.

The descriptions of policies, actions, objectives, and indicators contained in this statement, as well as the quantitative disclosures, cover all companies of the SECO/WARWICK Capital Group (S/W Group), unless otherwise noted in the disclosure.

The entity did not avail itself of the option to omit information regarding intellectual property, know-how, or innovation results, as well as information regarding expected events or matters subject to ongoing negotiations.

The S/W Group's sustainability statement has been prepared and published for the second time.

The report was prepared in accordance with the following regulations:

/ The Accounting Act of September 29, 1994, implementing the CSRD Directive,

/ Commission Delegated Regulation (EU) 2023/2772 of July 31, 2023, supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards (ESRS),

/ Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on the establishment of a framework to facilitate sustainable investment.

The Greenhouse Gas Protocol (GHG Protocol) was used to calculate the carbon footprint of the S/W Group's operations.

The SECO/WARWICK Capital Group discloses material information regarding the upstream and downstream value chain, derived from an analysis of material flows and business processes within the S/W Group and its business relationships in the upstream and downstream value chain. The S/W Group took into account information provided by its Suppliers and Customers when:

- assessing the materiality of impacts, risks, and opportunities,
- establishing policies, actions, and objectives,
- calculating and disclosing carbon footprint indicators.

27.2 [BP-2] Disclosure of circumstances in the context of reporting

The report adopts time horizons in accordance with the definitions in ESRS 1, Section 6.4, and, in the case of net-zero emissions, the year 2050 as the target date in accordance with the European Green Deal.

Estimates and uncertainty of results

Information sources from the company's own operations, including the ERP system, CRM, and internal databases, were used to estimate the metrics. For the value chain, direct sources (e.g., data from supplier invoices) were used where possible, but most disclosures in this area are based on indirect sources.

A detailed description of the scope of Scope 3 carbon footprint estimation is provided in Chapter E1-6. For subsidiaries, Scope 3 emissions were estimated based on calculations for the parent company SWSA, weighted by revenue adjusted for intra-group transactions.

These estimates were used in cases where relevant quantitative data could not be obtained. Depending on evolving reporting requirements, the S/W Group will consider its approach to quantitative disclosures regarding its own operations and the value chain.

The measurement of Scope 3 greenhouse gas emissions and total greenhouse gas emissions is subject to a high level of uncertainty. The sources of uncertainty are:

- availability of data from customers regarding the carbon footprint of the electricity they use to operate their equipment;
- estimated emission factors and estimation of energy demand for Category 11 of Scope 3;
- availability of supply chain data on the emissions of components;

Assumptions:

- scope of disclosure – the entity determines which emissions in the value chain are material and subject to reporting;
- data sources – selection of information sources (e.g., internal operational data, information from suppliers, information from customers);
- calculation method – the entity decides whether emissions will be calculated based on actual operational data or on standard emission factors;
- assumptions regarding system boundaries – determining which stages of the product life cycle will be included in the scope of categories 10, 11, and 12;
- Equipment service life – a minimum service life of 10 years

Approximations:

- modeling based on representative samples – when actual data on energy consumption of devices at customer sites;
- use of emission factors – e.g., CO_2 emissions per unit of revenue or per unit of cost;
- historical data and extrapolation – if data from previous years is available, emissions can be estimated based on trends;
- conservative scenarios – if there is uncertainty, the entity may adopt more conservative estimates (e.g., assuming higher emissions rather than underestimating them);

Judgments:

- choice of methodology – is it better to use a "bottom-up" approach (based on operational data operational data) or a "top-down" approach (based on macroeconomic models);
- assessment of the materiality of emissions – the entity decides which emissions are significant enough to warrant reporting;
- interpretation of available data – e.g., how to allocate input and output material flows;
- selection of data sources – deciding whether to rely more on external data (e.g., from suppliers) or information in official statistical collections;

Furthermore, data on shipments of finished products were used to estimate the total mass of products and technical materials disclosed in Section E5-4, and the weight of secondary raw materials is based on an estimate of the quantity used in the production of structural steel.

Certifications

The following ISO standards have been implemented at the S/W Group:

SWSA:

ISO 9001: Quality management system.

ISO 14001: Environmental management system.

ISO 45001: Occupational Health and Safety Management System.

ISO 3834: Quality requirements for the fusion welding of metallic materials.

Quality system module H1 compliant with the requirements set forth in Directive 2014/68/EU, implemented into Polish law by the Regulation of the Minister of Development of July 11, 2016, on requirements for pressure equipment and assemblies of pressure equipment.

Internal Control System meeting the requirements of Article 11(2) of the Act of November 11, 2000, on foreign trade in goods, technologies, and services of strategic importance for national security, as well as for the maintenance of international peace and security (as amended).

SWS, SWC, SWR, and RETECH:

ISO 9001: Quality Management System.

All of the above systems are fully certified by an external auditor, which means that the data and procedures covered by these standards have been verified and meet the requirements set forth by them. External certification ensures that the company operates in accordance with best practices and meets international standards.

Incorporation by reference

The Group has not utilized the concept of disclosing information by reference to other documents.

Provisions implemented gradually

The Group availed itself of the option to omit disclosures regarding the expected financial effects arising from impacts, risks, and opportunities in relation to items E1-9 and E5-6, in accordance with the transitional provisions contained in Appendix C to ESRS 1 and ESRS 2 SBM-3, paragraph 48(e), pursuant to Regulation (EU) 2025/1416 of July 11, 2025, amending Delegated Regulation (EU) 2023/2772.

Changes in methodology and data comparability

During the reporting period, no changes were made to the assumptions or ESG reporting methodology used. No material errors were identified in the data for the previous reporting period.

27.3 [Gov 1] Role of administrative, management, and supervisory bodies

In the S/W Group, the administrative, management, and supervisory bodies consist of the Management Board, the Supervisory Board, and the General Meeting of the parent company SECO/WARWICK S.A. There is no employee representation on these bodies. Information regarding professional expertise in accordance with G1 Gov-1 is disclosed below in the description of the members of the Management Board and the Supervisory Board.

Management Board

In 2025, the Management Board consisted of 4 members. The Management Board in this composition was appointed on June 5, 2019, by the Supervisory Board.

- Sławomir Woźniak - President of the Management Board

He began his professional career at SECO/WARWICK in 1994, initially as a service engineer and later as deputy manager of the CAB segment. From 2005, he was responsible for managing the CAB segment. Five years later, he was seconded to the SECO/WARWICK Retech subsidiary in China, where he assumed the position of Deputy Managing Director. He then served as Managing Director of SECO/WARWICK Retech in China from 2011 to 2012. For the next two years, he was appointed Managing Director of SECO/WARWICK Allied in India and Chief Operating Officer of the SECO/WARWICK Group. From 2014 to 2016, he again served as Managing Director of SECO/WARWICK Retech China and, concurrently since 2016, as Managing Director of SECO/WARWICK Allied (India). At the end of 2016, he assumed the position of Managing Director (Asia) and Member of the Management Board at SECO/WARWICK S.A., and in 2018 he became Vice President of the Management Board of SECO/WARWICK S.A. and Chief Operating Officer of the SECO/WARWICK Group. He currently serves as President of the Management Board of the SECO/WARWICK Group. On the Management Board, he is responsible for social impact, human rights, and corporate governance in the areas of: organizational culture and business ethics, political influence and lobbying activities, complaint and violation management, and due diligence. He is not an independent member.

- Bartosz Klinowski – Member of the Management Board

He began his professional career at SECO/WARWICK S.A. in 2003 as an engineer, and after

five years, he was appointed Deputy Director of the Electrical Division. From 2011 to 2012, he served as Vice President of the Management Board of SECO/WARWICK Thermal. From 2013 to 2016, he served as President of the Management Board of SECO/WARWICK Europe Sp. z o.o. At the end of 2016, he assumed the position of Managing Director (Europe) and Member of the Management Board of SECO/WARWICK S.A. On the Management Board, he is responsible for: environmental matters and corporate governance, specifically: supplier relationship management, and the prevention and detection of corruption and bribery. He is not an independent member.

- Earl Good – Member of the Management Board

He has spent most of his professional career at three companies: General Electric Environmental Services, Marsulex Environmental Technologies, and Metso Minerals. Throughout his career, he has held various roles with increasing responsibilities, including various management positions. On January 2, 2019, Earl Good was appointed to serve as a Member of the Management Board of SECO/WARWICK S.A. He is currently Managing Director of Retech Systems LLC and Vice President of the Melting Furnaces Segment. At this time, he has not been assigned responsibility for ESG areas. He is not an Independent Director.

- Piotr Walasek – Member of the Management Board

He began his professional career in 2003 as a Financial Controller at DaimlerChrysler Financial Services in Salzburg and Berlin, where he was responsible for the management accounting reports of DaimlerChrysler companies in Central Europe. He joined SECO/WARWICK as Chief Financial Officer in December 2006 and is responsible within the SECO/WARWICK Group for finance, consolidation and reporting, mergers and acquisitions, investor relations, and treasury, legal, and tax matters. He is a member of the Association of Chartered Certified Accountants (ACCA) in the United Kingdom. Currently Group Chief Financial Officer, Member of the Management Board. On the Management Board, he is responsible for corporate governance in the areas of: risk management (impacts, risks, and opportunities), legal compliance, payment practices, and reporting (including ESG). He is not an independent member.

In terms of product knowledge and the development of product strategies for individual product groups, the Management Board is supported by the VP of Product Groups. The role of the VP of the Product Segment in the S/W Group is crucial for project management and the development of new technologies. The VP monitors the direction of technology development and the shaping of new product concepts.

Supervisory Board

As of the date of publication of this disclosure, the Supervisory Board consists of 5 members:

- Andrzej Zawistowski - Chairman of the Supervisory Board

He is a graduate of the Higher School of Engineering in Zielona Góra. From 1970 to 1984, he was employed at Lubuskie Zakłady Termotechniczne “Elterma” S.A. as a Section Manager. From 1984 to 1986, he was Service Manager at Inter-Vac in Warsaw. From 1986 to 1991, he was a co-owner and director at TransVac s.c. in Świebodzin. From 1996 to 2005, he was a shareholder and served as President of the Management Board of HTC Nitrex in Częstochowa. Since 1991, he has been a co-owner of SECO/WARWICK Sp. z
o.o. From 1991 until February 1, 2007, he served as President of the Management Board. On March 1, 2007, he was hired by SECO/WARWICK S.A. as Director of Strategy. From February 2007 to May 25, 2012, he served as Vice President of the Management Board of SECO/WARWICK S.A. He is not an independent member.

- Maciej Karnicki - Vice Chairman of the Supervisory Board

He is a graduate of the Technical University of Dresden. He also holds an MBA from the University of Economics in Poznań and Georgia State University. He worked at SECO/WARWICK for two years as a sales representative. From 1994 to 2021, he was with the Swiss Krono Group, where from 2000
- 2006 he served as Director of Sales and Marketing at Swiss Krono Polska. He also served as a Member of the Management Board of Swiss Krono Polska (2004–2021) and was President of the Management Board of Swiss Krono Polska (2006–2021), simultaneously serving as a Member of the Management Board of the Krono Group (2006–2016) and President of the Swiss Krono Group (2009–2016). He is an independent member.

- Jeffrey Boswell - Member of the Supervisory Board

He is a graduate of Gannon University. From 1978 to 1983, he worked as a design engineer at Sunbeam Equipment Corp., which was reorganized into SECO/WARWICK Corp. after 1984. From 1984 to 1986, he worked as a design engineer, then from 1987 to 1989 as a product manager, and subsequently as Vice President of Sales at SECO/WARWICK Corp. For the past 12 years, he has served

first as President and later as a Board Member of the Industrial Heating Equipment Association, and for the past 8 years he has been a Board Member of the Cupro Braze Alliance. Since 2005, he has served as President of the Board at SECO/WARWICK Corp. From February 1, 2007, to March 1, 2009, he served as President of the Board of SECO/WARWICK S.A., and he is also Vice President of Retech Systems, LLC. Since April 29, 2009, he has served as a Member of the Supervisory Board of SECO/WARWICK S.A. Since June 18, 2009, he has served as Chairman of the Supervisory Board of SECO/WARWICK S.A. He is not an independent member.

- Marcin Murawski - Member of the Supervisory Board

He is a graduate of the University of Warsaw. He has been a member of ACCA since 2000. He holds a certified public accountant license in the United Kingdom (ACCA Practicing Certificate), a KIBR license (Polish Certified Public Accountant No. 90053), and a CIA license (Certified Internal Auditor). From 1997 to 2005, he was employed at PricewaterhouseCoopers as a Manager in the Audit Department. From November 2005 to November 2012, he served as Director of the Internal Audit and Inspection Department at the WARTA Group and as Secretary of the Audit Committees at TUIR WARTA S.A. and TUNŻ WARTA
S.A. On the Supervisory Board, he serves as Chairman of the Audit Committee. He is an independent member.

- Robert Jasiński - Member of the Supervisory Board

He is a graduate of renowned European business schools. He holds the ACCA International Certificate from the Association of Chartered Certified Accountants and the CGMA Certificate from the Chartered Institute of Management Accountants. Since 2018, he has been a Fellow of the Chartered Institute of Management Accountants (FCMA). From 1996 to 2001, he was associated with UNI-Net as Chief Financial Officer and a member of the Management Board. He subsequently served as Chief Financial Officer of Netia, CEO of UNI-Net, and Director of Integration of Acquired Assets at EI-Net (2001–2005). From 2006 to 2008, he held the position of Group Controlling and Technology Director and CTO Advisor at Telekomunikacja Polska. He devoted the subsequent years of his career (2008–2018) to working with PKN Orlen, where he served as Executive Director of Business Controlling for the Group, Member of the Management Board for Restructuring at Orlen LIETUVA, Member of the Management Board at Orlen Finance and Orlen Capital, and Vice-Chairman of the Supervisory Boards of: Orlen DEUTSCHLAND, Anwil, and Orlen UPSTREAM, and a Member of the Supervisory Board/Audit Committee of UNIPETROL. From 2019 to 2020, he served as an Independent Member of the Management Board of TRACK TEC S.A.

Table: Diversity of Governing Bodies

Management Board	**Number of persons**	**Share [%]**
SWSA	4	100.0%
Women	0	0%
men	4	100%

Supervisory Board	**Number of people**	**Share [%]**
SWSA	5	100.0%
Women	0	0%
men	5	100%

The other companies do not have appointed Management Boards. The companies are managed by Managing Directors (1 woman, 6 men (including 2 who are members of the Management Board)). The Managing Directors report to the Management Board of SWSA.

The number of members of the executive bodies is 4 (Management Board), and of the non-executive bodies is 5 (Supervisory Board).

In 2025, 3 out of 5 (60%) members of the Supervisory Board met the independence criteria as defined by the ESRS.

The Management Board and the Company's management team developed their expertise to oversee sustainability issues. In addition, the Company's governing bodies acquired ESG knowledge through training conducted in the previous reporting period by a consultant.

The responsibilities of Management Board members for ESG areas are defined in a Management Board Resolution. The Group Directive on sustainability reporting covers the principles for preparing and the process of developing the annual Sustainability Statement for the SECO/WARWICK Capital Group. The principles described below pertain to target oversight activities in the ESG area.

Responsible Body	Scope of responsibilities	Form and Frequency of Supervision
Supervisory Board SECO/WARWICK	Oversight and validation of strategic plans of the Capital Group SECO/WARWICK, including sustainable development	Annual supervisory review Additional reviews as needed current needs
Audit Committee SECO/WARWICK	Monitoring the process ESG reporting	Annual supervisory review
SECO/WARWICK Management Board	Business strategy management, including the Group's sustainable development SECO/WARWICK	Review as part of Strategy Committee steering committee regarding strategy
Designated Member of the Group's Management Board Holding	Oversight of the implementation of the Group's ESG Strategy SECO/WARWICK	Status meetings at least once quarter
Directors Managers of the Companies	Coordination and supervision of the implementation of the Capital Group's ESG Strategy group companies	Annual management review during Management Board meetings of the Group Additional reviews as current needs

The SWSA Chief Financial Officer (Member of the Management Board) is responsible for overseeing the double materiality analysis process (impacts, risks, and opportunities), and the Management Board is responsible for its approval (including any changes). The Deputy CFO for Controlling and Reporting (at SWSA) is responsible for coordinating the process of verifying and updating the double materiality analysis (impacts, risks, and opportunities). Managing Directors are responsible for providing the resources to verify and update the operational context (including stakeholder surveys) and the double materiality analysis within the managed company, as well as for ongoing monitoring and reporting on changes in the

context of the organization's operations and the impact of these changes on impacts, risks, and opportunities.

Managing Directors, Directors of organizational units, and individuals designated by the Management Board to improve and enhance the efficiency of ongoing processes (Key Process Owners) assess

the impact of changes in the context of the organization's operations on impacts, risks, and opportunities, and, if required, determine and implement additional measures to capitalize on opportunities or mitigate risks.

If additional actions are necessary as a result of these changes, the Managing Directors of the companies are responsible for their implementation, and monitoring of implementation has been entrusted to the Director of the Integrated Management System (SWSA).

The individuals listed above have many years of experience in the areas for which they are responsible. They develop their competencies through training, participation in conferences, and business contacts. Since sustainable development is an integral part of process management, the development of these individuals also covers ESG areas and trends in this field. The S/W Group has assessment and training procedures that enable the identification and planning of competencies for further development. The S/W Group has also provided training for management on basic knowledge regarding the ESG area.

The responsible individuals participated in the preparation and verification of the double materiality analysis (impacts, risks, and opportunities).

At the S/W Group, every adopted policy and procedure has assigned responsibility for its implementation and reporting. For the most important policies, this responsibility is as follows:

- Sustainability Policy – CEO; (Areas: Environmental, Social, Corporate Governance),
- S/W Group Code of Business Ethics – CEO; (Areas: Environmental, Social, Corporate Governance),
- Group Directive: The SECO/WARWICK Group's Policy and Business Code of Ethics Implementation – Managing Directors (Areas: Environmental, Social, Corporate Governance),
- Group Directive: Purchasing & Suppliers Qualification – Managing Directors (Areas: Environmental, Social, Corporate Governance),
- Group Directive on HR Management – Managing Directors and individuals responsible for HR in companies, as well as management (Social Area)
- Group Directive on H&S Management – Managing Directors (Social Area)
- Group Environmental Management Directive – Managing Directors (Environmental Area)

27.4 [Gov 2] Information provided to and and the issues they address regarding sustainable development

The S/W Group has a double materiality analysis procedure, which was implemented in December 2024 and subsequently updated in December 2025.

Members of the Management Board and the Supervisory Board are kept informed of material impacts, risks, and opportunities during meetings, as well as through the reports and management briefings they receive. Such information is generally provided to the Management Board once a week by senior management. The Supervisory Board meets once a quarter and receives relevant information if significant issues arise.

In November 2024, the Management Board adopted a ROAD MAP for the S/W Group containing sustainable development goals and principles for monitoring them. The established goals are monitored and updated in light of the changing situation. The most recent update took place in December 2025 and included:

- Adjusting the schedule to realistic implementation capabilities
- Ensuring data quality (CSRD/ESRS requirement)

- Response to external factors, including restrictions on energy consumption and distribution imposed by the system operator (ENEA), resulting in temporary disconnections and limitations on the use of energy from photovoltaic installations, as well as the impact on the profitability of renewable energy projects.

The Management Board addresses the S/W Group's significant impacts, risks, and opportunities in its strategy by adopting the Climate Change Mitigation Transformation Plan for the parent company SWSA, the ESG Roadmap, and the policies, codes, and procedures being implemented. These documents outline actions in the following areas:

- E1 (Climate Change – Climate Change Mitigation),
- E5 (Inputs and Outputs, including Resource Use),
- S1 Human Resources (Employment Security, Occupational Health and Safety, Training and Skills Development, Diversity),
- S2 People working in the value chain (Occupational health and safety, Employment security, Forced labor),
- S4 Consumers and end users (Access to information, Occupational health and safety, Personal safety),
- G1 Business Conduct (Management of supplier relationships, including payment practices, corruption and bribery).

The Management Board takes material impacts into account in decisions regarding major transactions by incorporating material impacts into activities related to strategic projects such as the launch of production in India (TIGER project), the expansion of production in China (DRAGON project), and projects related to HR and IT integration within the Group (CROSS project).

List of significant impacts, risks, and opportunities addressed by the Management Board and the Supervisory Board during the reporting period:

No.	Form	Issues
1.	Management Board Meeting	Summary of the process of preparing the first ESG statement , monitoring the status of actions defined in the ROADMAP, analysis of the relevance of the Sustainability Policy and the Code of Ethics, communication with clients via ESG questionnaires, analysis of the legal environment, verification and approval of changes to the ROADMAP and the double materiality analysis
2.	Audit Committee	Due diligence issues in the double materiality analysis process Meeting of the Management Board
3.	Management Board Meeting	Discussion of the results of the verification of the double materiality analysis conducted in the fourth quarter of 2025
4.	Managing Director	Verification of the double materiality analysis
5.	Managing Director	Verification and approval of new Directives • Group H&S Management Directives – Managing Directors (Social Affairs) • Directives Group Environmental Management – Managing Directors (Environmental Division)
6.	Managing Director followed by	Analysis of the auditor's recommendations following the 2024 report, taking appropriate measures to address them, including actions aimed at streamlining processes and mitigating identified risks.

27.5 [Gov 3] Incorporating sustainability-related results into the incentive system

In 2025, similarly to 2024, the SECO/WARWICK Capital Group did not consider sustainability issues when determining remuneration amounts and did not set financial targets linked to ESG goals; therefore, these did not influence the remuneration of members of the company's governing bodies. The remuneration of members of the Management Board and Supervisory Board does not take climate-related issues into account (disclosure E1 GOV-3).

This issue will be analyzed in the coming years.

For management purposes, i.e., non-financial objectives, the focus for 2025 was on implementing the business strategy, including the ESG strategy (as one of the strategic initiatives).

27.6 [Gov 4] Statement on due diligence

Table: Elements of due diligence

Core elements of the due diligence process	**Items in the Sustainability Statement** GOV-2, SBM-3
Incorporation of due diligence into management, strategy, and the business model	SBM-2, S1-2, S1-3, S4-2, S4-3
Engagement with stakeholders over whom the entity has an influence at all key stages of the due diligence process	
Identification and assessment of adverse impacts	IRO-1, SBM-3
Taking action to mitigate identified adverse impacts	E1-3, S1-4, S4-4
Monitoring the effectiveness of efforts and providing relevant information in this regard	E1-5, E1-6, E5-5

27.7 [Gov 5] Risk management and internal controls over sustainability reporting

The SECO/WARWICK Group has a Group Reporting Directive for the purposes of risk management and internal control regarding sustainability reporting, which covers the responsibilities, activities, and principles of cooperation among S/W Group companies and organizational units during the process of preparing the consolidated Sustainability Statement. The main objective is to ensure the proper and timely fulfillment of statutory obligations by defining the scope of responsibility of the persons involved in performing specific activities.

The risk assessment approach includes an expert evaluation of the accuracy of the reporting process by the Deputy CFO for Controlling and Reporting and the Director of the Integrated Management System.

Although the Sustainability Statement is being prepared for the second time for the year 2025, the reporting process still involves risks related to the completeness and integrity of data, the adequacy of the estimates used, and the availability of information regarding the value chain. The Group exercises due diligence to minimize these risks, including through the verification of non-financial data by the Chief Financial Officer.

Findings from the risk assessment and internal controls are periodically communicated to members of the Management Board.

27.8 [SBM-1] Strategy, Business Model, and Value Chain

The Group Capital SECO/WARWICK is manufacturer machining heat for and metallurgy.

The S/W Group's operations are divided into 5 main technology groups:

- / vacuum furnaces,
- / atmospheric furnaces,
- / aluminum heat treatment lines (Aluminum Process+ Controlled Atmosphere Brazing),
- / melting furnaces,
- / maintenance services.

The S/W Group consists of seven operating companies headquartered on three continents, serving customers in 70 countries, with manufacturing facilities in Poland, the U.S., India, and China. In April 2025, SECO WARWICK USA HOLDING LLC, SECO VACUUM TECHNOLOGIES LLC, and SECO/WARWICK Corporation were effectively merged into a single company named SECO/WARWICK Corporation.
In the second quarter of 2025, the parent company lost control over its subsidiary SECO/WARWICK Rus, based in Russia, due to a lack of access to financial, administrative, and operational data, and consequently the inability to effectively influence the company's operations. The Group comprises sales and service companies located in countries such as Germany, Poland, and the USA.
The number of employees by geographic region is presented in Chapter S1-6. Total revenue for 2025 amounted to PLN 745,923 thousand (2024: PLN 712,825 thousand).

Given the Group's specialization, markets characterized by a high share of industry in the economy—including those with access to natural resources and focused on modern technologies—are of strategic importance to its operations. Given the volume of sales, the strategic markets for the SECO/WARWICK Capital Group's operations are, in particular, the EU market, the North American market, as well as the Asian market, specifically China and India.

The Group supplies standard or custom-designed, state-of-the-art heat treatment equipment and technologies for: the aerospace industry, commercial heat treatment, the defense industry, the tooling industry, the minting industry, the medical industry, the automotive industry, and the energy sector.
Approximately 80% of the Group's revenue comes from services provided to the following industries: aerospace (30%), automotive (30%), and energy (20%).
The breakdown by geographic region is determined based on the location of the markets. The following regions have been identified:

- the European Union market,
- the North American market,
- the Asian market,
- other countries.

Main product groups:

The SECO/WARWICK Group's operations include end-to-end solutions for the supply of aluminum heat treatment systems and CAB lines, technologies and equipment for heat treatment in vacuum and protective atmospheres, vacuum metallurgy, as well as professional after-sales services.

Aluminum Heat Treatment Systems and CAB Lines

Furnaces and systems for aluminum heat treatment and CAB (Controlled Atmosphere Brazing) are designed according to individual customer needs, allowing processes to be tailored to

the specific characteristics of the charge and performance and quality requirements. Thanks to this customized approach, the customer is able to reduce energy consumption and other resource usage while meeting required aerospace, automotive, or environmental standards.
Aluminum Heat Treatment Systems and CAB Lines are used in particular in the automotive, machinery, energy, aerospace, marine, chemical, defense, and electronics industries.

Technologies and equipment for vacuum heat treatment

The SECO/WARWICK Group offers modern, precise, energy-efficient, and environmentally friendly equipment backed by a guarantee of vacuum heat treatment technology. The Company's experience in developing such solutions dates back to the 1970s, when vacuum heat treatment technologies were first introduced in the aerospace, automotive, defense, metallurgical, medical, nuclear, and toolmaking industries. These systems feature a compact and modular design with a dynamic and efficient heating system that offers precise control and excellent temperature distribution within the working chamber.

Vacuum metallurgy technologies and melting equipment

Vacuum metallurgy equipment is manufactured at S/W Group facilities in the United States, Poland, and China—regions where the demand for highly advanced melting and casting technologies is greatest.
The technologies and equipment we offer are most widely used in the aerospace, energy, defense, medical, automotive, nuclear, and powder metallurgy industries.

Furnaces for heat treatment of metals in atmospheres

In the production of solutions for atmospheric heat treatment, we draw on our extensive experience and state-of-the-art technologies to simplify installations, reduce capital costs, and minimize the consumption of process media. S/W Group solutions are used in various heat treatment processes, such as normalizing, stress relieving, annealing, spheroidizing, austenitizing, tempering, and supersaturation. The technologies and equipment we offer are most widely used in the following industries: aerospace, automotive, machinery, energy, bearings, fasteners, and commercial heat treatment.

Professional After-Sales Services

Aftersales focuses on the reconstruction, modernization, and modification of equipment owned by the customer, including equipment from other manufacturers. This also includes the sale of spare parts and other after-sales services. As part of SECO/ENGINEERING, the Group also offers professional engineering services tailored to the individual needs of the customer.

The SECO/WARWICK Capital Group also conducts R&D activities. Research and Development shape the future of the SECO/WARWICK Group and widen the gap between the Group and its competitors. The Group's activity in this area is evidenced by the number of patents, implemented projects, conducted studies, and collaborating universities and research institutions. The R&D team conducts research, calculations, and comprehensive analyses for external entities, institutions, universities, and commercial clients. It conducts its own unique research, performs comprehensive metallographic tests, develops acquired or purchased technology, and collaborates with product departments to create unique solutions. Through its automation services and products, the S/W Group supports customers in implementing Industry 4.0 concepts and technologies and in effectively managing processes.

The products and services presented enable the S/W Group to offer customers comprehensive modernization of their lines utilizing thermal processes in metalworking to reduce greenhouse gas emissions

through electrification and the use of more energy-efficient technologies.

The S/W Group's business model is based on the careful selection of suppliers, and for critical components and services, cooperation is based on long-term contracts. The supply chain does not include the procurement of raw materials, but only finished materials, components, or equipment for the production of devices. In 2024, the S/W Group took on the challenge of developing an innovative and eco-friendly device and technology for Free High-Pressure Gas Quenching by Single-Piece Flow with high precision, control, and minimization of quenching distortions, as an alternative to quenching in presses. Furthermore, to ensure the improvement of product quality and safety, the infrastructure requirements for testing and conducting technological trials of all technologies are being analyzed.

The S/W Group's sustainability goals regarding its products and stakeholders are included in the ESG Road Map, which was adopted by the parent company's Management Board in November 2024 and updated in December 2025. These goals are described in the respective thematic chapters.
The S/W Group has not assessed its current significant products or services, nor its significant markets and customer groups, in relation to its sustainability goals.

Value Chain

The SECO/WARWICK S.A. value chain diagram is based on the flow of materials, services, and products. It covers the stages of sourcing components and services, the internal processes required to deliver products to the customer, the customer's use of the products, and the end of their service life.

UPSTREAM	WŁASNA DZIAŁALNOŚĆ		DOWNSTREAM	
KLUCZOWI INTERESARIUSZE				
/ Dostawcy i podwykonawcy (TIER 1)	/ Pracownicy / Udziałowcy, Rada Nadzorcza, rynek kapitałowy / Konkurencja		/ Klienci	
INTERESARIUSZE				
/ Sąsiedztwo Spółki / Jednostki nadzoru (urzędy oraz organy nadzoru rynku), instytucje regulacyjne / Przyroda	/ Auditorzy wewnętrzni / Związki zawodowe / Jednostki nadzoru (urzędy oraz organy nadzoru rynku), instytucje regulacyjne / Jednostki auditowe, certyfikujące / Szkoły, uczelnie, instytuty badawcze / Sąsiedztwo Spółki / Ubezpieczyciel / Administracja publiczna (lokalna) / Organizacje pozarządowe / Instytucje finansujące / Organizacje branżowe / Media, Dziennikarze / Przyroda		/ Sąsiedztwo Spółki / Jednostki nadzoru (urzędy oraz organy nadzoru rynku), instytucje regulacyjne / Przyroda	
DOSTAWY	**PROCESSY W SECO/WARWICK S.A.**	**SPRZEDAŻ**	**UŻYTKOWANIE**	**ODPAD**
Surowce - nie dotyczy Komponenty do produkcji (np.: elementy elektryki i automatyki, komponenty metalurgiczne, materiały izolacyjne, paliwa, opakowania) Inne materiały wymagane do działalności Spółki (np.: meble, urządzenia Iti oprogramowanie, urządzenia i części zamienne do nich, auta) Usługi(np.: kooperacja, media, laboratoria, serwis IT, telekomunikacja, konsulting, certyfikacja, usługi utrzymania ruchu, transport, banki, ubezpieczenie)	**Procesy operacyjne:** / Sprzedaż (właczając koncepcję) / Projektowanie / Zakupy i magazynowanie (włączając kooperację) / Produkcja własna i montaż / Testowanie / Wysyłka (włączając dostawy materiałów i wysyłkę do klienta) / Uruchomienie / Serwis / Kontrola jakości / Zarządzanie projektami operacyjnymi **Proces strategiczny:** /Przywództwo i zarządzanie strategiczne (włączając zarządzanie stosunkami z inwestorami, zgodnośc z prawem, administrację, audit wewnętrzny,zarządzanie procesami i ich doskonaleniem) **Procesy wspierające:** / Kontrola eksportu / Ochrona infomracji i zarządzanie zasobami IT / Finanse (włączając księgowość, controlling, raportowanie) / Zarządzanie zasobami ludzkimi / Marketing / Planowanie /Zarządzanie środowiskowe / Zarządzanie infrastrukturą (włączając inwestycje i utrzymanie ruchu) / Zarządzanie BHP i P.poż / Badania i rozwój	Sprzedaż odbywa się poprzez budowanie relacji, udział w targach, konferencjach i eventach branżowych. Rozwiązania dopasowane do potrzeb klienta są przygotowywane w odpowiedzi na zapytania. Klient otrzymuje wsparcie w całym cyklu życia produktu – serwis posprzedażowy (serwis, części zamienne).	Klienci z branży: / lotniczej / komercyjnej obróbki cieplnej / obronnej / narzędziowej / menniczej / medycznej / motoryzacyjnej / energetycznej wykorzystujacy urządzenia S/W. Zastosowanie może również obejmować usługi konserwacyjne w celu wydłużenia cyklu życia produktu.	Zarządzanie odpadem jest w odpowiedzialności użytkownika koncowego (Klient lub firma, która odkupiła urządzenie od klienta). Typy odpadów: / urządzenie (koniec cyklu życia, nie spełnia wymagań klienta lub prawa, głownie metal, komponenty elektryczne i elektroniczne, izolacja, w małych ilościach może być też odpad niebezpieczny) / części zamienne (zuzyte lub uszkodzone, głownie metal, komponenty elektryczne i elektroniczne components, izolacja, w małych ilościach może być też odpad niebezpieczny) / opakowania (po dostawie, głównie folia, drewno i papier) / odpad z procesu (uzależniony od procesu prowadzonego przez Klienta i obrabianych mateirałów)
Transport materiałów do firmy		Transport do Klienta (urządzenie, części zamienne, serwis)		

Equipment is manufactured in Poland, the U.S., India, and China.

Purchases of materials and components are made primarily in the EU, the U.S., China, and India. With a wide range of suppliers and access to many markets, the SECO/WARWICK Group is not dependent on any single component supplier, thereby ensuring uninterrupted equipment production.

Sales and distribution of products to customers are organized directly by the companies in each country.

The primary users of the equipment are operators and technical services.

The S/W Group acquires, develops, and secures its investments in:

- purchasing materials,
- the development of modern technologies,
- development of digital technologies for device management,
- recruitment and training of employees.

Investments in the development of the above areas are made through:

- investments in equipment modernization and the implementation of new technologies that improve operational efficiency and reduce material losses,
- improving project management processes through digitization and the integration of progress monitoring systems,
- enhancing team competencies through training programs in sustainable development, risk management, and innovative technologies in metal heat treatment,
- implementing quality and safety certification systems,
- applying risk management procedures including audits and equipment insurance,
- optimization of warehouse processes.

27.9 [SBM-2] Stakeholder Interests and Views

The SECO/WARWICK Capital Group engages in dialogue with key stakeholders and takes their opinions into account in day-to-day operational decisions and when formulating strategies. The Management Board receives reports summarizing the results of stakeholder opinion surveys. These reports serve as the basis for incorporating stakeholder expectations into the strategic and operational decision-making process. Detailed information can be found in the thematic sections.

Based on the mapped value chain, a list of stakeholders was prepared and subjected to a materiality analysis for the Group. For stakeholders to be considered key, they must achieve the required number of points regarding the assessment of the Group's impact on stakeholders or the stakeholders' impact on the Group.
Stakeholders, their needs, and expectations must be reviewed prior to each update of the double materiality analysis.

The principles of dialogue with key stakeholders are described in the table below.

No.	Stakeholder	Group characteristics	Frequency of engagement	Communication of communication/ method of engagement
1.	Employees	Employees in all forms of employment, including former and future employees.	Ongoing	Public consultations (depending on notice boards, employee council, internal portal – intranet, employee surveys, current and periodic reports, special events, job postings, internal training, employee evaluations. Notice boards, SECO/SFE newsletter, SECO/SPHERE newsletter.
2.	Shareholders, Supervisory Board, capital market	Capital market participants, shareholders, bondholders, rating agencies.	Periodic	Indirect: Annual reports, periodic; Direct: General Meeting, press releases, investor relations portal, visits to the company's headquarters, webinars
3.	Clients	Legal entities or entities without legal personality to whom the Group provides services or sells its products as part of its business operations.	Ongoing	Direct contact (face-to-face meetings), emails, mailings, conferences, website, annual non-financial reports, newsletter, social media, webinars, company SEMINAR, trade shows
4.	Suppliers and subcontractors	Suppliers and subcontractors across the entire value chain.	Continuous, Dependent on the level of cooperation and current needs	Face-to-face meetings (negotiations), emails, phone calls, annual supplier evaluation, annual and periodic reports, Code of Ethical Business Conduct, General Terms and Conditions of Purchase (GTCP) and General Terms and Conditions of Supply (GTCS)
5.	Competition in this	Companies operating same niche, both domestic and foreign.	depending on needs	Conferences and industry events, trade shows, the Internet, media

27.10 [SBM-3] Significant influences, risks, and opportunities, and their interrelationships with the strategy and business model

The S/W Group has identified areas of impacts, risks, and opportunities that are significant to its operations and is taking steps to minimize risks and negative impacts and to capitalize on opportunities.
During the period under review, there were no changes in the list of significant impacts, risks, and opportunities, but their descriptions were clarified.

Table: Significant influences, risks, and opportunities

ESRS	Topic	Subtopic Smaller thematic unit	Impact/Risk/ Opportunity	IRO description	Focus area of the business model, own operations, value chain
ESRS	Change	Mitigation	negative impact	Greenhouse gas emissions associated with	upstream processes, operations
E1	climate	climate change	actual short term	business and value chain in scopes 1, 2, and 3	own, downstream
			positive impact potential medium-term	Decarbonization measures undertaken by the organization in the ESG Road Map and described in the for climate mitigation, leading to a reduction in its carbon footprint in Scopes 1, 2, and 3.	upstream, operations own, downstream
			risk Medium-term	Taxes and environmental regulations (e.g., CBAM, EUDR, environmental requirements of target markets) adversely affect prices of production materials and the products offered..	upstream, operations own operations, downstream

	long-term Long-term	Loss of reputation for the entire fossil fuel-fired furnace sector , resulting in investors turning away from it.	upstream, own operations, downstream
	Opportunity long-term	Building a competitive advantage through innovations in low-emission or zero-emission technologies.	own operations
	Opportunity long-term	Increasing sales through regulatory pressure on clients in reducing their emissions.	proprietary operations, downstream
	Risk Medium-term	Increasingly stringent legal requirements regarding efficiency, carbon emission limits, and ESG.	In-house operations
	Risk long-term	Changes in customer preferences, competition from low-carbon products.	upstream, operations own, downstream
	Risk long-term	Competition from producers using low-carbon technologies, asset impairment.	own operations, downstream
	positive impact actual medium-term	Implementation of climate change adaptation measures in its production facilities and products.	own operations
Energy	Risk Short-term	Rising energy prices associated with the energy transition and rising greenhouse gas emission fees.	upstream, own operations, downstream
	opportunity medium-term	~~Increased energy efficiency through investment~~ in solutions to improve it.	own operations

			positive impact actual short-term	Renewable energy production in PV installations.	in-house operations
ESRS E5	Economy cycle closed	Resources introduced, in including the use resources.	opportunity medium-term	A product line based entirely or largely to a degree on materials derived from secondary	upstream operations own, downstream
			risk Medium-term	Rising raw material costs associated with the introduction of a package of legal solutions related to the Green Deal	upstream, operations own, downstream
		Resources derived related to products and services.	opportunity medium-term	Application of eco-design principles to expand the product range with new innovative, energy-efficient and powered by renewable energy product lines	upstream, downstream
ESRS S1	Our resources labor	Working conditions – security employment.	positive impact real medium-term	Stable employment conditions provide a sense of safety for employees and their families.	in-house operations
			opportunity medium-term	Employment stability enhances the Group's attractiveness as employer.	proprietary operations
		Working conditions – working hours.	Risk Short-term	Deterioration of working conditions, incidents involving violations of labor, human, and civil rights, or a decline in the company's attractiveness as an employer in the region resulting in higher turnover in key positions and a decline in employee morale and productivity.	Own operations

Working conditions – adequate pay.	positive impact actual medium-term	Competitive compensation in local labor markets has a positive impact on employees and team stability.	In-house operations
Working conditions – occupational safety and health.	positive impact actual short-term	Creating appropriate conditions for effective, safe work. Implementation of ISO 9001, 14001, and 45001 systems to more effectively manage work methods and conditions (at SWSA). Compliance with employee rights and human rights as defined in the Code of Ethical Business Conduct.	own operations
	negative impact potential short-term	Failure to apply health and safety principles in production.	own operations
Equal treatment and equal opportunities for all—gender equality and equal pay for work of equal the value itself.	opportunity Medium-term	An open organizational culture, adherence to the Code of Ethical Business Conduct by employees, resulting in inclusivity, equal treatment, and equal opportunities for all employees.	own operations
Equal treatment and equal opportunities for all - Training and development skills.	positive impact actual medium-term	Continuous improvement of our employees' competencies. Developing an attractive portfolio of external and internal training programs. Expansion of training programs.	In-house operations

		Equal treatment and equal opportunities for all - Measures to prevent violence and harassment in the workplace.	Positive impact, real, short-term	An open organizational culture, adherence to the code of ethics by employees resulting in inclusivity, equal treatment, and equal opportunities for all employees.	own operations
		Equal treatment and equal opportunities for all - Diversity.	potential negative short-term impact	Cultural differences.	In-house operations
			risk short-term	Discrimination incidents.	In-house
		Other related to work - Privacy.	risk short-term	operations Failure to comply with employee privacy policies.	In-house
ESRS S2	Employees in the value chain	Working conditions - Occupational safety and health.	positive impact actual medium-term	Impact of corporate and organizational culture, as well as adopted policies and codes, on suppliers and subcontractors regarding human rights and respect for labor rights.	upstream, downstream
		Other labor-related rights - Job security.	positive actual medium-term impact	The impacts on employees in the value chain result from the adopted practices regarding the selection of suppliers and subcontractors, the selection of technologies and installation components used, as well as from the adopted approach and practices regarding due diligence in the supply chain.	upstream, own operations, downstream
		Other related to work -	positive impact actual Medium-term	Impact of corporate and organizational culture, adopted policies, and codes on suppliers and sub-suppliers in	upstream, own operations, downstream

		Forced labor.		child labor, forced labor, and privacy in the workplace.	
ESRS S4	Safety personal consumers or users end users	Safety and occupational hygiene.	positive impact actual medium-term	Impact of the Group's product quality on increasing consumer and user safety end users.	in-house operations, downstream
		Security people.	negative impact potential medium-term	Equipment operators who fail to comply with guidelines regarding operational safety equipment may be subject to accidents.	own operations, downstream
			risk medium-term	Failures and incidents related to the products offered resulting in serious safety breaches.	in-house operations, downstream
	Impact information on consumers or end users end	Access to information (high-quality).	positive impact actual medium-term	Developing various channels of communication with users end-users. Training and workshop offerings for clients. Providing high-quality product documentation.	in-house operations, downstream
ESRS G1	Cultivating corporate economic	Culture corporate.	risk medium-term	Communication errors, poorly executed marketing, unreliable or erroneous reporting sustainable development, and consequently losses reputational damage and financial penalties.	upstream, operations own, downstream

Cybersecurity and data protection.	risk Medium-term	Risk of cyberattacks and data breaches, financial losses, potential penalties.	upstream, own, downstream
	positive impact actual long-term	A company data protection and cybersecurity policy that enhances resilience against external attacks and data breaches.	upstream, own, downstream
Corruption and bribery. Prevention and detection, including training.	Opportunity medium-term	Implementation and enforcement of anti-corruption policies and procedures within the organization.	own operations
Management supplier relations, including payment payment practices.	risk Medium-term	Risk of Violation of the Code of Ethical Business Conduct Business during internal operations and throughout the value chain.	upstream, own operations, downstream
	positive impact actual long-term	Compliance with the Supplier Code of Ethics, due due diligence in supply chains, sustainable supply.	upstream, operations own, downstream
	Opportunity long-term	Modification of purchasing policy resulting in a reduction carbon footprint of raw materials for production and ESG risks - building sustainable supply chains	upstream, operations own
	Risk Medium-term	Risk of non-compliance with the Code of Ethics Business Conduct in supply chains (environment, human rights, labor rights, corruption)	upstream, operations own, downstream

The identified risks, impacts, and opportunities stem from the business model and the implemented strategy.

In 2025, there were no financial impacts of the risks. The S/W Group also does not expect any material adjustments to the financial statements in 2026 due to the identified impacts, risks, and opportunities.

The business model is resilient to the identified impacts and risks and capitalizes on opportunities. The methods for managing impacts, risks, and opportunities are described in the sections dedicated to the respective areas.

27.11 [IRO-1] Description of processes used to identify and assess material impacts, material risks, and material opportunities

In 2024, the SECO/WARWICK Capital Group conducted a comprehensive double materiality assessment. An initial identification of key sustainability issues was carried out during workshops with the ESG Team. Subsequently, the list was supplemented with sector- and entity-specific issues.

Based on the mapped value chain, a list of stakeholders was prepared.

As a result of the workshop, the following groups of key stakeholders were identified:

- Customers,
- Suppliers and subcontractors,
- Shareholders, the Supervisory Board, and the capital market,
- Employees,
- Competitors.

See [SBM-2]

The next step was to assess stakeholders' perceptions of the importance of sustainability, which included:

- a CAWI (Computer-Assisted Web Interview) survey among 623 employees of the S/W Group,
- in-depth interviews (IDI) with four stakeholder representatives from the customer, supplier, and shareholder/capital market groups, as identified by the ESG Team,
- a focus group interview with representatives of one of the key customers,
- a CAWI survey conducted among the S/W Group's customers and suppliers, of whom 17 responded to the survey,
- desk research analysis of issues reported by competitors.

A key stage in assessing the materiality of impacts was the identification of priority sustainability issues and the resulting IROs (impacts, risks, and opportunities), conducted based on stakeholder research and prior internal and external analyses, including:

- an ESG gap audit of the company conducted between September and December 2023;
- an analysis of the company's business model, products, services, and their geographic locations;
- an analysis of the carbon footprint inventory and the Climate Change Mitigation Transformation Plan prepared for SECO/WARWICK S.A.;
- an analysis of the ESG Industry Materiality Map published by MSCI3 for the industrial machinery sector;
- an analysis of the SASB Standards for the "Industrial machinery & goods" sector.

Subsequently, further workshops were held with the ESG Team, during which:

- the final list of sustainability issues was established, based on the Company's environmental and social impacts as well as the financial impact on the Company's operations;
- each issue was reviewed and discussed to describe its impact;
- the Company's actual and potential negative and positive impacts on people and the environment were identified and assessed;
- The impact (severity) of the effects related to the selected issues was assessed in terms of scope/scale (in accordance with ESRS 1 guidelines).

Impact parameters were assessed on a scale of 1 to 5 for:

/ actual negative impacts with respect to: scale of impact, scope of impact, reversibility;
/ actual positive impacts with regard to: scale of impact, scope of impact,
/ potential negative impacts with respect to: scale of impact, scope of impact, likelihood of impact, and reversibility;
/ potential positive impacts in terms of: scale of impact, scope of impact, and likelihood of impact.

The assessment of risks and opportunities that may have financial implications for the Company and are related to identified impacts and dependencies on natural, human, and social resources was conducted in consultation with representatives responsible for financial management. The identified risks and opportunities were assessed for financial materiality to the S/W Group.

In accordance with ESRS 1 guidelines, the assessment of financial materiality was conducted using a scale from 1 to 5:

- the potential financial impact of the identified risks and opportunities, and
- an assessment of the likelihood of their occurrence

taking into account the short-, medium-, and long-term time horizons.

The method for identifying and assessing physical and transitional risks, along with the conclusions, is described in Chapter E1 – **ESRS 2 SBM-3.**

In the process of assessing the significant impacts, risks, and opportunities of the circular economy (topic E5), purchased components and materials were analyzed, including structural steel, copper (including wiring), electronics, graphite, and services in terms of energy consumption, potential pollution generated, and the impact of their extraction on biodiversity and water resources. Additionally, the impacts of product use were assessed in terms of demand for industrial gases, energy carriers (including natural gas), and the potential for future equipment recycling. This analysis covered all equipment groups manufactured within the Seco/Warwick Capital Group.

The political opportunities and risks associated with the transition away from natural gas as a fuel, as well as the effects of rising energy costs, were assessed.

In the production of equipment, the Group does not use resources subject to potential legal or political risks that could result in a ban on their extraction or use. The analysis did not identify any physical risks associated with the potential depletion of resources used in production.

The analysis revealed business opportunities related to the long service life of the equipment, the possibility of modernizing it to improve process parameters and control quality, and the implementation of eco-design principles to increase equipment efficiency by shortening customers' production processes

and heat treatment of the components they produce, which will result in reduced consumption of energy and process gases.

The results obtained were evaluated and categorized according to the level of impact significance and financial significance.

Using a five-point scale, the following significance thresholds were adopted, corresponding to the scores obtained during the analyses:

− minimal significance: 0 - <2;

− medium significance: ≥2 - <3;

− significant materiality: ≥3 - <4;

− critical significance: ≥4.

All risk impacts and opportunities that achieved a materiality threshold of ≥ 3 were considered material.

The described process for identifying and assessing material impacts, risks, and opportunities was reviewed in 2025, confirming its validity and the absence of changes to the list of material impacts, risks, and opportunities. The verified assessment was approved by the Management Board.

28.11 [IRO-2] Disclosure requirements under the ESRS covered by the entity's sustainability statement

Disclosure code	Disclosure title	Chapter in the
ESRS 2 GENERAL DISCLOSURES		
BP-1	General basis for Statement on	27.1
BP-2	Disclosure of information regard to specific circumstances	27.2
GOV-1	The role of administrative, management, and supervisory bodies	27.3
GOV-2	Information provided to the entity's administrative, management, and supervisory bodies and matters related to sustainable development addressed by them	27.4
GOV-3	Incorporation of sustainability performance into incentive schemes	27.5
GOV-4	Due Diligence Statement	27.6
GOV-5	Risk Risk and internal internal over sustainability reporting	27.7
SBM-1	Strategy, business model, and value chain	27.8
SBM-2	Stakeholder Interests and Opinions	27.9
SBM-3	Material impacts, risks, and opportunities, and their interrelationships with the strategy and business model	27.10

IRO-1	Description of processes used to identify and assess significant impacts, significant risks, and significant opportunities	11/27
IRO-2	Disclosure requirements under the ESRS covered by the entity on sustainability	12/27
E1-1	Transition plan for climate change mitigation	Jan. 28
E1-2	Policies related with mitigation climate and and adaptation	28.1.2
E1-3	Actions and resources related to climate policy	28.1.3
E1-4	Objectives related to mitigation climate climate and adaptation 28.1.4	
E1-5	Energy consumption and energy mix	28.1.5
E1-6	Gross greenhouse gas emissions from Scopes 1, 2, and 3, and total greenhouse gas emissions	28.1.6
E1-7	Greenhouse gas removal and emission reduction projects financed through carbon credits	N/A
E1-8	Internal pricing of greenhouse gas emissions	N/A
E1-9	Anticipated financial impacts resulting from material physical and transition risks and potential climate-related opportunities Will be subject to reporting starting in 2025	Omitted based on ESRS 1, Annex C
E5-1	Policies related to resource use and the circular economy	28.2.1
E5-2	Activities and resources related to resource use and the circular economy	28.2.2
E5-3	Targets related to resource use and the circular economy	28.2.3
E5-4	Resource inflows	28.2.4
E5-5	Resource outflows	28.2.5
E5-6	Anticipated financial impacts resulting from risks and opportunities associated with resource use and the circular economy	Omitted bas ed ESRS 1, Annex
S1-1	Policies related to the domestic workforce	30.1.3
S1-2	Procedures for withemployees of the and employee representatives on environmental impacts	30.1.4
S1-3	Processes for addressing adverse impacts and channels for employees to report issues	30.1.5

S1-4	Taking action regarding significant impacts and applying approaches to mitigate significant risks and capitalize on significant opportunities related to the organization's employees, and the effectiveness of such actions and approaches	30.1.6
S1-5	Objectives related to managementmaterial negative impacts, enhancing positive impacts, and managing significant risks and opportunities	30.1.7
S1-6	Characteristics of the entity's employees	30.1.8
S1-7	Characteristics of who are not employees constituting the entity's own employees	30.1.8
S1-8	Scope of collective bargaining and social dialogue	N/A
S1-9	Diversity indicators	30.1.9
S1-10	Fair wages	30.1.10
S1-11	Social protection	30.1.11
S1-12	People with disabilities	N/A
S1-13	Indicators related to training and skills development	30.1.12
S1-14	Occupational safety and health indicators	30.1.13
S1-15	Work-life balance	N/A
S1-16	Pay wage (wage wage andtotal compensation)	30.1.14
S1-17	Incidents, complaints, and significant impacts on human rights	30.1.15
S2-1	Policies related to workers in the value chain	31.3
S2-2	Processes for engaging with workers in the value chain regarding impacts	31.4
S2-3	Processes for mitigating negative impacts and channels for employees in the value chain to report issues	31.5
S2-4	Taking action on material impacts and applying approaches to mitigate material risks and capitalize on material opportunities related to people working in the value chain and the effectiveness of these actions and approaches	31.6
S2-5	Disclosure requirement S2-5 – Objectives regarding the management of material adverse impacts, the enhancement of positive impacts, and the management of material risks and significant opportunities	31.7
S4-1	Policies related with consumers and end users	32.2

S4-2	Cooperation processes regarding interactions with consumers and end users	32.3
S4-3	Processes for mitigating negative impacts and channels for consumers and end users to report issues	32.4
S4-4	Taking action on significant impacts and applying approaches to mitigate significant risks and capitalize on significant opportunities related to consumers and end users, and the effectiveness of these actions and approaches	32.5
S4-5	Objectives related to managementmaterial negative impacts, enhancing positive impacts, and managing significant risks and opportunities	32.6
G1-1	Business practices and corporate culture	33.1.1
G1-2	Supplier Relationship Management	33.1.2
G1-3	Prevention and Detection of Corruption and Bribery	33.1.3
G1-4	Confirmed incident related with corruption or bribery	N/A
G1-5	Political influence and lobbying	N/A
G1-6	Payment practices	33.1.4

No.	Disclosure requirement information and the associated data point	Reference to Regulation on the disclosure of sustainability-related information in the financial services sector	Reference to of the third pillar	Reference to Regulation on benchmarks benchmarks	Reference to European on climate	Location in report
1.	ESRS 2 GOV-1 Gender diversity among board members Paragraph 21(d)	Indicator No. 13 in Table 1 of Annex I		2022/2453, Table		Annex II to Commission Delegated Regulation (EU) 2020/1816
2.	ESRS 2 GOV-1 Percentage of board members who are independent point 21(e)					Annex II to Delegated Regulation (EU) 2020/1816
3.	ESRS 2 GOV-4 Due Diligence Statement point 30	Indicator No. 10 in Table 3 of Annex I				
4.	ESRS 2 SBM-1 Participation in activities related to related to fossil fuels point 40(d)(i)	Indicator No. 4 in Table 1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU)			Annex II to Delegated Regulation (EU) 2020/1816

27.3

27.3

27.6

N/A

			1: on environmental risks and Table 2: Qualitative information on social risks		
5.	ESRS 2 SBM-1 Participation in activities related to the production of chemicals Section 40(d)(ii)	Indicator No. 9 in Table 2 of Annex I		Annex II to Delegated Regulation (EU) 2020/1816	not applicable
6.	ESRS 2 SBM-1 Involvement in activities related to controversial weapons Section 40(d)(iii)	Indicator No. 14 in Table 1 of Annex I		Article 12(1) of Delegated Regulation (EU) 2020/1818, Annex II to Delegated Regulation (EU) 2020/1816	not applicable
7.	ESRS 2 SBM-1 Participation in activities related to the cultivation and production tobacco point 40(d)(iv)			Article 12(1) of Delegated Regulation (EU) 2020/1818, Annex II to Delegated Regulation (EU) 2020/1816	not applicable

8.	ESRS E1-1 Transition plan for achieving climate neutrality by 2050 Section 14				Article 2(1) of Regulation (EU) 2021/1119	28.1.1
9.	ESRS E1-1 Entities excluded from the scope of the benchmarks aligned with the Paris Agreement, point 16(g)		Article 449a Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Transition risk related to climate change: credit quality of exposures by sector, issue and residual maturity	Article 12(1)(d) to (g) and Article 12(2) of Delegated Regulation (EU) 2020/1818		28.1.1
10.	ESRS E1-4 Greenhouse gas emission reduction targets, point 34	Indicator No. 4 in Table 2 of Annex I	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking book –	Article 6 of Delegated Regulation (EU) 2020/1818		28.1.4

			Climate change transition risks: adaptation measures	
11.	ESRS E1-5 Energy consumption from fossil disaggregated by source (applies only to sectors with significant climate impact) item 38	Indicator No. 5 in Table 1 and Indicator No. 5 in Table 2 of Annex I		28.1.5
12.	ESRS E1-5 Energy consumption and energy mix item 37	Indicator No. 5 in Table 1 of Annex I		28.1.5
13.	ESRS E1-5 Energy intensity associated with activities undertaken in sectors with significant climate impact points 40–43	Indicator No. 6 in Table 1 of Annex I		28.1.5

14.	ESRS E1-6 Gross Scope 1, 2, and 3 greenhouse gas emissions and total greenhouse gas emissions , item 44	Indicators 1 and 2 in Table 1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, formula 1: Banking book – Climate transition risk: credit quality of exposures by sector, issue, and residual maturity	Article 5(1), Article 6 and Article 8(1) of Delegated Regulation (EU) 2020/1818	28.1.6
15.	ESRS E1-6 Greenhouse gas emission intensity , items 53–55	Indicator No. 3 in Table 1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking book – Climate-related transition risk: adjustment measures	Article 8(1) of Delegated Regulation (EU) 2020/1818	28.1.6

16.	ESRS E1-7 Removal of greenhouse gases and carbon dioxide units, point 56		Article 2(1) of Regulation (EU) 2021/1119	28.1.7
17.	ESRS E1-9 Exposure of the reference portfolio to physical climate-related risks climate, paragrap h 66	Annex II to Delegated Regulation (EU) 2020/1818, Annex II to Delegated Regulation (EU) 2020/1816		Omitted pursuant to ESRS 1, Appendix C
18.	ESRS E1-9 Disaggregation of monetary amounts by acute and long-term physical risks, paragraph 66(a) ESRS E1-9 Location of significant assets subject to significant physical risk, paragraph 66(c)	Article 449a of Regulation (EU) No. 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; formula 5: Banking book – Physical risk related to climate change: exposures subject to physical risk.		Omitted pursuant to ESRS 1, Appendix C
19.	ESRS E1-9 Breakdown of the carrying amount	Article 449a of Regulation (EU) No 575/2013; point 34		P Omitted pursuant to ESRS 1,

Appendix C

	real estate by energy efficiency classes point 67(c)		of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking book – Climate transition risk: loans secured by real estate – energy efficiency of collateral	
20.	ESRS E1-9 Degree of portfolio exposure to climate-related opportunities, paragraph 69		Annex II to Delegated Regulation (EU) 2020/1818	Omitted pursuant to ESRS 1, Appendix C
21.	ESRS E2-4 Quantity of each pollutant listed in Annex II to the E-PRTR Regulation (European Pollutant Release and Transfer) emitted to air, water, and soil, item 28	Indicator No. 8 in Table 1 of Annex I, Indicator No. 2 in Table 2 in Annex I, indicator No. 1 in Table 2 in Annex I, and indicator No. 3 in Table 2 in Annex I		not relevant

22.	ESRS E3-1 Water and marine resources, point 9	Indicator No. 7 in Table 2 of Annex I	not significant
23.	ESRS E3-1 Special policies, point 13	Indicator No. 8 in Table 2 of Annex I	not applicable
24.	ESRS E3-1 Sustainable practices in the field of seas and oceans point 14	Indicator No. 12 in Table 2 of Annex I	not applicable
25.	ESRS E3-4 Total volume of water recycled and reused, item 28(c)	Indicator No. 6.2 in Table 2 of Annex I	not applicable
26.	ESRS E3-4 Total water consumption in m^3 per net revenue from own operations Item 29	Indicator No. 6.1 in Table 2 of Annex I	not applicable
27.	ESRS 2 SBM 3-E4 Item 16(a)(i)	Indicator No. 7 in Table 1 of Annex I	immaterial
28.	ESRS 2 SBM 3-E4 item 16(b)	Indicator No. 10 in Table 2 of Annex I	immaterial
29.	ESRS 2 SBM 3-E4 point 16(c)	Indicator No. 14 in Table 2 of Annex I	not applicable

30.	ESRS E4-2 Sustainable land/agricultural practices or policies Section 24(b)	Indicator No. 11 in Table 2 of Annex I	not significant
31.	ESRS E4-2 Sustainable ocean/marine practices or policies Section 24(c)	Indicator No. 12 in Table 2 of Annex I	not applicable
32.	ESRS E4-2 Policies to combat deforestation Paragraph 24(d)	Indicator No. 15 in Table 2 of Annex I	not applicable
33.	ESRS E5-5 Non-recycled waste point 37(d)	Indicator No. 13 in Table 2 of Annex I	not applicable
34.	ESRS E5-5 Hazardous waste and radioactive waste, point 39	Indicator No. 9 in Table 1 of Annex I	not applicable
35.	ESRS 2 SBM-3-S1 Risk of forced labor, point 14(f)	Indicator No. 13 in Table 3 of Annex I	30.1.2
36.	ESRS 2 SBM-3-S1	Indicator No. 12 in Table 3 of Annex I	30.1.2

	Risk of child labor point 14(g)			
37.	ESRS S1-1 Commitments regarding policies on respect for human rights Section 20	Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Annex I		30.1.3
38.	ESRS S1-1 Due diligence strategies with respect to matters covered by the International Labour Organization's core conventions Nos. 1–8, paragraph 21		Annex II to Delegated Regulation (EU) 2020/1816	30.1.3
39.	ESRS S1-1 Procedures and measures to prevent human trafficking Paragraph 22	Indicator No. 11 in Table 3 of Annex I		33.1.1
40.	ESRS S1-1 Policy or management system for the prevention of workplace accidents Item 23	Indicator No. 1 in Table 3 of Annex I		30.1.3

41.	ESRS S1-3 Complaint Handling Mechanisms, Section 32(c)	Indicator No. 5 in Table 3 of Annex I		30.1.5
42.	ESRS S1-14 Number of work-related deaths and number and rate of work-related accidents, point 88(b) and (c)	Indicator No. 2 in Table 3 of Annex I	Annex II to Delegated Regulation (EU) 2020/1816	30.1.13
43.	ESRS S1-14 Number of days lost due to injuries, accidents, or illnesses point 88(e)	Indicator No. 3 in Table 3 of Annex I		30.1.13
44.	ESRS S1-16 Unadjusted gender pay gap point 97(a)	Indicator No. 12 in Table 1 of Annex I	Annex II to Delegated Regulation (EU) 2020/1816	30.1.14
45.	ESRS S1-16 Excessive remuneration of the CEO Paragraph 97(b)	Indicator No. 8 in Table 3 of Annex I		30.1.14
46.	ESRS S1-17	Indicator No. 7 in Table 3 of Annex I		30.1.15

	Cases of discrimination, point 103(a)		
47.	ESRS S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines point 104(a)	Indicator No. 10 in Table 1 and Indicator No. 14 in Table 3 in Annex I	Annex II to Delegated Regulation (EU) 2020/1816, Article 12 Paragraph 1 of Delegated Regulation (EU) 2020/1818
48.	ESRS 2 SBM-3-S2 Significant risk of of child labor or forced labor in the value chain, point 11(b)	Indicators No. 12 and No. 13 in Table 3 of Annex I	
49.	ESRS S2-1 Commitments regarding the policy on respect for human rights Section 17	Indicator No. 9 in Table 3 and indicator No. 11 in Table 1 of Annex I	
50.	ESRS S2-1 Policies related to workers in the value chain Paragraph 18		
51.	ESRS S2-1 Non-compliance with the UN Guiding Principles	Indicators No. 11 and No. 4 in Table 3 of Annex I Indicator No. 10 in Table 1 of Annex I	Annex II to

Regulation	
	30.1.15
	31.2
	31.3
	31.3
	31.3

	business and human rights and the OECD guidelines para. 19		Delegated Regulation (EU) 2020/1816, Article 12 (1) of Delegated	Regulation (EU)
52.	ESRS S2-1 Due diligence strategies regarding issues covered by the International Labour Organization's core Conventions Nos. 1–8, Item 19		Regulation (EU) 2020/1818 Annex II to Delegated Regulation (EU) 2020/1816	
53.	ESRS S2-4 Human rights issues and incidents related to the upstream and downstream value chain item 36	Indicator No. 14 in Table 3 of Annex I		
54.	ESRS S3-1 Human rights policy commitments, item 16	Indicator No. 9 in Table 3 of Annex I and Indicator No. 11 in Table 1 in Annex I		
55.	ESRS S3-1 Non-compliance with UN on Business and Human Rights	Indicator No. 10 in Table 1 of Annex I	Annex II to Delegated	

31.3

31.6

immaterial

not relevant

	human rights, ILO standards, or OECD guidelines Paragraph 17		2020/1816, Article 12 Paragraph 1 of Delegated Regulation (EU) 2020/1818	
56.	ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator No. 14 in Table 3 of Annex I		not relevant
57.	ESRS S4-1 Policy regarding consumers and end users, item 16	Indicator No. 9 in Table 3 and indicator No. 11 in Table 1 of Annex I		32.2
58.	ESRS S4-1 Non-compliance with UN UN Guiding Principles on Business and Human Rights and the OECD Guidelines item 17	Indicator No. 10 in Table 1 of Annex I	Annex II to Delegated Regulation (EU) 2020/1816, Article 12 (1) of Delegated Regulation (EU) 2020/1818	32.2
59.	ESRS S4-4 Human rights issues and incidents point 35	Indicator No. 14 in Table 3 of Annex I		32.5
60.	ESRS G1-1	Indicator No. 15 in Table 3 of Annex I		~~33.1.1~~

	United Nations Convention against Corruption, Article 10(b)			
61.	ESRS G1-1 Protection of Whistleblowers Paragraph 10(d)	Indicator No. 6 in Table 3 of Annex I		33.1.1
62.	ESRS G1-4 Fines for violations of anti-corruption laws and laws on combating bribery, point 24(a)	Indicator No. 17 in Table 3 of Annex I	Annex II to Delegated Regulation (EU) 2020/1816	not significant
63.	ESRS G1-4 Standards for anti-corruption and bribery, point 24(b)	Indicator No. 16 in Table 3 of Annex I		not applicable

28. Environmental information

28.1 ESRS 1 Climate Change

28.1.1 [E1-1] Climate Change Mitigation Transition Plan

The S/W Group has not prepared a Climate Change Mitigation Transition Plan for the entire Group.

SECO/WARWICK S.A. has developed and adopted a "Climate Change Mitigation Transition Plan" only for SECO/WARWICK S.A., which includes short-, medium-, and long-term measures aimed at reducing its carbon footprint. It does not account for limiting global warming to 1.5 °C in accordance with the Paris Agreement.

Key elements of the carbon footprint reduction strategy include:

- Product energy efficiency: improving product thermal insulation, self-recuperation, and heat recovery.
- Electrification of equipment: Transition to low-emission fuels and energy sources.
- Customer support: Modernizing existing production lines to improve energy efficiency and reduce greenhouse gas emissions.
- Green steel: Production and supply of technologies related to the decarbonization of steel production.

The decision regarding the adoption of a transition plan for the entire Group is still under review, given the evolving regulatory environment and the need to align the approach with current and proposed legal requirements.

28.1.2 [ESRS 2 SBM-3] – Significant impacts, risks, and opportunities, and their interrelationships with the strategy and business model

In 2024, the S/W Group conducted its first identification and analysis of climate risks as part of its risk management system. A review was conducted in 2025, confirming that the identified climate risks remain relevant. Climate risks are assessed from two perspectives:

1. the company's impact on climate change,

2. the impact of climate change on the company

In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), both direct impacts (pertaining to the SECO/WARWICK Group) and indirect impacts (e.g., disruptions in the supply chain and markets) are analyzed. The verification and update of climate risks were carried out by an internal team in collaboration with an external advisor. The analysis also included an assessment of the resilience of the Group's strategy and business model in relation to climate change.

The climate risk assessment took the following time horizons into account:

- short-term – fiscal year
- medium-term – up to 4 years
- long-term – over 4 years

The Group analyzed all locations where it conducts business (own operations) in terms of exposure to physical risks associated with climate change. All sites were assessed in terms of geography, distance from natural resources, and exposure to physical hazards (both natural and those arising from the surrounding area). The assessment took into account the vulnerability and exposure of a given location to climate hazards based on climate scenarios (parameters: RCP 8.5 scenario for the period 2021–29—this assumes that the current rate of greenhouse gas emissions will continue and that the average temperature will rise by 4.5 degrees. As a result of

the analysis, it was determined that the level of physical risks for the SECO/WARWICK Group's locations is low or moderate.

The identification of material transition risks and the assessment of their impacts on the business model and its resilience, using climate scenario analysis, were conducted at an ESG team workshop in June 2024, followed by verification and updating in December 2025.

As a result of this work, the following significant transition risks related to climate change mitigation were identified:

- **Legal risk:** Taxes and environmental regulations (e.g., CBAM, EUDR, environmental requirements of target markets) adversely affect the prices of production materials and the products offered.

In the raw materials markets, rising prices of steel and other raw materials essential to the Group's production processes are observed. One of the causes identified by analysts is precisely legislative changes. This mechanism carries the risk of further increases in the prices of raw materials used in production processes, and consequently the need to raise product prices, which may result in a decline in demand. Another reason may be a problem with the availability of materials. Significant impacts related to this risk could have a major effect on the S/W Group's business model, operations, and value chain. The S/W Group has implemented processes to monitor legal requirements in its areas of operation and principles for adapting to these requirements in order to ensure compliance and respond to business risks.

The response to the current and anticipated effects of this risk involves adjusting the strategy and business model, preceded by an analysis of the current state, to better address new requirements. Such actions can help minimize negative financial impacts, such as penalties for non-compliance or a sudden increase in the prices of production materials.

In a financial context, significant risks and opportunities can affect the company's financial position, financial performance, and cash flows. The S/W Group has also implemented procedures to ensure a stable supply chain for materials through long-term relationships with suppliers and diversified sources of materials.

- **Reputational risk**: Loss of reputation for the entire fossil fuel-powered equipment segment, resulting in investors turning away from it.

Suppliers of natural gas-powered equipment face the challenge of reputational damage. In light of these risks, the S/W Group may experience direct financial impacts in certain markets (primarily European), such as a decline in sales due to changing customer preferences and regulatory requirements imposing new environmental standards.

The S/W Group's business model is resilient to this risk. Sales of natural gas-powered equipment are steadily declining year over year, and electric-powered equipment is being offered as a replacement.

- **Legal risk:** Increasingly stringent legal requirements regarding energy efficiency and carbon dioxide emission limits.

The European Commission and EU institutions have announced the introduction of further regulations in this area. Countries outside the European Union that have signed the Paris Agreement are also implementing emission requirements in their legislation. The S/W Group actively monitors these developments and incorporates them into its strategy and operational activities. For this reason, a Climate Change Mitigation Transformation Plan has been prepared at the parent company located in the European Union

, a Transformation Plan has been prepared to address climate change mitigation. The Group's business model is based on product innovation, and for years the companies have been developing SECO ECO products, characterized by improved process efficiency and, consequently, reduced emissions at the customer's site.

- Market risk: Changes in customer preferences, competition from low-emission products.

The risk of changes in preferences and market trends is a significant factor that may affect the S/W Group's business model, operations, and value chain. In the short term, the risk of changes in preferences and market trends does not entail financial consequences. The Group diversifies its product offering and adapts its marketing strategy to better respond to changing trends. It offers product lines that can be powered by renewable energy and products that support decarbonization.

The S/W Group's strategy and business model are highly resilient to this risk and can withstand potential changes and capitalize on new opportunities.

- Technological Risk: Competition from manufacturers using low-carbon technologies, impairment of assets.

Risks in this area may affect the S/W Group's revenues and the effectiveness of its business model. The S/W Group is transitioning its technologies to green solutions that reduce energy consumption in production, increase production efficiency by shortening process and component processing times, reduce energy and process gas consumption, and enable equipment to be powered by renewable energy sources.

- Market risk: Rising energy prices associated with the energy transition and increasing greenhouse gas emission fees.

For several years, significant increases in energy prices have been observed in the markets where the Group operates. Analysts' forecasts indicate that these trends will persist in the near future. Rising energy prices will necessitate an increase in product prices, which may ultimately lead to a decline in sales. To mitigate this risk, the parent company has developed and adopted a Climate Change Mitigation Transformation Plan, which includes an analysis of future energy demand, as well as mitigation and decarbonization measures. Furthermore, the company monitors and analyzes energy and energy resource prices in the wholesale market and conducts bulk purchases during periods of optimal pricing. Energy prices have been locked in for five years in advance through contracts with suppliers. The company is undertaking investment initiatives aimed at reducing energy demand for its operations and utilizing its own sources (PV).

Energy prices may also be a factor in decision-making by customers seeking energy-efficient equipment; therefore, the S/W Group offers and continuously improves solutions in its products to support customers in their transformation plans (including powering equipment with electricity from the customer's PV system, shorter and more efficient cycles, and reduced energy consumption during equipment use) to minimize the risk of bids being rejected due to the energy-intensive nature of the equipment.

Thanks to these measures, the S/W Group is able to effectively manage climate risks and increase the resilience of its business model to climate change.

The threats and opportunities arising from climate risks are addressed in the Group's strategy and translated into strategic actions (product and market initiatives, group-wide initiatives) as well as ongoing operational activities (optimization of sourcing, production, and other processes).

During the double materiality analysis, a negative impact was identified in the area of climate change mitigation, stemming from the fact that the S/W Group manufactures furnaces powered by fossil fuels. Most of the products sold can also be powered by electricity. For the Group, the majority of emissions fall under Scope 3, Category 11—use of sold products—which accounts for over 90% of total emissions across all scopes. The product's power source—gas or electricity from a renewable source, as chosen by the customer—is a key factor affecting the Group's and the customer's emissions and impacts the S/W Group's business model and its results.

In addition, the Group has a positive impact on the value chain in terms of climate change mitigation through the adoption by the parent company of a Climate Change Mitigation Transformation Plan, which includes carbon footprint management, particularly in Scope 3.

28.1.2 [E1-2] Policies related to climate change mitigation and adaptation

The primary document regarding climate change mitigation is the Sustainable Development Policy, in which the S/W Group declares that it implements the principles of sustainable development and the Code of Ethical Business Conduct in its operations. A detailed description of these policies can be found in Chapter G1-1. The S/W Group has defined an action plan for sustainable development in the form of a ROAD MAP for 2025–2030, which is part of the strategy.

Care for the environment is an important value for the SECO/WARWICK Group and is addressed in the Code of Business Conduct. This is understood not only as the sustainable production of eco-friendly and innovative equipment, but also as a commitment to energy efficiency, participation in environmental social initiatives, and support for Partners who contribute to improving the natural environment. This is an element of the long-term strategy. The Group strives to ensure that its equipment helps minimize the negative impact of its customers' operations on the natural environment. The Group continuously improves the technical and technological solutions it offers to make them more environmentally friendly; for example, it uses eco-friendly technologies (e.g., LPC), proposes replacing outdated and non-eco-friendly atmospheric technologies with eco-friendly vacuum technologies, and switches the power supply of equipment to electricity, which enables customers to use renewable energy sources in their production processes.

The implemented Code of Ethical Business Conduct addresses:

- climate change mitigation and energy efficiency—care for the environment is an important value for the SECO/WARWICK Group. This is understood not only as the sustainable production of eco-friendly and innovative equipment, but also as a commitment to energy conservation, participation in environmental social initiatives, and support for partners who contribute to improving the natural environment. This is an element of our long-term strategy.
- Use of renewable energy – we ensure the rational use of natural resources in our operations. We know that continuously increasing the share of renewable energy in the energy used in our operational processes brings us closer to achieving climate neutrality. We are taking steps to ensure this share continues to grow, including installing photovoltaic panels and using the generated energy for our operational processes. We strive to ensure our equipment supports the minimization of

the negative environmental impact of our customers' operations. We adapt our current policies to the current regulatory and market conditions in the energy markets.

The quality management policies implemented in the S/W Group's manufacturing companies set goals for all activities aimed at: ensuring the highest product quality and meeting customer expectations, which translates into lower emissions from the products in our portfolio.

In 2025, all S/W Group companies maintained the reporting principles and methodology used in 2024. The Group continues to monitor and improve its methods for calculating the carbon footprint across all three emission scopes. Initiatives were launched, including the initiation of data collection processes, e.g., regarding energy type.

28.1.3 [E1-3] Actions and resources related to climate policy

Actions taken in 2025 by S/W Group companies regarding material impacts, risks, and opportunities related to climate change mitigation included:

- verification of short-, medium-, and long-term risks, threats, and opportunities related to climate change;
- analyses of opportunities to reduce municipal waste (plastic and paper) at SWSA, along with the identification and implementation of action plans.

The table below presents actions in the areas of decarbonization, energy efficiency, and electrification, along with their status, timeline, and expected results.

Leverages for decarbonization	Planned actions	Timeframe	Expected results	Status
Utilization energy renewable	Construction and commissioning for of the plant SWSA installation photovoltaic system with a capacity of 435.42 kWp	Short-term	Reduction energy energy grid-connected renewable energy renewable, generated by the photovoltaic system	achieved
Utilization of renewable	Construction and commissioning of another of a 435.42 kWp	Long-term	Reduction of energy grid electricity in favor of energy renewable, generated in the installation photovoltaic	suspended energy on the terms of cooperation with consumer surplus energy
Utilization energy renewable	Entering into a cPPA or purchasing guarantee of origin energy electricity	Medium-term	Increase in the share of renewable energy in energy mix	suspended for economic
Increase efficiency energy	Thermal retrofit of the hall on Western	Medium-term	Reduction demand for heat and 70% reduction in gas consumption vs base year (2021) in 2026	Completed, monitoring results during
Electrification	Transition from district heating and partially gas for heating via heat pumps connected to the grid and partially using gas for heating via heat pumps*****	Medium-term b	Reduction carbon carbon from ir gOlębohuźnaanipezejśćtaideunanwoęśngdokweengeorgizeekono o nwiżgszlęedj u enma ipsyrzjneojśśccieі. ɯgłozienizsozseja e ewmrisayzjnozśeci. sRpoazdbkieżmność ibsyejdnzoieści ernoesrłagii ewlerkatzryczzneej. spadkiem emissions of electricity.	suspended for economic 2030

The S/W Group offers its customers an innovative **FURNACE/PLUS** service package enabling comprehensive management of the furnace and processes, including decision-making, control, monitoring, verification, trend analysis, and data collection—described in more detail in Chapter S4-3.

In the 2025 reporting year, financial resources amounting to PLN 690,000 were allocated for the implementation of measures resulting from climate policy (PLN 444,000 in 2024) under the category of capital expenditures (CapEx).

28.1.4 [E1-4] Climate change mitigation and adaptation objectives

The SECO/WARWICK Group has not adopted targets within the meaning of the MDR-T; however, it implements its strategy and monitors policies related to climate change mitigation through:

- **Supporting customers in reducing emissions:** By 2030, the S/W Group plans to implement tools for calculating the carbon/ecological footprint for 90% of its products.
- **Green options for new products:** In 2025, the parent company (SWSA) included green options in its new product offerings and intends to continue these efforts.
- **Modernization of legacy equipment:** In 2025, the parent company (SWSA) and SECO/WARWICK Services sp. z o.o. identified product groups for which modernization would be effective and conducted a marketing campaign for customers.
- **Sustainable supply chain:** By 2030, the S/W Group plans to implement a sustainable supply chain and conduct ESG assessments for suppliers.
- **Carbon footprint calculation:** The S/W Group is implementing carbon footprint calculation processes across various categories, such as purchased goods and services, capital goods, transportation, waste, business travel, employee commuting, leases, and rentals.

Emissions reduction: The parent company has carried out thermal retrofits on some of its facilities and monitors the results of this activity; however, no specific measurable reduction targets have been adopted.

28.1.5 [E1-5] Energy consumption and energy mix

The S/W Group's energy consumption in 2025 amounted to 8,274 MWh (7,917 MWh in 2024).

	Energy consumption and energy mix	Year 2024	Year 2025
1.	Consumption of coal and coal products (MWh)	0.00	0.00
2.	Consumption of petroleum and petroleum products (MWh)	2,359.74	2,574.27
3.	Natural gas consumption (MWh)	1,573.24	1,900.08
4.	Fuel consumption from other fossil sources (MWh)	74.14	66.19
5.	Consumption of purchased or procured electricity, heat, steam, and cooling from fossil fuel sources (MWh)	2,102.54	2,021.60
6.	Total consumption of energy from fossil sources (MWh) (calculated as the sum of lines 1–5)	6,109.66	6,562.15
	Share of fossil fuels in total energy consumption (%)	77%	79%
7.	Energy consumption from nuclear sources (MWh)	374.95	351.99

	Share of nuclear energy consumption in total energy consumption (%)	5%	4%
8.	Fuel consumption for renewable sources, including biomass (also including industrial and municipal waste) of biological origin, biogas, renewable hydrogen, etc.) (MWh)	0.00	0.00
9.	Consumption of purchased or self-generated electricity, heat, steam, and cooling from renewable sources (MWh)	1,108.13	1,131.18
10.	Consumption of self-generated renewable energy excluding the use of fuel (MWh)	324.30	229.53
11.	Total consumption of renewable and low-emission energy (MWh) (calculated as the sum of rows 8–10)	1,432.43	1,360.71
	Share of renewable sources in total energy consumption (%)	18%	16
	Total energy consumption (MWh) (calculated as the sum of lines 6, 7, and 11)	7,917.04	8,274.84

In the 2025 reporting year, companies in the U.S. and China sourced a portion of their electricity from low-emission sources—renewable, hydro, and nuclear—through energy purchases from suppliers. These companies do not hold green energy guarantees of origin but rely on information from suppliers regarding the mix of energy sources.

The parent company, SECO/WARWICK S.A., continued to use energy from its own photovoltaic installations, thereby supporting the achievement of goals related to reducing emissions and increasing energy self-sufficiency. This energy covered a total of 16% of the Group's total electricity consumption.

The volume **of energy produced from the Group's own renewable sources amounted** to **229.53 MWh** (324.30 MWh in 2024).

	2024	**2025**
In-house energy production from renewable and non-renewable sources	**324.30**	**229.53**
of which from renewable sources **Value [MWh]**	324.30	229.53
of which from non-renewable sources **Value [MWh]**	0.00	0.00

The S/W Group's **energy intensity and emission indicators** from industrial activities in sectors with a significant climate impact, as defined by NACE code C28.21 – Manufacture of industrial furnaces and furnaces (excluding electric furnaces), are presented in the tables below.

Energy intensity

Energy intensity	2024	2025
Total energy consumption from operations in sectors with a significant climate impact per net revenue from operations in sectors with a significant climate impact (MWh/1 million PLN)	**11.11**	**11.09**

Emissions intensity for Scope 1 + 2 + 3

Emissions intensity	2024	2025
Total location-based Scope 1 + 2 + 3 CO2 emissions per net revenue from operations in sectors with significant climate impact (t CO2e/1 million PLN)	**279.84**	285.38
Total Scope 1 + 2 + 3 CO2 emissions per net revenue from operations in sectors with significant climate impact (t CO2e/PLN 1 million)	279.68	285.78

	2024	2025
Net revenue from operations in sectors with a significant climate impact used to calculate energy intensity (thousand PLN)	712,825	745,923
Net revenue (other)		
Total net revenue (financial statements) (PLN thousand)	712,825	745,923

28.1.6 [E1-6] Gross greenhouse gas emissions from Scopes 1, 2, and 3, and total greenhouse gas emissions

greenhouse gases

The data for the Group includes the parent company and all entities of the SECO/WARWICK Group based on operational and financial control (100% of emissions from each entity).

This Report, published for the second time, presents Scope 1 and 2 emissions in accordance with the revised version of The GHG Protocol Corporate Accounting and Reporting Standard, and Scope 3 emissions calculated in accordance with The Greenhouse Gas Protocol Value Chain (Scope 3) Accounting and Reporting Standard.

The reported emissions include:

• Scope 1 (direct emissions). The primary sources of greenhouse gas emissions in Scope 1 were the combustion of natural gas in buildings and facilities, and the consumption of fuels for the operation of the fleet's vehicles.

• Scope 2 (indirect emissions resulting from the generation of energy purchased by SECO/WARWICK Group entities). Calculated using the location-based and market-based methods.

• Scope 3 (indirect emissions).

Methodology and calculations

Emissions were estimated using calculation tools available under the GHG Protocol (https://ghgprotocol.org/calculation-tools). The analysis covered six greenhouse gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF_6), in accordance with GHG Protocol guidelines. Emission results are presented in megagrams (Mg) as carbon dioxide equivalent (CO_2e).

The global warming potential (GWP) factors used in the calculations are consistent with the IPCC's Fifth Assessment Report (AR5).

Furthermore, the calculations were based on the following methodological assumptions:

- For Scope 1 emissions, emissions were calculated using emission intensity factors for individual fuels based on the DEFRA database (2025).

- Scope 2 emissions were calculated using both the location-based and market-based methods. For Scope 2 emissions, location-based emissions were calculated using average emission intensity factors published by the National Center for Emissions Balancing and Management (for Poland, these apply to the year 2025) and the International Energy Agency (for energy purchased by subsidiaries outside Poland, they refer to the IEA's 2023 projections). For Scope 2 market-based emissions, the emission intensity factors of electricity suppliers for the SECO/WARWICK Group were used.

- For Scope 3 emissions, emissions were calculated using a diverse set of emission factors assigned to the relevant emission categories in accordance with the GHG Protocol. In particular, data from the Supply Chain Greenhouse Gas Emission Factors v1.4.0 (NAICS-6, Cornerstone Sustainability Data Initiative, metadata updated: October 14, 2025) and the EPA Supply Chain GHG Emission Factors (v1.3, 2020) were used for the categories of purchased goods and services and capital goods. For emissions related to upstream fuels and energy as well as transportation, the DEFRA UK Government GHG Conversion Factors for Company Reporting (versions 2024–2025, depending on the energy source and type of activity) were used, supplemented by the IPCC 2006 Guidelines for National Greenhouse Gas Inventories (Volume 2 – Energy). For electricity, the following indicators were used: KOBiZE (Poland, 2024 data published in 2025), Ember Electricity Data (2024/2025), European Environment Agency (EEA) electricity emission intensity indicators, and national emission factors published by relevant energy institutions (including AEMO, EMA, and data based on IEA/Ember for individual countries). For process and LCA-based emission categories, Ecoinvent Version 3.10 was used, while for transport and logistics, GILA Emission Intensity Factors for Logistics Hubs (2024) and the Climatiq emission factor database were used as supplementary sources. GWP factors for greenhouse gases were based on the IPCC 2006 Guidelines. All indicators used were assigned to the appropriate Scope 3 categories according to their nature, activity unit, and data availability, and the selection reflects the best available data at the time of the report's preparation.

Presentation of GHG emissions data (in tons of carbon dioxide equivalent)

		2024	2025
Scope 1 greenhouse gas emissions		**916.17**	**1,042.05**
Gross Scope 1 greenhouse gas emissions (t CO2e) of carbon dioxide)		916.17	1,042.05
Percentage of Scope 1 greenhouse gas emissions from regulated emissions trading systems (%)			
Scope 2 greenhouse gas emissions		**1,514.64**	**1,528.13**
Gross Scope 2 greenhouse gas emissions according to the method based on location (in carbon dioxide equivalents)		1,514.65	1,528.13
Gross Scope 2 greenhouse gas emissions according to the market-based method (tonnes of carbon dioxide equivalent)		1,400.73	1,826.22
Significant Scope 3 greenhouse gas emissions			
Total indirect greenhouse gas emissions (Scope 3) gross (tons of carbon dioxide equivalent)		**197,046.73**	**210,307.62**
1	Purchased goods and services	18,504.50	14,704.25
2	Capital assets	777.71	961.89
3	Energy (not included in categories 1 or 2)	324.90	321.19
4	Transport and distribution at a higher level	1,440.17	290.11
5	Waste generated by the operation	13.61	2.76
6	Business travel	791.45	231.05
7	Employee commuting	837.85	877.32
8	Higher-level assets subject to lease	286.95	353.44
9	Lower-level transport	69.33	85.59
10	Processing of sold products	not applicable	not applicable
11	Use of sold products	173,669.98	192,211.37
12	Processing of products past expiration	330.28	268.65
13	Leased lower-tier assets	none	none
14	Franchises	None	not applicable
15	Investments	None	not applicable
Total greenhouse gas emissions (Scope 1 + Scope 2 LB + Scope 3)		**199,477.55**	**212,877.8**
Total greenhouse gas emissions (Scope 1 + Scope 2 MB + Scope 3) market-based		**199,363.61**	**213,175.89**

Scope 1 and 2

Scope 1 emissions, i.e., direct emissions resulting from fuel consumption in buildings and fuel use in transportation, amounted to 1,042.05 Mg CO2e in the SECO/WARWICK Group in 2025, which accounted for 36.3% (916.17 Mg CO2e in 2024, which accounted for 39.54%) of greenhouse gas emissions generated by operating activities (Scope 1+2 market-based) and, at the same time, 0.49% (0.46% in 2024) of all greenhouse gas emissions of the SECO/WARWICK Group (Scope 1+2 market-based+3). Emissions were calculated based on actual data. No biogenic CO_2 emissions resulting from the use of bio-components were identified in the S/W Group.

Scope 2 emissions (calculated using the market-based method), i.e., indirect emissions, which were entirely attributable to the generation of purchased electricity, amounted to 1,826.22 Mg CO_2 in 2025 for the SECO/WARWICK Group (1,400.72 Mg CO_2 in 2024), which accounted for 63.7% (60.46% in 2024) of Scope 1+2 market-based greenhouse gas emissions and 0.86% (0.70% in 2024) of total greenhouse gas emissions (Scope 1+2 market-based+3). Emissions were calculated based on actual data.

In 2025, a change was made to the methodological approach for calculating Scope 2 emissions using the market-based method. For companies for which a zero emission factor had previously been applied (due to the supplier's declared share of energy from renewable sources or the specified emission factor), in the absence of a guarantee of origin, the residual mix factor was applied (including for SWSA) or the assumption of equality between the location-based and market-based factors were assumed to be equal (LB = MB).

Due to the immaterial impact of this change on the Group's total emissions (this category accounts for a small share of total emissions), comparative data for 2024 were not restated.

Scope 3

The vast majority of emissions—as much as 99% of all SECO/WARWICK Group emissions in 2025—were Scope 3 emissions (99% in 2024), i.e., all indirect emissions across the entire value chain. Total Scope 3 emissions in 2025 amounted to approximately 210,307.62 Mg CO2 (2024: 197,046.71 Mg CO2).

The largest, and thus most significant from the perspective of operations, Scope 3 emissions are those in Category 11, i.e., emissions associated with the use of SECO/WARWICK equipment commissioned in 2025 throughout their entire life cycle—an average lifespan of 10 years was assumed. In 2025, emissions in category 11 amounted to 192,211.37 Mg CO2e and accounted for 91.4% of Scope 3 emissions (and simultaneously 90.27% of total Scope 1 + 2 market-based + 3 emissions) (In 2024, emissions in category 11 amounted to 173,669.98 Mg CO2e and accounted for 88.14% of Scope 3 emissions (and simultaneously 87.11% of total emissions in Scope 1 + 2 market-based + 3). The increase in emissions stems from a change in the product mix compared to 2024. Emissions in this category are significantly dependent on the geographical location of customers and the energy sources used during the operation of the equipment.

At the same time, the SECO/WARWICK Group is continuously improving the energy efficiency of the metal heat treatment equipment it manufactures, which has an indirect positive impact on reducing emissions in Category 11.

The second-largest category in Scope 3 in terms of tons of carbon dioxide equivalent (Mg CO2 e) is Category 1. It accounted for 6.99% of Scope 3 emissions (and 6.91% of total Scope 1 + 2 market-based +3 emissions) (in 2024, 9.39% of Scope 3 emissions (and 9.28% of total emissions in Scope 1 + 2 market-based + 3)). These are emissions resulting from purchased materials and services used in production. In 2025, Scope 1 emissions amounted to 14,704.25 Mg CO2e (2024: 18,504.50 Mg CO2e).

The third-largest category in terms of its share of Scope 3 emissions is Category 2. These accounted for 0.46% of Scope 3 emissions (and 0.45% of total Scope 1 + 2 market-based +3 emissions). These are emissions resulting from capital goods in the upstream value chain. In 2025, Scope 2 emissions amounted to 961.89 Mg CO2e. (The year 2024 refers to Scope 4 emissions. These accounted for 0.73% of Scope 3 emissions (and 0.72% of total Scope 1 + 2 market-based + 3 emissions). These are emissions resulting from downstream transport and distribution. In 2024, emissions in Scope 4 amounted to 1,440.17 Mg CO2e.)

In 2025, the SECO/WARWICK Group calculated Scope 3 greenhouse gas emissions for the relevant categories, i.e., 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12. For categories 10, 13, 14, and 15, there are no emissions.

In 2025, as in previous years, the SECO/WARWICK Group adopted a materiality threshold for total Scope 3 emissions of 0.01%.

Most emissions in Scope 3 were calculated based on estimated data (96%). The following

assumptions were used in calculating Scope 3 emissions:

- **Category 1** – calculations based on data regarding materials and services used in production processes within the SECO/WARWICK SA Group. For SWSA, data from inventory turnover and accounting records were used, which were combined to standardize reporting. For the remaining Group companies, estimates were made based on revenue structure, taking into account flows between Group companies.
  Emissions were calculated using emission factors from Supply Chain Greenhouse Gas Emission Factors v1.4.0 (NAICS-6, Cornerstone Sustainability Data Initiative, metadata updated: October 14, 2025) and, supplementarily, from Ingwersen, W. & Li, M., EPA Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities (EPA/600/R-20/001, v1.3, 2020). The approach used reflects the best available LCA data for the categories of purchased goods and services at the time of the report's preparation.

- **Category 2** – calculations based on depreciation costs incurred in 2024. Calculations were performed using the expenditure method with indicators from Supply Chain Greenhouse Gas Emission Factors v1.4.0 (NAICS-6, Cornerstone Sustainability Data Initiative, metadata updated: October 14, 2025) and, supplementarily, from Ingwersen, W. & Li, M., EPA Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities (EPA/600/R-20/001, v1.3, 2020). In cases requiring a more detailed process-based approach, data from Ecoinvent Version 3.10 was also used.

- **Category 3** – calculations based on fuel and energy consumption data for the SECO/WARWICK Group from Scope 2. The calculations were performed using DEFRA emission factors

UK Government GHG Conversion Factors for Company Reporting (2024–2025 versions, depending on the energy source) and KOBiZE (Poland, 2024 data published in 2025). This approach is consistent with the GHG Protocol methodology and ensures the comparability of results within the Group.

- **Category 4** – calculations based on transportation service costs incurred in 2024 by SWSA. For the remaining Group companies, estimates were made based on the share of transportation costs in TKW costs, calculated using SWSA as an example and utilizing indicators from the Supply Chain Greenhouse Gas Emission Factors database (Ingwersen, W. & Li, M., EPA/600/R-20/001, v1.3, 2020).

- **Category 5** – calculations were performed in 2025 based on waste data from SWSA and factors from the Ecoinvent Version 3.10 database. For the remaining Group companies, waste data was assigned based on their production profile and revenue share. For non-manufacturing companies, only values in the packaging categories were considered.

- **Category 6** – calculations performed in 2024 based on costs incurred for individual business travel categories at SECO/WARWICK S.A. Based on these, estimates were made and travel costs were allocated among companies by determining
an emission factor of kgCO2e per 1 zloty of generated revenue. Emissions were calculated using factors from the DEFRA UK Government GHG Conversion Factors for Company Reporting Version 2025 database.

- **Category 7** – calculations were performed in 2024 based on data collected from employee surveys completed by SWSA employees in 2024 and emission factors from the DEFRA UK Government GHG Conversion Factors for
Company Reporting Version 2025. Due to the low materiality of this category in the total GHG emissions under Scope 3 and the lack of data from other companies in the Group, the emission factor for business travel (kgCO2e per employee) was estimated using data from SECO/WARWICK S.A. It was assumed that employees at other companies commute exclusively by car.

- **Category 8** – balance sheet data on the value of short-term leases were used, with data on office space and other buildings separated. The factors are derived from **Supply Chain Greenhouse Gas Emission Factors v1.4.0 / v1.3** by NAICS-6, Cornerstone Sustainability Data Initiative (EPA) Metadata updated: **October 14, 2025**

- **Category 9** – Due to the inability to obtain data on actual costs for portions of shipments where costs are borne by the customer, data from SWSA regarding distance * weight of equipment shipped at the customer's expense was used, and costs were calculated proportionally to revenue for the largest manufacturing companies. The indicators are sourced from Ecoinvent Version 3.10.

- **Category 11** – calculations based on source data from a list of SECO/WARWICK S.A. devices commissioned at customer sites, taking into account the average energy consumption for devices of specific technologies estimated by engineers based on SECO/WARWICK S.A. data for 2023. The methodology for estimating a device's annual energy consumption involves several key steps. First, contract data and project-related agreements with the customer are collected. Next, the planned number of operating hours for the device per year is determined, based on contract values

or estimates based on previous projects. The next step is to determine the average annual production load on the equipment, based on the annual production plan, reference load parameters, or best knowledge from previous projects. Calculations of average annual consumption are performed based on the accepted data, taking into account the specific operating mode of the equipment and the nature of power demand during production. Due to the lack of available actual data, a 10-year product useful life was assumed. This assumption is based on technical knowledge and industry practice. The equipment offered by the Group (industrial furnaces) constitutes long-term assets, and their typical service life ranges from approximately 10 to as much as 20 years, depending on operating conditions and intensity of use. Electricity emission intensity factors are sourced from the following databases: Ember (data for selected countries, 2024/2025), the European Environment Agency (EEA), and KOBiZE (Poland – factors for 2024, published in 2025). For gaseous fuels, indicators from DEFRA UK Government GHG Conversion Factors for Company Reporting (version 2025) were used. For selected gases and substances, global warming potentials (GWPs) consistent with the IPCC 2006 Guidelines for National Greenhouse Gas Inventories (Volume 2 – Energy) were applied.

- **Category 12** – calculations based on data estimated by the Group's engineers regarding the most significant raw materials and components used in equipment manufactured by the SECO/WARWICK Group in 2024. Factors from Ember (2024/2025) were used, including data published via lowcarbonpower.org (Ember / EIA / IEA) and the European Electricity Review 2024 report, European Environment Agency (EEA), data based on Ember (via Statista), official national sources, including AEMO (Australia – Quarterly Energy Dynamics Q4 2023) and EMA (Singapore – Energy Market Authority).

28.1.7 [E1-7] [E1-8] Greenhouse gas removal and emission reduction projects financed through carbon credits and domestic carbon pricing

The SECO/WARWICK Group does not implement greenhouse gas removal or emission reduction projects financed through carbon credits.

We do not conduct internal carbon pricing because we are not covered by the EU-ETS.

28.2 [ESRS 5] Resource use and the circular economy

In the production of its equipment, the S/W Group uses, among other materials, structural steel, copper (including wiring), electronics, and graphite. Price increases associated with the introduction of new legal regulations related to the Green Deal, e.g., in the steel industry, were deemed material.

The materiality analysis identified business opportunities related to the long-term use of equipment, the possibility of modernizing them to improve their process parameters and control quality, and the implementation of eco-design principles to increase equipment efficiency by shortening customers' production processes and the heat treatment of the components they manufacture, which will result in reduced consumption of energy and process gases...

28.2.1 [E5-1] Policies related to resource use and the circular economy

The primary document regarding resource use and the circular economy is the Sustainability Policy, in which the S/W Group declares that we continuously improve quality to ensure the durability and reliability of the equipment we supply and to protect the environment from potential negative impacts of its operation.

The implemented Code of Ethical Business Conduct also addresses the issues of sustainable sourcing and use of renewable resources, as well as proper management of chemicals and waste. Detailed descriptions of the documents can be found in sections S2-1 and G1-1.

In accordance with the implemented quality management systems (per ISO 9001), the S/W Group's manufacturing companies set objectives for all activities aimed at: ensuring the highest quality of products and meeting customer expectations, and ensuring the safe use of S/W Group products, which translates into the longevity of the products offered.

SECO/WARWICK S.A. has implemented an ISO 14001 system covering waste management and chemical substances.

The Group's policy emphasizes avoiding the generation of waste and minimizing waste volumes by providing opportunities for repair and extensive modernization of equipment. Since the equipment is primarily constructed using steel and copper, in principle, the equipment will be >90% recyclable at the end of its service life.

28.2.2 [E5-2] Activities and resources related to resource use and the circular economy

The

In the 2024 reporting year, the SECO/WARWICK Capital Group began preparatory activities for the implementation of the project titled: Development of an innovative and eco-friendly device and technology for free high-pressure gas quenching by single-piece flow with high precision and control and minimization of quenching distortions, as an alternative to quenching in presses.

Activities in the 2025 reporting year:

- Validation of the general design assumptions for the prototype device in terms of technical parameters, applied technologies, performance, and operational and environmental characteristics.

In 2026, the construction of a prototype device and the development of digital models of the device are planned.

The device for free individual quenching will have a number of environmental advantages over quenching presses, including:

- Nitrogen quenching is just as fast as oil quenching (reducing material consumption downstream in the value chain—oil will no longer be needed).
- Elimination of oil and oil vapor contamination (reduction of pollutant emissions).
- Elimination of washers and chemicals (reduced chemical consumption, resource savings, especially downstream in the value chain).

The "Free High Pressure Gas Quenching" hardening machine aligns with our sustainable development policy and will be designed, among other things, to minimize the use of virgin raw materials and reduce process waste. The machine's simple design will also ensure greater durability and the ability to repair or upgrade it.

The S/W Group takes measures to reduce its negative environmental impact by implementing eco-design principles and offering services for the modernization, repair, and extension of the life cycle

of its products. In the 2025 reporting year, the Group allocated operating funds (CapEx) in the amount of PLN 50,000 for the implementation of policies and activities related to the circular economy (PLN 50,000 in 2024).

28.2.3 [E5-3] Objectives related to resource use and the circular economy

The Group has not adopted targets in line with the MDR-T guidelines, but monitors progress in implementing its policy through product development within strategic projects.

In 2024, preparations were initiated to develop an innovative and eco-friendly device and technology for Free High Pressure Gas Quenching by Single-Piece Flow with high precision, control, and minimization of quenching distortions, as an alternative to quenching in presses. The project is ongoing and will be incorporated into resource utilization and circular economy objectives in the coming years.

28.2.4 [E5-4] Resource Inputs

In 2025, the S/W Group introduced over 4,718 Mg (4,603 Mg in 2024) of materials; significant materials include:

- steel;
- critical raw materials—copper and graphite
- rare earth materials – used in electronic equipment.

The mass of products introduced was estimated for individual companies based on the weight of products shipped to customers, without accounting for production losses, which were deemed immaterial.

Due to the highly customized nature of equipment manufacturing tailored to specific customer needs, it is not possible to reuse packaging on a large scale.

In points 2–5 of the table below, actual data were used for the Parent Company, while for subsidiaries, calculations were estimated based on their revenue data, appropriately adjusted for intra-group transactions. The estimates involved scaling the actual data for the Parent Company based on revenue ratios within the group.

The proportion of secondary raw materials in products was estimated based on the Group's engineers' analyses of the share of steel in the weight of equipment. Assuming that 50% of the purchased steel is scrap, the Group estimated that approximately 1,433 Mg (1,844 Mg in 2024) of the steel used came from recycling.

No.	Category Quantity [Mg]	2024	2025
1.	Total weight of products and technical materials and biological materials used during the reporting period.	4,603.33	4,717.6
2.	Total weight of biological (and biofuels used for non-energy purposes) used by the entity to manufacture products and provide services (including packaging) and sourced sustainably (in this case, paper and cardboard packaging)	17.41	20.51
3.	Percentage of biological materials (and biofuels used for non-energy purposes) used in the production products and services by the entity (including packaging) and sourced sustainably (including in the case of paper and cardboard packaging)	0.4%	0.4%
4.	Absolute weight of components again reused or recycled, secondary intermediate products, and secondary materials used to manufacture the company's products and services (including scrap and waste paper).	166.9	68.54
5.	Percentage of secondary components reused or recycled, secondary intermediate products, and secondary materials used to produce the company's products and services (including scrap metal and waste paper).	4%	1%
6.	Weight of secondary raw materials in products	1,844.32	1,432.92
7.	Percentage of recycled materials in products	40%	30%
8.	Recycled content in product packaging	No information	No information

28.2.5 [E5-5] Resource outflows

The Company places emphasis on and sees an opportunity in the development of the Seco Eco product line. It implements innovative, eco-friendly technologies that enable numerous pro-environmental changes in the energy, aviation, and automotive industries. The S/W Group is transforming its technologies by providing solutions that reduce the amount of process gases emitted.

All equipment manufactured by the SECO/WARWICK Group is designed in accordance with the principles of a circular economy, including durability, reusability, repairability, disassembly, conversion, recovery, and recycling.

The equipment is designed with a minimum service life of 10 years, in accordance with the requirements of the Machinery Directive and consistent with typical industry standards for industrial equipment. In practice, the actual service life of the equipment can be extended through upgrades, maintenance, and repairs, which affects its economic service life.

Products and packaging are designed with recyclability and processing in mind; however, the Group does not currently conduct detailed measurements of the share of recycled materials or recyclability rates in products due to limited data availability and the complexity of the value chain.

29. Taxonomy

29.1 Contextual Information

The EU Taxonomy is a classification system that allows for the quantification of what percentage of the Seco/Warwick Group's operations—in terms of revenue, capital expenditures (CapEx), and operating expenses (OpEx)—is environmentally sustainable.

29.2 Description of the Taxonomy compliance assessment process

The assessment of business activities' compliance with the taxonomy, within the framework of specific key performance indicators, was conducted based on the technical criteria set out in EU Delegated Acts 2021/2139, 2022/1214, 2023/2486, and 2023/2485.

29.3 Analysis and Identification of Eligible Activities

Revenues, capital expenditures, and operating expenses were reviewed. For this purpose, the Group's activities were compared to the descriptions contained, among others, in the annexes to Commission Delegated Regulations (EU): 2021/2139 and 2023/2486.

The Group's primary activity codes were not included in the delegated regulations defining TKK and DNSK; consequently, all of the Group's revenues derive from activities not eligible under the classification system. However, an assessment was conducted of the eligibility of CapEx expenditures and OpEx costs, respectively, in terms of the purchase of products and individual measures enabling the Group's target activities to become low-carbon or to reduce greenhouse gas emissions.

29.4 Assessment of compliance with environmental criteria

Assessing the extent to which specific activities contribute to achieving environmental objectives, such as climate change mitigation, while adhering to the
"Do No Significant Harm" (DNSH).

The use of precise indicators and measures of environmental performance enables an objective assessment of the impact and effectiveness of the environmental measures taken.

29.5 Verification of compliance with minimum safeguards

Compliance with the requirements of the Minimum Safeguards was assessed using the recommendations set forth in the Final Report on Minimum Safeguards by the Platform on Sustainable Finance. The Minimum Safeguards are set forth in Article 18 of Regulation 2020/852 and are largely based on conducting due diligence processes as defined in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Although the Platform on Sustainable Finance report is not a legal regulation, it is currently the only available source of interpretation regarding the Minimum Safeguards, issued by a body operating under the European Commission and established pursuant to Regulation 2020/852. The Platform on Sustainable Finance identified four criteria and determined that meeting at least one of them constitutes non-compliance with the Minimum Guarantees. The criteria and how they are assessed are described in the table below:

In 2025, the Seco Warwick Group's operations were conducted in part in accordance with the Minimum Safeguards referred to in Article 18 of EU Regulation 2020/852.

29.6 Development and implementation of the reporting process and final calculation of results

Using information from the previous three stages, tables were prepared for revenue, capital expenditures, and operating expenses in accordance with the requirements of EU Regulation 2021/2178, taking into account the amendment in EU Regulation 2023/2486.

Accounting principles applied

To calculate the percentage of revenue, capital expenditures (CapEx), and operating expenses (OpEx) eligible for the scheme, the following principles were applied:

- **Revenue**

With regard to revenue, the basis was the Seco Warwick Group's consolidated sales revenue in 2025, as disclosed in the consolidated financial statements for 2025. The numerator includes revenue from activities eligible for the scheme.

- **Capital Expenditures (CapEx)**

With regard to capital expenditures (CapEx), the basis was the capital expenditures incurred in 2024 by the individual consolidated companies of the SECO/WARWICK Group. The numerator includes the portion of capital expenditures related to activities eligible for the classification.

- **Operating expenses (OpEx)**

With regard to operating expenses (OpEx), the basis was all costs incurred for the ongoing operation of the Group's assets and maintaining them in proper condition. These included costs such as: costs related to the collection and transport of non-hazardous waste in fractions segregated at the source, costs of leasing electric vehicles, and costs of operating wastewater discharge and treatment systems. The figure includes costs by type incurred for activities eligible for the classification.

29.7 Monitoring, updating, and communication

Implementation of mechanisms for continuous monitoring of changes in the regulatory environment and internal performance indicators, which allow for the ongoing updating of data disclosed in reports. Due diligence procedure

29.8 Key performance indicators related to revenue (revenue KPIs)

Percentage of total revenue from environmentally sustainable business activities (in accordance with the classification) and activities eligible for the classification but not environmentally sustainable, relative to total revenue as defined in the S/W Group's consolidated statement of comprehensive income for the year ended December 31, 2025 (consolidated revenue).

Assessment of compliance with EU Regulation 2020/852. Individual categories of the S/W Group's revenues were analyzed for eligibility under the classification. This process included

an analysis of activities eligible for the classification defined in EU Regulation 2021/2139 and EU Regulation 2022/1214, as well as EU Regulation 2022/1214, taking into account EU Regulation 2023/2485 and EU Regulation 2023/2486.

The ratio of revenue related to activities consistent with the classification is 0.0%, and for activities eligible for the classification, 0.0%.

Share of turnover/Total turnover

	Compliance with the classification by purpose	Eligibility for the classification by purpose
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
Organic	0%	0%

Table 1: Percentage of sales compliant with the classification system

Działalność gospodarcza (1)	Kod lub kody (2)	Obrót (wartość bezwzględna) (3) [in mln zł]	Część obrotu (4)	Łagodzenie zmian klimatu (5)	Adaptacja do zmian klimatu (6)	Zasoby wodne i morskie (7)	Gospodarka o obiegu zamkniętym (8)	Zanieczyszczenie (9)	Różnorodność biologiczna i ekosystemy (10)	Łagodzenie zmian klimatu (11)	Adaptacja do zmian klimatu (12)	Zasoby wodne i morskie (13)	Gospodarka o obiegu zamkniętym (14)	Zanieczyszczenie (15)	Różnorodność biologiczna i ekosystemy (16)	Minimalne gwarancje (17)	Udział działalności zgodnej z systematyką (A.1.) lub kwalifikującej się do systematyki (A.2.) Obrót, 2024 (18)	Kategoria (działalność wspomagająca) (19)	Kategoria (działalność na rzecz przejścia) (20)
		Waluta [tys. zł]	%	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	E	T
A. DZIAŁALNOŚĆ KWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
A.1. Rodzaje działalności zrównoważonej środowiskowo (zgodna z systematyką)																			
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Obrót ze zrównoważonej środowiskowo działalności (zgodnej z systematyką) (A.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
W tym wspomagająca	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
W tym na rzecz przejścia	-	-	-	-						-	-	-	-	-	-	-	-		-
A.2 Działalność kwalifikująca się do systematyki, ale niezrównoważona środowiskowo (działalność niezgodna z systematyką)																			
	-	-	-	-	-	-	-	-	-								-		
Obrót z działalności kwalifikującej się do systematyki, ale niezrównoważonej środowiskowo (działalności niezgodnej z systematyką) (A.2)	-	-	-	-	-	-	-	-	-								-		
SUMA (A.1 + A.2)		-	-	-	-	-	-	-	-								-		
B. DZIAŁALNOŚĆ NIEKWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
Obrót z działalności niekwalifikującej się do systematyki (B)		745 923	100,00%	-	-	-	-	-	-	-	-	-	-	-	-	-	100,00%	-	-
SUMA (A + B)		**745 923**	**100,00%**	-	-	-	-	-	-	-	-	-	-	-	-	-	100,00%	-	-

29.9 Key performance indicators related to capital expenditures (CapEx) (CapEx KPIs)

Percentage of environmentally sustainable business activities and the share of taxonomy-eligible activities in total capital expenditures SECO/WARWICK
The S.A. ratio was calculated by dividing the total capital expenditures meeting the conditions specified in the annex to Regulation 2021/2178 by the total capital expenditures reported in the consolidated financial statements of the SECO/WARWICK Group for 2024.

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As a result of the analysis, capital expenditures related to emission reduction were identified.

Capital expenditures related to reducing emissions include expenses for the installation, maintenance, and repair of equipment that improves energy efficiency, as well as support allocated to market research, development, and innovation aimed at reducing the emissions of manufactured equipment

Share of capital expenditures / Total capital expenditures

	Compliance with the classification by objective	Eligibility	Eligibility for the classification by
CCM	0%	2.65%	
CCA	0%	0%	
WTR	0%	0%	
CE	0%	0%	
PPC	0%	0%	
Organic	0%	0%	

Table 2: Percentage of capital expenditures (CapEx) in accordance with the classification

				Kryteria dotyczące istotnego wkładu						Kryteria dotyczące zasady „nie wyrządza istotnych krzywd"									
Działalność gospodarcza (1)	Kod lub kody (2)	Nakłady inwestycyjne w ujęciu bezwzględnym (3) [in mln zł]	Udział procentowy nakładów inwestycyjnych (4)	Łagodzenie zmian klimatu (5)	Adaptacja do zmian klimatu (6)	Zasoby wodne i morskie (7)	Gospodarka o obiegu zamkniętym (8)	Zanieczyszczenie (9)	Różnorodność biologiczna i ekosystemy (10)	Łagodzenie zmian klimatu (11)	Adaptacja do zmian klimatu (12)	Zasoby wodne i morskie (13)	Gospodarka o obiegu zamkniętym (14)	Zanieczyszczenie (15)	Różnorodność biologiczna i ekosystemy (16)	Minimalne gwarancje (17)	Udział działalności zgodnej z z systematyką (A.1.) lub kwalifikującej się do systematyki (A.2.) Nakłady inwestycyjne 2024 (18)	Kategoria (działalność wspomagająca) (19)	Kategoria (działalność na rzecz przejścia) (20)
		Waluta [tys. zł]	%	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	E	T
A. DZIAŁALNOŚĆ KWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
A.1. Działalność zrównoważona środowiskowo (zgodna z systematyką)																			
																	0		
Nakłady inwestycyjne z tytułu działalności zrównoważonej środowiskowo (zgodnej z systematyką) (A.1)																	0,00%		
W tym wspomagająca																			
W tym na rzecz przejścia																			
A.2 Działalność kwalifikująca się do systematyki, ale niezrównoważona środowiskowo (działalność niezgodna z systematyką)																			
Montaż, konserwacja i naprawa sprzętu zwiększającego efektywność energetyczną	CCM 7.3	337	1,29%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,46%		
Pomoc przeznaczona na badania rynkowe, rozwój oraz innowacje	CCM 9.1	354	1,36%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,59%		
Nakłady inwestycyjne z tytułu działalności kwalifikującej się do systematyki, ale niezrównoważonej środowiskowo (działalności niezgodnej z systematyką) (A.2)		690	2,65%	100%	0%	0%	0%	0%	0%								1,06%		
SUMA (A.1 + A.2)		690	2,65%	100%	0%	0%	0%	0%	0%								1,06%		
B. DZIAŁALNOŚĆ NIEKWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
Nakłady inwestycyjne z działalności niekwalifikującej się do systematyki (B)		25 373	97,35%																
SUMA (A + B)		**26 063**	**100,00%**																

The ratio of capital expenditures related to activities eligible under the classification system is 2.65%, which represents a small portion of the capital expenditures related to the S/W Group's operations.

29.10 Key performance indicators (KPIs) related to operating expenses (OpEx)

In accordance with the definition contained in Regulation 2021/2187, operating expenses included in the denominator of the SECO/WARWICK Group's operating expense ratio and serving as the basis for calculating the operating expense ratio include operating expenses for:

- non-capitalized costs related to research and development, ▪ building renovations,
- short-term leases,
- maintenance and repair,
- any other direct expenses related to the ongoing maintenance of fixed assets by the business or a third party commissioned to perform activities necessary to ensure the continuity and efficiency of the operation of such assets.

The Group has not identify non-operating costs operating related with the business business activities that qualify for the classification.

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As a result of the activities conducted, no operating costs related to the business operations were identified that comply with the classification system.

Share of operating expenses/Total operating expenses

	Compliance with the classification by purpose	Eligibility	Eligibility for classification by
CCM	0%	0%	
CCA	0%	0%	
WTR	0%	0%	
CE	0%	0%	
PPC	0%	0%	
Organic	0%	0%	

Table 3: Percentage of operating expenses (OpEx) in accordance with the classification

				Kryteria dotyczące istotnego wkładu						Kryteria dotyczące zasady „nie wyrządza istotnych krzywd"									
Działalność gospodarcza (1)	Kod lub kody (2)	Koszty operacyjne (wartość bezwzględna) (3)	Udział procentowy wydatków operacyjnych (4)	Łagodzenie zmian klimatu (5)	Adaptacja do zmian klimatu (6)	Zasoby wodne i morskie (7)	Gospodarka o obiegu zamkniętym (8)	Zanieczyszczenie (9)	Różnorodność biologiczna i ekosystemy (10)	Łagodzenie zmian klimatu (11)	Adaptacja do zmian klimatu (12)	Zasoby wodne i morskie (13)	Gospodarka o obiegu zamkniętym (14)	Zanieczyszczenie (15)	Różnorodność biologiczna i ekosystemy (16)	Minimalne gwarancje (17)	Udział działalności zgodnej z systematyką (A.1.) lub kwalifikującej się do systematyki (A.2.) Wydatki operacyjne, 2024 (18)	Kategoria (działalność wspomagająca) (19)	Kategoria (działalność transakcyjna) (20)
		Waluta [tys. zł]	%	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	E	T
A. DZIAŁALNOŚĆ KWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
A.1. Działalność zrównoważona środowiskowo (zgodna z systematyką)																			
		0	0,00%	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-
Nakłady inwestycyjne z tytułu działalności zrównoważonej środowiskowo (zgodnej z systematyką) (A.1)		0	0,00%	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-
W tym wspomagająca		0	0,00%	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-
W tym na rzecz przejścia		0	0,00%	-						-	-	-	-	-	-	-	0%		-
A.2. Działalność kwalifikująca się do taksonomia, ale nie działalność zrównoważona środowiskowo (działalność niezgodna z systematyką)																			
Nabywanie i prawo własności budynków		0	0,00%														0,00%		
A.2. Wydatki operacyjne z tytułu działalności kwalifikującej się do systematyki, ale nie działalności zrównoważonej środowiskowo (działalność niezgodna z systematyką)		0	0,00%														0,00%		
SUMA (A.1 + A.2)		0	0,00%														0,00%		

B. DZIAŁALNOŚĆ NIEKWALIFIKUJĄCA SIĘ DO SYSTEMATYKI		
Wydatki operacyjne z tytułu działalności nie kwalifikującej się do taksonomii	8 239	100,00%
SUMA (A + B)	**8 239**	**100,00%**

Legend of symbols used in the tables above:

- The code (column 2) is an abbreviation of the relevant objective for which the economic activity is eligible to make a significant contribution to its implementation, as well as the number of the section dedicated to the activity in the relevant annex for the objective (column 2), i.e.: climate change mitigation (CCM); climate change adaptation (CCA); water and marine resources (WTR); circular economy (CE); pollution prevention and control (PPC); biodiversity and ecosystems (BIO);
- T (columns 5–10) – YES, an activity eligible for the framework and consistent with the framework for the relevant environmental objective;
- N (columns 5–10) – NO, activities eligible for the framework but not consistent with the framework for the relevant environmental objective;
- EL (columns 5–10) – activities eligible for the scheme in the case of an appropriate objective;
- N/EL (columns 5–10) – Not eligible – activity not eligible for classification under the relevant environmental objective;
- N/A – not applicable;
- T/N (columns 11–17) = YES/NO response regarding the absence of significant harm or the fulfillment of minimum safeguards (select T or N);
- E (column 19) = designation of an economic activity defined in Delegated Regulation 2021/2139 as supporting;
- T (column 20) = designation of the economic activity defined in Delegated Regulation 2021/2139 as supporting the transition.

Disclosures regarding activities related to nuclear energy and natural gas – in accordance with Delegated Regulation (EU) 2022/1214

In accordance with Article 8 of Regulation (EU) 2020/852 and Commission Delegated Regulation (EU) 2022/1214 of March 9, 2022, the Company provides information on activities related to nuclear energy and natural gas that may be classified as transitional activities supporting climate change mitigation.

	Activities related to nuclear energy	YES/NO
1	The company conducts research, development, demonstration, and deployment of innovative electricity generation facilities utilizing energy as part of the development/modernization of minimal waste from the fuel cycle; it finances these activities or operates them.	NO
2	The company is engaged in the construction or operation of new nuclear power plants for the generation of electricity or heat that meet EU technical and regulatory requirements, or the modernization of existing nuclear power plants—in full compliance with environmental regulations; it finances these activities or operates them.	NO
3	The company directly operates existing nuclear facilities generating electricity or process heat including industrial needs, that have undergone a safety assessment at the national or EU level; it finances this activity or operates it.	NO
	Natural gas-related activities	**YES/NO**
4	The company constructs or operates facilities for the generation of electricity or process heat from using gaseous fossil fuels; it finances this activity or plans to operate it.	NO
5	The company is engaged in the construction, modernization, and operation of facilities for the combined generation of electricity and process heat from gaseous fossil fuels; it finances this activity or operates it.	NO
6	The company is engaged in the construction, modernization, and operation of facilities for the generation of electricity and process heat using fossil fuels; it finances this activity or operates it.	NO

Due to the absence of activities under 4.26–4.31, the presentation of the additional tables contained in Annex XII of Commission Delegated Regulation 2022/1214 has been omitted.

30. Information on social issues

30.1 ESRS S1 Own workforce

30.1.1 [SBM-2] Stakeholder interests and views

In 2024, the S/W Group conducted an employee satisfaction survey supplemented by an assessment of the materiality of issues, through which it identified areas of impact on employees and issues requiring action. The S/W Group plans to repeat such surveys periodically (at least once every three years, prior to strategy review/definition, or if significant changes in stakeholder expectations and needs are suspected) to monitor shifts in employee sentiment. Based on the results of the 2024 surveys, an action plan was defined, the implementation of which began in 2025. The most important actions are:

- Review of the quantity, quality, and usability of procedures – goal: to update and simplify procedures
- Introduction of the SECO/HEALTH program – objective: education on health care, well-being, and stress reduction
- Enabling employees to purchase sports cards – goal: to encourage employees to engage in regular exercise that improves health, well-being, and reduces stress

30.1.2 [SBM-3] Significant impacts, risks, and opportunities, and their interrelationships with the strategy and business model

Over 98% of the S/W Group's employees are hired under employment contracts, while the remaining approximately 2% consists of individuals working under civil law contracts (primarily service contracts). Over 60% of employees are engineers with higher technical education, specializing in fields such as materials science, heat treatment technology, mechanics and mechanical engineering, automation, and electrical engineering. They join the ranks of employees in teams such as R&D, design, sales, engineering, project support, production, and service.

The workforce is also complemented by highly qualified production staff with specialized skills, including welders, metalworkers, electricians, and industrial equipment installers.

In support teams, such as quality control, purchasing, logistics, finance, HR, payroll, marketing, occupational safety and health, integrated management systems, administration, and others, we always prioritize the right attitude, knowledge, skills, and experience of these employees in their respective fields.

The decisive factor in the S/W Group's competitive advantage is its employees, their expert knowledge, skills, and experience. The S/W Group creates an attractive workplace built on mutual trust, partnership, and responsibility, supporting professional and personal development while bridging the needs of different generations. An important element of the HR strategy is the creation of common principles and standards worldwide for each of our employees, while respecting local conditions, customs, and laws. Among the Group's core values are employee safety to protect their health and lives, and workplace stability.

The final key pillar is promoting innovation by valuing employees' initiatives and ideas, as well as initiating and implementing changes aimed at improving work, products, activities, processes, etc., and/or developing new solutions.

Given the unique nature of the industry in which we operate, our workforce composition largely reflects the fact that the knowledge and skills we seek and need for business development are acquired through vocational and university (technical) education programs, which are primarily chosen by men. Therefore, we consider the 80-20 male-to-female ratio to be

characteristic of our industry. We do not create any barriers; we provide equal opportunities and chances to both women and men in every position. The primary determinants are always knowledge, skills, and experience. Therefore, in our policies regarding hiring, promotion, development, and other matters, we do not differentiate in terms of pay or any other benefits based on gender, but rather based on specific criteria such as: seniority, level of knowledge, skills, attitude, and effectiveness.

The S/W Group recognizes the risks arising from cultural differences between the geographic regions (Europe, the U.S., India, China) where it operates and, in 2024, implemented programs as part of its HR policy to minimize them. Individuals joining the S/W Group are required to complete training on this topic provided by the employer.

The S/W Group has not identified any risks of forced or compulsory labor, or child labor, in its operations. The identified significant adverse impact regarding compliance with health and safety rules in production is incidental in nature with respect to the identified cases and does not indicate a systemic or widespread nature. The S/W Group, based on a materiality assessment in accordance with ESRS 2 IRO-1, analyzes potential adverse impacts on its own employees. As of the reporting date, no groups of employees meeting the criteria for specific vulnerability to harm within the meaning of ESRS S1 have been identified. Risk assessment is conducted at the level of processes and areas of activity, particularly with regard to occupational health and safety and work organization.

30.1.3 [S1-1] Policies related to the company's own workforce

The S/W Group has implemented a number of policies to manage risks, capitalize on opportunities, and enhance its impact on employees.

To minimize risks associated with the loss of key resources, the Group has implemented policies regarding working hours, potential cases of discrimination related to access to training, development, and promotions, as adopted by the Group HR Directive.

The Group recognizes an opportunity in ensuring job stability and fostering an open organizational culture, as well as employee adherence to the code of ethics—resulting in inclusivity, equal treatment, and equal opportunities for all employees.

Attractive compensation levels, a well-developed system for continuous professional development, and the assurance of high occupational safety and health standards have been identified as areas that positively impact employees.

The structure and interrelationships of employee-related policies are described below:

- **The SECO/WARWICK Group's Sustainable Development Policy** states that: The S/W Group builds strong, long-term cooperation and partnerships with Employees, based on high ethical standards and shared values, and fulfills the commitments established with stakeholders. The Policy also emphasizes that Employees are the strength of the S/W Group, which is why it creates a conducive work environment and a supportive atmosphere for them. It further states that the Group operates in accordance with the principles defined in the Code of Ethical Business Conduct, which details its approach to human rights and employee rights.

- **The S/W Group's Code of Ethical Business Conduct** addresses policies regarding equal treatment and the elimination of discrimination based on gender, race, skin color, ethnic or social origin, genetic characteristics, language, religion, or political beliefs, membership in a national minority, birth, disability, age, or sexual orientation. Additionally, it prohibits the use of forced or compulsory labor and the employment of children. Furthermore, it contains

declarations regarding guarantees of employee protection and safety, the provision of personal protective equipment, fire safety, the safe handling of hazardous materials, and employee involvement in the implementation of health and safety principles. The Code of Ethical Business Conduct also addresses ensuring respect for human rights related to employment. These provisions are implemented in operational activities through a group directive on personnel management processes (from the recruitment process, through the employment period, to its conclusion). An additional description of the policy is provided in Chapter G1.

- **The Group HR Directive** states that the S/W Group is an equal-opportunity employer that makes decisions based on merit, understood as: knowledge, professional and interpersonal skills, qualifications, experience, and education. This principle is applied in recruitment, access to training and employee development, performance evaluation, promotions, determining salary levels, benefits, and working conditions.

- **The Group procedure regarding salaries and fringe benefits** sets out uniform rules for determining salaries and guidelines for determining fringe benefits for employees, taking into account local culture and the legal environment. Developed and implemented in 2025.

- **The Group Directive on Occupational Health and Safety** defines minimum requirements for all companies regarding OHS and mandates compliance with local legal requirements. It covers areas such as: monitoring and compliance with legal safety requirements, obligations regarding permits/decisions and reporting, training, workplace risk analysis, indicators, personal and collective protective equipment, hazardous materials, emergency preparedness, particularly hazardous work, first aid, workplace environment assessments, accident procedures, and supervision of subcontractors performing work on the S/W Group premises. Developed and implemented in 2025.

All of the above documents have been approved by the President of the S/W Group and communicated to all Managing Directors of the Companies, who are responsible for implementing them in the companies they manage. They contain commitments referencing the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. Additionally, they address policies regarding equal treatment and the elimination of discrimination based on gender, race, skin color, ethnic or social origin, genetic characteristics, language, religion or political beliefs, membership in a national minority, birth, disability, age, or sexual orientation. Furthermore, they prohibit the use of forced or compulsory labor and the employment of children. Additionally, they include declarations regarding guarantees of employee protection and safety, the provision of personal protective equipment, fire safety, the safe handling of hazardous materials, and employee involvement in the implementation of health and safety principles.

Local HR procedures implement the Group's guidelines and values defined in the Code of Ethical Business Conduct.

SECO/WARWICK SA (Poland) has implemented and certified an Occupational Health and Safety Management System compliant with ISO 45001.

30.1.4 [S1-2] Procedures for engaging with the company's own workforce and employee representatives on matters of influence

The S/W Group maintains an ongoing dialogue with employees. Employee feedback has a significant impact on the decisions and actions taken by company management. It contributes to: improving decision-making processes, providing information on the organization's strengths and weaknesses, finding

solutions to emerging difficulties, and building mutual trust, accountability, and a sense of influence.

Employee employees are taken into account when implementing procedural or organizational changes. These changes are developed with employee input.

Direct employee feedback is collected through:

- an organizational culture survey;
- managerial competency survey – Feedback360;
- satisfaction and engagement surveys – online format;
- regular meetings and discussions.

Survey findings are discussed with management and presented to employees. Management, together with employee representatives, develops initiatives aimed at improving processes and adapting the work environment to employees' needs and expectations.

The Group HR Director is responsible for the employee dialogue process, with support from local HR staff, company Managing Directors, and the Group CEO.

To ensure effective communication with employees and the availability of information, this process is based on:

- the annual GMM (Global Management Meeting)

- annual review meetings;

- quarterly meetings;

- one-on-one meetings between employees and their supervisors;

- email communications to all employees;

- the Seco/Sfera newsletter for employees of SECO/WARWICK S.A. and SECO/WARWICK Services sp. z o.o.

30.1.5 [S1-3] Processes for addressing negative impacts and channels for employees to raise concerns

Each company within the S/W Group ensures that an employee who believes that HR processes are not being conducted in accordance with the Sustainable Development Policy, the Code of Ethical Business Conduct, and the Group HR Directive has the opportunity and the means to initiate a procedure for reporting violations or complaints.

The S/W Group has implemented mechanisms for reporting concerns, needs, and complaints, providing employees with a variety of communication channels. Employees may report their concerns, needs, and complaints by:

- reporting to their immediate supervisor or a higher-level supervisor,
- the reporting channel specified in the S/W Group Code of Ethical Business Conduct—an email addressed to the CEO of the S/W Group; this channel allows for anonymous reports,
- internal reporting channels within the respective company (in accordance with local legal requirements)
- trade unions and other employee organizations operating within the companies (availability subject to the legal framework of the respective country).

Those reporting complaints and violations are protected against retaliation. Each report is reviewed individually with due confidentiality and protection of the reporter. In

justified cases, corrective actions are taken and consequences are imposed on the person responsible for the violation.

The S/W Group has also established a procedure for handling reports—each report is analyzed, an investigation is conducted to clarify the matter, and actions are determined to correct the conduct described in the report and prevent it in the future.

Training on the violation reporting process is provided to employees.

The S/W Group recognizes that building awareness among staff regarding the reporting of violations is critical. Accordingly, it organizes training sessions and assesses the level of awareness achieved in this area. Based on the results obtained, it plans actions to continuously raise employee awareness.

30.1.6 [S1-4] Taking actions regarding significant impacts on its own workforce and applying approaches to manage significant risks and capitalize on significant opportunities related to its own workforce, as well as the effectiveness of these actions

The S/W Group has identified significant risk impacts and opportunities in the following areas:

- job security
- working hours
- adequate pay
- occupational safety and health
- gender equality and equal pay for work of equal value
- training and skills development
- measures to prevent violence and harassment in the workplace
- diversity
- privacy.

In 2025, initiatives with a significant impact on employees were implemented in the following areas:

- implementation across the Group of guidelines regarding compensation and benefits policy (gender equality and equal pay for work of equal value; adequate pay);
- standardization of recruitment principles across the entire Group (adequate pay; gender equality and equal pay for work of equal value; diversity; privacy);

Further actions are planned for 2026 as part of building a coherent HR policy aimed at ensuring common rules for conducting periodic performance reviews and initiating the succession process for key managerial and expert positions.

The following measures were taken to improve employee occupational safety and health:

- regular training for employees on occupational health and safety to increase their awareness and skills in accident prevention (training and skills development; occupational health and safety);
- development and implementation of detailed procedures and instructions regarding safe work practices (occupational health and safety);
- systematic monitoring of working conditions and analysis of potential hazards to implement appropriate preventive measures on an ongoing basis (occupational safety and health);
- ensuring access to first aid supplies and training employees in first aid in the event of an accident (occupational safety and health);

- promoting a safety culture among employees, encouraging the reporting of potential hazards, and active participation in activities aimed at improving working conditions (measures to prevent violence and harassment in the workplace).

Activities in this area are implemented within the framework of annual budgets. The relevant operational functions within the Group's companies are responsible for their implementation. If necessary, the Group may allocate additional project resources to implement selected ESG initiatives.

30.1.7 [S1-5] Targets for managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities

In 2025, no targets meeting the MDR_T requirements were established.

The S/W Group's internal resource objectives for 2025 focused on improving HR process management through the implementation across all companies of:

- standardization of recruitment and periodic employee evaluation procedures;
- implementation of an occupational health and safety directive covering the standardization of OHS requirements across companies.

30.1.8 [S1-6] Characteristics of the entity's employees

This chapter presents the characteristics of the Seco/Warwick Group's workforce. Men account for over 83% of the workforce, which is related to the structure of technical education in secondary and higher education institutions over the past 40 years.

Information on the number of employees by gender

Gender	2024	2025
Male	771	775
Female	156	155
Other	0	0
Not reported	0	0
Total (number of people)	927	930
Employees (average number of employees)	912	921

Number of employees in countries where the entity employs at least 50 employees representing at least 10% of the entity's total workforce.

Country	Number of employees (12/31/2024)	Number of Employees (12/31/2025)	Employees (average number of employees in 2024)	Employees (average number of employees as of 2025)
Poland	635	610	629	628
China	100	105	102	103
USA	147	177	136	166

Information on employees by type of contract, broken down by gender 2024

	WOMEN	MEN OTHERS	OTHER	N/A REPORTIT	TOTAL
Number of employees	**156**	**771**	**-**	**-**	**927**
Number of employees with permanent contracts	115	609	-	-	724
Number of temporary employees	41	162	-	-	203
Number of employees whose working hours are not guaranteed	-	-	-	-	-
Number of hired full-time	150	739	-	-	889
Number of hired part-time	6	32	-	-	38

2025

	WOMEN	MEN OTHERS	OTHER	N/A REPORTIT	TOTAL
Number of employees	**155**	**775**	**-**	**-**	**930**
Number of employees with permanent contracts	114	599	-	-	713
Number of temporary employees	35	130	-	-	165
Number of employees whose working hours are not guaranteed	-	-	-	-	-
Number of hired full-time	151	764	-	-	915
Number of employed part-time	6	9	-	-	15

Information on employees by type of contract, broken down by region

	Poland	China	USA	India	Germany
Number of employees	**610**	**105**	**177**	**38**	
Number of permanent employees	531	19	176	38	
Number of temporary employees	79	86	-	1	
Number of employees whose working hours are not guaranteed	-	-	-	-	
Number of full-time employees	596	105	176	38	
Number of part-time employees	19	-	-	1	

The data on the number of employees presented in the table refer to the number of employees as of December 31, 2025, and have been reconciled with the most representative figure used in the Group's financial statements, i.e., the average level of reported reported in notes notes to the financial statements.

Turnover rate	**2024**	**2025**
Percentage of employees who left the company	7%	11%
Number of employees who left	55	106

[S1-7] Characteristics of non-permanent employees

As of December 31, 2025, the S/W Group employed non-employees as defined by ESRS S1-7 (16 individuals under contract-for-service agreements and 1 self-employed individual).

30.1.9 [S1-9] Diversity metrics

The number of women in management positions is derived from the employment structure of women, as reported in section S1-6.

2025

S1-9 – Diversity Metrics

	WOMEN	MEN	OTHERS	NO REPORTED	TOTAL
Number employees (number people) at the highest management level.	1	10	-	-	11

(Board of Directors, Managing Directors)					
Percentage distribution among senior management	**9%**	**91%**	**-**	**-**	**100%**
Number of employees (number of people) at the n-1 management level (Directors, Deputy Directors)	9	47	-	-	56
Number of employees (number of people) at the n-2 management level (Managers, Leaders)	12	80	-	-	92
Number of employees (number of people) under the age of 30.	13	119	-	-	132
Number of employees (number of people) aged 30 to 50.	113	468	-	-	581
Number of employees (number of people) over the age of 50.	26	191	-	-	217

2024

S1-9 – Diversity Metrics

	WOMEN	**MEN**	**OTHERS**	**NO REPORTED**	**TOTAL**
Number employees (number people) at the highest management level. (Board of Directors, Managing Directors)	1	10	-	-	11
Percentage distribution among senior management	**9%**	**91%**	**-**	**-**	**100%**
Number of employees (number of people) at the n-1 management level (Principals, Assistant Principals)	10	38	-	-	48
Number of employees (number of people) at the n-2 management level (Managers, Leaders)	14	86	-	-	100
Number of employees (number of people) under the age of 30.	18	152	-	-	170
Number of employees (number of people) aged 30 to 50.	118	440	-	-	558
Number of employees (number of people) over the age of 50.	20	179	-	-	199

30.1.10 [S1-10] Fair wages

Companies will comply with regulations regarding minimum wage in each country where they are based. Only employees undergoing training to work independently in production roles will receive the minimum wage

Period		2024	2025
Percentage	of employees receiving wages below the established level of adequate remuneration	0.00%	0.00%

30.1.11 [S1-11] Social protection

In the G/W Group in 2025, all employees (those employed under an employment contract) were covered by social protection under public programs.

In EU countries, employees are covered by the public social security system and benefits under national labor laws. Income protection includes: (a) in the event of illness—sickness benefits (up to 182 days) and rehabilitation benefits (up to 1 year), as well as disability benefits from the public system; (b) in the event of unemployment—benefits payable upon termination of employment, although there is no protection during employment in the form of guaranteed income replacement; (c) in the event of workplace accidents and disability—accident benefits (up to 182 days), rehabilitation benefits (up to 1 year), and disability pensions; (d) in the case of parental leave – employees are entitled to benefits guaranteed by law; (e) in the case of retirement – employees are covered by the public pension system.

In the U.S., insurance coverage includes protection in the event of short-term and long-term disability. Additionally, employees are covered by a pension plan. Employees are entitled to maternity leave.

Employees in China are covered by workplace insurance and are entitled to parental leave following the birth of a child—including maternity leave for the mother and father, childcare leave, breastfeeding leave, maternity benefits, and health insurance.

Employees in India are covered by policies that include health, retirement, accident, and life insurance.

30.1.12 [S1-13] Metrics on training and skills development

Indicators on training and skills development

2024

	WOMEN	MEN	OTHER	NOT REPORTED	TOTAL
Percentage of employees who participated in regular checkups of and career development	97%	97%	0%	0%	97%
Average number of training hours per employee	9.11	7.31			7.77

2025

	WOMEN	MEN	OTHER	NOT REPORTED	TOTAL
Percentage of employees who participated in regular checkups of and career development	84%	87%	0%	0%	87%
Average number of training hours per employee	15.16	6.72			10.94

30.1.13 [S1-14] Occupational Safety and Health Indicators

Accidents	2024	2025
Percentage of employees covered by an occupational health and safety management system based on legal requirements and/or recognized standards or guidelines.	**100%**	**100%**
Number of fatalities among our own employees resulting from work-related injuries and work-related health conditions.	-	-
Number of fatalities resulting from work-related injuries and ill health among other workers on the company's premises.	-	-
Number recorded accidents at work own employees.	8	5
Number of reportable work-related accidents.	0	0
Rate of recorded work-related accidents among the company's own employees.	0.43	0.73
Number of reported cases of work-related ill health among employees.	-	-
Number of days lost due to work-related injuries and fatalities resulting from workplace accidents, work-related health issues, and fatalities caused by employees' health issues.	438	311

30.1.14 [S1-16] Wage measures (wage gap and total compensation)

Tables - Wage gap and wage levels

2025

	Poland	USA	China	India	Total
Wage gap	14%	21%	33%	37%	**21%**
Ratio of the highest salary to the median	13%	27%	7.5%	15%	**10%**

2024

	Poland	USA	China	India	Total
Wage gap	7%	24%	30%	50%	**17%**
Ratio of the highest salary to the median	14%	10%	14%	15%	**11%**

The pay gap was calculated based on the average compensation of men and women in companies in individual countries. The indicator for the entire Group was calculated as a weighted average, with the weights being the number of employees in individual entities. The compensation used to calculate the ratio of the highest compensation to the median does not include incentive program costs.

It is consistent with the employment structure at the C-level and N-1 positions.

30.1.15 [S1-17] Incidents, complaints, and significant impacts on human rights

In 2025, the Group did not record any incidents or complaints related to human rights.

31 ESRS S2 People working in the value chain

31.1 [SBM-2] Stakeholder interests and views

In 2025, the S/W Group did not conduct a follow-up survey of suppliers. A supplier survey was conducted in 2024 to assess their level of progress and plans regarding the implementation of policies and reporting on ESG issues. At the same time, the surveyed suppliers declared that their operations comply with the S/W Group's Code of Ethical Business Conduct. The survey revealed that, in the case of suppliers outside Europe, there is a lack of clear procedures/policies prohibiting forced labor and requirements regarding occupational safety and health conditions for their employees.
The S/W Group has not developed any tools other than the supplier survey that allow for the consideration of the interests and opinions of people working within the value chain.

The Group's business model is based on building long-term relationships with suppliers and aims to ensure job security and minimize the negative effects of accidents and occupational health and safety issues for those working within the value chain.

31.2 [SBM-3] Significant influences, risks, and opportunities, and their interrelationships with the strategy and business model

The SECO/WARWICK Capital Group has— influence over employees of companies providing cooperative, cleaning, maintenance, and security services on the premises of production facilities. The S/W Group has an indirect influence over suppliers' employees.
The Group monitors local and global conditions and does not conduct business with companies from countries where there is a significant risk of child labor, forced labor, or compulsory labor.
The S/W Group's business model is based on careful supplier selection, and for critical components and services, cooperation is based on long-term contracts. The supply chain does not include the procurement of raw materials, but only finished materials, components, or equipment for the production of devices. Maintaining stable relationships with suppliers ensures their financial stability and thus has a positive impact on job stability for their employees. At the same time, the Group pays close attention to the application of health and safety rules by suppliers' employees working on its premises.

31.3 [S2-1] Policies related to individuals working in the value chain

The SECO/WARWICK Capital Group has implemented and made available to its suppliers the SECO/WARWICK Group Code of Ethical Business Conduct, described in Chapter G1-1. In the context of the value chain, this document sets forth principles of respect for fundamental human rights, including, among others:

- the right to dignity, freedom, and privacy,
- equal treatment and non-discrimination,
- the prohibition of forced labor and child labor,
- the right of employees to freedom of association.

31.4 [S2-2] Processes for engaging with individuals working in the value chain regarding impacts

Current business processes related to the supply chain focus on building long-term cooperation with suppliers. The S/W Group has not implemented a general process for cooperation with persons performing work in the value chain, but there is a practice of occupational health and safety oversight at production facilities.
Operational responsibility for cooperation and accountability in relations with suppliers rests with the individuals responsible for purchasing a given category of materials/services.

For subcontractors working on the premises of SWSA, a requirement has been implemented to familiarize the service provider's employees with basic safety rules, fire safety rules, environmental protection rules, and personal data processing rules; the service provider is also obligated to supervise its employees regarding compliance with applicable rules. Additionally, procedures have been introduced that include a formal system for reporting visits, which allows for more effective monitoring of compliance with health and safety standards.

31.5 [S2-3] Processes for addressing negative impacts and channels for reporting concerns by individuals working in the value chain

The SECO/WARWICK Capital Group has established mechanisms in its Code of Ethical Business Conduct for reporting concerns and handling complaints. The primary tool is a dedicated email address,alertetyczny@secowarwick.com /ethicsalert@secowarwick.com , available to all stakeholders, including employees in the value chain.
Those reporting violations are protected from retaliation, and reports are treated with the utmost confidentiality. At the same time, appropriate procedures are in place to ensure a thorough and fair investigation. It is also possible to report a violation anonymously.

Additionally, buyers responsible for specific procurement categories engage in dialogue with company representatives as part of the qualification process and periodic supplier evaluations, which enables ongoing monitoring and the elimination of potential irregularities.
The Group does not monitor awareness of the existence of channels for reporting irregularities among supply chain employees.

In the event of a security breach, SWSA has implemented a penalty schedule for non-compliance, of which service providers are informed prior to the commencement of work. Proceedings to impose a penalty on a supplier are conducted by the Occupational Health and Safety Service.

31.6 [S2-4] Taking action regarding material impacts on people working in the value chain and applying approaches to manage material risks and capitalize on material opportunities related to people working in the value chain, as well as the effectiveness of these actions

The SECO/WARWICK Group began the process of implementing ESG requirements in its own supply chain in 2024 and continued this process in 2025. The actions taken include:

- developing guidelines and questionnaires to assess suppliers' compliance with ESG requirements across the entire Group.

A review of a defined group of suppliers across all Group companies is scheduled for 2026. No serious issues or incidents regarding human rights violations related to the entity's upstream and downstream value chain have been reported

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31.7 [S2-5] Targets for managing material negative impacts, enhancing positive impacts, and managing material risks and opportunities

Currently, the SECO/WARWICK Group has not defined objectives and does not have procedures in place to monitor the effectiveness of policies regarding workers in the value chain.
To strengthen the positive impact on the supply chain in the coming years, the Group plans to implement a supplier qualification process based on ESG criteria for 100% of its suppliers.

32 [S4] Consumers and end users

32.1 [SBM-3] Material impacts, risks, and opportunities and their interrelationships with the strategy and business model

In 2025, during the double materiality analysis process (described in ESRS2 IRO1 and 2), material impacts, risks, and opportunities were identified in the context of end users. Consumers do not appear as stakeholders because the S/W Group does not sell its products on the consumer market.

Risks, opportunities, and impacts are most closely linked to the business model in the area of delivering the most innovative and high-quality products and services to customers. The S/W Group has identified a potential negative impact related to the physical safety of end users while using the devices. This impact is systemic in nature, resulting from the nature of the products and their use in an industrial environment by end customers. Furthermore, it was determined that there is a risk of failure during device operation; therefore, user safety and occupational health and safety issues were deemed significant. The Group recognizes that its positive impact lies in ensuring high-quality communication channels with device users and providing high-quality documentation, operational training, and opportunities to test the technology.

The types of end users on the customer side identified during the analyses as potentially subject to significant impacts are: equipment operators and technical services. These groups are not considered particularly vulnerable to harm within the meaning of the ESRS; however, due to the nature of the equipment, they require access to user manuals and appropriate training.

The S/W Group has not received any reports from customers regarding the negative impact of the devices on users (including accidents caused by device defects).

32.2 [S4-1] Policies related to consumers and end users

The S/W Group does not offer consumer products. The basic principles of the S/W Group's policy regarding end users are defined in the Sustainability Policy, where the S/W Group confirms that:

- / it develops solutions in products, technologies, and operations, and improves devices so that they support customers in conducting sustainable production;
- / it offers a flexible approach to collaboration with customers—tailor-made solutions are proposed by experienced and effective product teams;
- / quality and reliability are a priority, which is why it continuously improves the quality and safety of its manufactured equipment to be the best in the industry on international markets;
- / provides the resources and expertise to operate effectively in all areas, and in particular to ensure occupational health and safety, prevent injuries and illnesses, ensure product safety, and protect the environment and human rights.

The Sustainable Development Policy and the Code of Ethical Business Conduct form the basis for setting goals and objectives to ensure the highest quality of products and services, meet customer expectations, and ensure the safe use of S/W Group products.

In its Code of Ethical Business Conduct, the Group also commits to respecting the human rights of end users and to collaborating with them. Further details can be found in Chapter G1-1.

Equipment manufactured for the European market is subject to the Machinery Directive 2006/42/EC, which requires manufacturers to conduct risk assessments and mitigate identified risks related to the safe use of the equipment.

32.3 [S4-2] Collaboration processes regarding feedback from consumers and end users

Cooperation with end users of the equipment is a key element in ensuring high-quality services and the continuous improvement of products and processes—within the quality assurance systems implemented in the manufacturing companies. S/W Group companies maintain constant contact with the end user, who is the Customer or their employees, at various stages of project execution. On the companies' side, the Project Manager and Project Team (during the design phase) and the Service Team (during the commissioning and operation of the equipment) are responsible for collecting feedback. These teams stay in contact with customers and provide them with support or feedback in the event of problems or complaints. After the warranty period, the S/W Group guarantees the customer technical support for maintenance, repairs, and equipment upgrades, which is carried out by designated Group companies, significantly minimizing any potential negative impact on the end user. The S/W Group also conducts customer satisfaction surveys. The results of these surveys are analyzed once a year. The conclusions from these analyses are presented by the Product VPs and Managing Directors. They are essential for setting goals and tasks for the coming year.

32.4 [S4-3] Processes for remedying the effects of negative impacts and channels for consumers and end users to report concerns

Customers, on behalf of end users, may report any concerns or claims through the customer contact channels established by the respective company for complaints, inquiries, or

service requests. Contact details for each company are available to Contractors on the S/W Group website. Additionally, the Client may contact the project and service team with whom they carried out the project, who provide support or feedback in the event of problems or complaints. Comments, issues, and change requests raised by the Client's representatives during project implementation and at working meetings are managed and supervised by the Project Manager.

The support team collects complaint reports and resolves them on an ongoing basis in consultation with client representatives.

The S/W Group has also made a channel for reporting violations available:alertetyczny@secowarwick.com . Information about the reporting procedure is available on the S/W Group's website in the Code of Ethical Business Conduct. Violations may also be reported anonymously. The procedures implemented for handling received reports ensure the proper confidentiality of the reporter's data, protect the reporter from reprisals related to the report of a violation (e.g., discrimination, demotion, threats, or loss of benefits), and simultaneously facilitate a detailed and precise investigation. If necessary, a corrective process is initiated. Despite the available reporting channel, the S/W Group has not received any reports through this channel. The Group believes that, due to continuous contact with end users during the device's commissioning phase, they are aware of the existing mechanisms for reporting violations. End-user awareness regarding knowledge of violation reporting mechanisms is not surveyed.

End users may also submit their comments in customer satisfaction surveys conducted by the companies.

The S/W Group offers its customers the innovative **FURNACE/PLUS** service package, which enables comprehensive management of the furnace and processes, including:

- / SECO/PREDICTIVE, which enables the detection of anomalies before a failure occurs;
- / My Support, where customers can report a problem they cannot resolve on their own or search for a solution to a similar problem in the provided guidelines;

Reports are monitored in a ticketing system and resolved on an ongoing basis with the customer by the service team.

32.5 [S4 -4] Taking actions regarding significant impacts on consumers and end-users, and applying approaches to manage significant risks and capitalize on significant opportunities related to consumers and end-users, as well as the effectiveness of these actions

During the reporting year, the parent company SECO/WARWICK S.A. continued activities under the supervision of internal occupational health and safety departments, consisting of a detailed analysis of risks associated with the use of specific equipment manufactured by the Group. The aim of this work is to enhance the safety of equipment use by providing the best and most comprehensive description of guidelines and conditions related to safe and proper operation, as well as planning appropriate Safety Integrity Level (SIL) safeguards depending on the complexity of the equipment and technological processes. The Company has internal procedures under which pre-sales meetings are organized with the Occupational Health, Safety, and Fire Protection Department to identify all safety aspects related to the use of the future device. Furthermore, the Group is required under Directive 92/58/EEC to comply with minimum requirements regarding the use of safety colors and signs. The provisions of this directive have been

incorporated into Polish law by the Regulation on General Occupational Health and Safety Provisions. Every piece of equipment sold by the Company is equipped with automatic SIL safety systems that minimize, and even eliminate, the negative impact of the equipment on people. This solution is further disseminated to products of other companies within the S/W Group through technology transfer.

In addition, we conduct mandatory training for end users, which is organized to ensure that users are well-versed in the operation of the equipment and safety procedures. Completion of the training is confirmed in an acceptance report.

During the reporting year, end users did not report any serious malfunctions or incidents that could have a significant negative impact.

In 2024, the infrastructure requirements for testing vacuum furnaces were analyzed. Since vacuum furnaces are the equipment with the most demanding infrastructure requirements, a decision was made not to analyze the needs of other product segments. Adapting the infrastructure to vacuum furnaces also ensures readiness to test equipment from other product groups.

In 2025, work began on adapting the infrastructure to the needs identified in the 2024 analyses with the highest priority. These activities will continue in 2026.

No incidents or cases of human rights violations against consumers and end users were recorded within the Seco/Warwick Group during the reporting year.

End users receive an Instruction Manual with guidelines for safe handling and operation for each device. S/W Group companies analyze the risks associated with the use of their devices, striving to improve safety through precise user guidelines and the implementation of appropriate SIL safety levels. Additionally, devices are labeled in such a way that users can easily read information about hazards. The labeling method meets the legal requirements of the market for which the device is intended. Continuous automation and technological development enhance the safety and user comfort of devices supplied by the S/W Group.

Every device sold is equipped with automatic SIL systems, minimizing the risk to users.

32.6 [S4-5] Objectives regarding the management of significant adverse impacts, the enhancement of positive impacts, and the management of significant risks and opportunities

To monitor the Strategy, the following qualitative objective has been adopted:

Adapting the infrastructure requirements of SWSA facilities to the testing needs of manufactured devices by the end of 2026

33 Information related to corporate governance

33.1 ESRS G1 Business Conduct

33.1.1 [G1-1] Business conduct policies and corporate culture

The SECO/WARWICK Capital Group recognizes that its activities should be lawful and based on its ethical values, and that honest conduct is a prerequisite for achieving the company's stability and long-term success. Honest conduct builds trust and the reputation of a good and reliable partner.

Respect, integrity, and responsibility toward stakeholders (including suppliers, customers, partners, Employees, and the Local Community), compliance with the legal requirements of the countries in which the S/W Group operates, ethical conduct, and respect for the natural environment are key to the S/W Group's operations and are reflected in its core values:

/ Innovation,

/ Partnership,

/ Safety and stability,

/ Reliability,

/ Credibility and integrity,

/ Sustainable development.

The implementation of these principles is supported by the S/W Group's internal regulations:

The Sustainability Policy, which applies to employees throughout the S/W Group. The Policy has also been made available to external stakeholders on the S/W Group's website. The Managing Directors of each company are responsible for implementing the Policy within their respective companies.

The Policy is referenced in sections: E1–1, E5–1, S1–1, and S4–1, where its relevance to impacts, risks, and opportunities is described in greater detail.

The Code of Ethical Business Conduct (hereinafter the Code), which helps make the right decisions and serves as the backbone of every Employee's behavior. This Code expresses the system of values that Employees, Colleagues, and Business Partners should follow.

The Code contains guidelines and rules of conduct and addresses significant impacts, risks, and opportunities in areas such as:

- RESPECT FOR HUMAN RIGHTS AND LABOR RIGHTS (employment security
  , working hours, fair wages, occupational safety and health, gender equality and equal pay for work of equal value, training and skills development, measures to prevent violence and harassment in the workplace, diversity, privacy, forced labor, human trafficking)
- LOCAL COMMUNITY
- ENVIRONMENTAL PROTECTION (climate change mitigation, energy, Inputs, including resource use)
- COMPANY OWNERSHIP (cybersecurity and data protection)
- OUR RELATIONSHIPS WITH BUSINESS PARTNERS (supplier relationship management, including payment practices)

- COMPLIANCE (corporate culture, prevention and detection of corruption)
- PRODUCT RESPONSIBILITY (outbound resources related to products and services, access to (high-quality) information, occupational health and safety, user safety)
- REPORTING VIOLATIONS – which is an element of due diligence and allows for monitoring the effectiveness of the measures taken.

The document contains commitments referencing the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

The Code is available to all stakeholders on the S/W Group's website. The Managing Directors of the respective companies are responsible for implementing the Code within their companies.

The Code is referenced in sections: E1-1, E5-1, S1-1, S-2-1, S4-1.

The S/W Group defines minimum requirements for key processes designed to ensure compliance with the guidelines of the Code of Ethical Business Conduct, thereby mitigating or capitalizing on identified material impacts, risks, and opportunities. To date, guidelines have been defined and communicated to companies in the following areas: HR, finance, procurement, legal compliance, sales, IT, design, production and assembly, communication and crisis management, double materiality analysis, and ESG reporting.

Group regulations are communicated to all companies and made available to their management on an internal platform. Management is required to implement the guidelines into the internal regulations and procedures of each company and to familiarize the employees affected by them with these guidelines.

Employees are required to comply with the ethical standards established by the S/W Group and to avoid any actions that conflict with them.

The S/W Group has made available to all internal and external stakeholders a channel through which they can report violations of the law or the principles of the Code, as communicated in the Code of Ethical Business Conduct.

Additionally, where required by law, the companies have implemented internal whistleblowing procedures in accordance with local law, which include information on responsibility for the investigation process, ensuring the protection of whistleblowers, and a description of the consequences that may result from such a violation (including as a result of knowingly making false accusations).

All reports submitted through the channel provided in the Code of Ethical Business Conduct are managed by the parent company SECO/WARWICK S.A. (Poland) in accordance with applicable law. The company has implemented a detailed procedure for handling non-compliance and has appointed a person responsible for overseeing the process at the Management Board level. The procedure meets the requirements of Directive (EU) 2019/1937 of the European Parliament and of the Council and the act implementing it into Polish law.

The S/W Group ensures due diligence in the process of receiving and investigating all violations by:
• protecting the data of the reporter and the persons against whom the report was made,
• protecting the reporter from repercussions related to the report,

- thoroughly investigating each reported violation by a competent and independent team authorized to investigate violations and determine follow-up actions, operating in accordance with the principles of impartiality,
- ensuring communication with the person reporting the violation and, if required, with government agencies and law enforcement authorities,
- monitoring the implementation of follow-up actions resulting from the reported violation,
- reporting the results of proceedings to the relevant Company bodies, including the Management Board and—where justified—the Supervisory Board.

The Companies' management is required to promote attitudes consistent with the values and standards set forth in the Code during their daily work and at special events with employees.

The S/W Group has launched training programs on corporate culture. In 2025, training sessions were held on preventing workplace bullying and discrimination, corruption, money laundering, conflicts of interest, and reporting violations. Employees were also familiarized with the Sustainable Development Policy and the Code of Ethical Business Conduct.

The groups most at risk of corruption and bribery within the S/W Group are: management, procurement, sales, finance, marketing, and those responsible for HR processes.

33.1.2 [G1-2] Management of supplier relationships

The S/W Group bases its cooperation with suppliers and subcontractors on long-term relationships.

The principles of the CODE OF ETHICAL BUSINESS CONDUCT apply to Employees as well as Suppliers and Subcontractors; therefore, they are expected to comply with the law, the principles of fair competition, and the internal regulations in force within the SECO/WARWICK Capital Group.

The S/W Group establishes partnership-based terms of cooperation with suppliers and subcontractors, including timely payments; however, it does not have a policy aimed at preventing payment delays. The selection of suppliers is based on a transparent evaluation of bids, taking into account commercial terms and the quality of products and services.

The S/W Group seeks to engage its Suppliers and Subcontractors to jointly pursue sustainable development goals. The S/W Group's Code of Ethical Business Conduct states that business partners are expected to uphold the values contained therein. Additionally, SWSA has included in its General Terms and Conditions of Purchase (GTCP) for materials and services a requirement that its suppliers comply with the principles defined in the code. By accepting the GTCP, suppliers thereby confirm that they adhere to the code's guidelines.

To minimize disruptions in the supply chain, the S/W Group enters into framework agreements that specify minimum inventory levels, material availability, and order cancellation policies. We monitor delivery times for specific product groups to avoid delays and raw material shortages.

The S/W Group monitors the situation and issues related to the global supply chain, including armed conflicts, sanctions, civil unrest, and natural disasters.

Those responsible for purchasing focus on building and maintaining relationships with suppliers, including negotiating commercial terms.

The S/W Group maintains an active communication policy with suppliers, providing relevant information. Suppliers are selected based on their technical capabilities to produce goods tailored to a specific project. If a potential supplier meets these requirements, we verify the business and financial terms.
SWSA has implemented a supplier qualification process through self-assessment questionnaires or the submission of ethical certificates by the supplier, which takes into account social criteria regarding workplace safety and accidents, equality in hiring processes, the prohibition of forced labor, compliance with the minimum age for employment, and environmental criteria related to compliance with legal reporting requirements.
Certified suppliers achieve higher scores in the assessment process. Based on the assessment process, SWSA monitors and controls suppliers exposed to significant economic, environmental, or social risks.
This process will be implemented across the entire S/W Group in 2026.

33.1.3 [G1-3] Prevention and detection of corruption and bribery

The anti-corruption policy of the SECO/WARWICK Group is based on the Code of Ethical Business Conduct, guidelines defined at the S/W Group level (including directives on HR Management, Procurement and Supplier Qualification, Sales, Legal Compliance, Capital Investment, and procedures: Related Party Identification, Restriction on Buying and Selling SECO/WARWICK Group, Rules of Inside Information Flow, Compensation and Benefits), as well as on the companies' internal regulations, which take into account local legal requirements.

Employees of the SECO/WARWICK Group are required to adhere to principles of integrity in their dealings with colleagues and business partners. They may not use business contacts to gain personal or third-party benefits, nor act to the detriment of the S/W Group. No employee may offer or accept benefits that could influence decision-making.

The S/W Group does not tolerate any form of corruption, including the acceptance or offering of money to business partners, public officials, or other individuals and institutions. It is prohibited to demand, accept, offer, or transfer money or other benefits, with the exception of occasional gifts. Employees may accept and offer small gifts and company promotional items, provided they do not raise suspicions of influencing business decisions. Before offering or accepting a gift, you must verify that the action is in accordance with ethical principles. Offering any gifts to government officials is prohibited.

When payments are processed by third parties, we exercise particular caution and work exclusively with trusted business partners. Before commencing cooperation, each Business Partner must undergo verification regarding their qualifications, government contacts, existing clients, and reputation among banks, business organizations, and the local community.

All transactions conducted on behalf of the SECO/WARWICK Capital Group are recorded accurately and reliably.

The Code of Ethical Business Conduct is made available to Employees in internal documentation and to external stakeholders on the SECO/WARWICK Capital Group's website. Employees are informed of any changes to the Code.

Additionally, the S/W Group provides training on anti-corruption, anti-money laundering, and conflicts of interest. Employees can also verify their knowledge through a test

(2024). Recognizing the importance of continuously enhancing knowledge and fostering a culture of compliance, the Group conducted another round of training in this area in 2025. These training sessions saw significantly higher attendance than in the previous year and concluded with a test to assess the level of knowledge acquired.

2025

Scope of training	**Functions exposed to risk**	**Individuals in management**	**Supervisory Board (AMSB)**	**Other human resources**
Percentage of employees participating in training programs	*97%*	*89%*	*100%*	*89%*
Method of delivery and Duration				
In-person training				
Computer-based training	*x*	*x*	*x*	x
Optional computer-based training				
Frequency				
How often should the training be conducted	*Once a year*	*Once every 2 years*	*Once every 2 years*	Once every 2 years
Topics covered				
Definition of corruption	*x*	*x*	*x*	*x*
Politics	*x*	*x*	*x*	*x*
Procedures related to suspicion/detection	x	x	x	x

2024

Scope of training	**Functions exposed to risk**	**Individuals in management**	**Supervisory Board (AMSB)**	**Other human resources**
Percentage of employees participating in training programs	*63%*	*37%*	*100%*	*62%*
Method of delivery and Duration				
In-person training				
Computer-based training	*x*	*x*	*x*	x
Optional computer-based training				
Frequency				
How often should the training be conducted	*Once a year*	*Every two years*	*Once every two years*	Once every two years

Topics covered				
Definition of corruption	*x*	*x*	*x*	*x*
Politics	*x*	*x*	*x*	*x*
Procedures related to suspicion/detection	x	x	x	x

33.1.4 [G1-6] Payment Practices

Cooperation with Suppliers and Subcontractors is based on long-term relationships.

The S/W Group establishes partnership-based commercial terms of cooperation with Suppliers and Subcontractors, including payment terms.

The information presented regarding standard payment terms applies exclusively to the parent company—SWSA. Currently, these terms are not available in a standardized form for the entire Capital Group (in companies other than SWSA, payment terms are established on an individual basis).

The parent company has established the following standard payment terms:

• Domestic suppliers – payments are typically made within 30 days of the invoice date, which accounts for approximately 70% of the entity's annual invoice value.

• Foreign suppliers – payments made within 60 days, which applies to approximately 20% of annual invoices.

• Suppliers from countries with specific regulations, such as China – payments made within 90 days in accordance with local market conditions. The Group estimates that this segment accounts for approximately 10% of the entity's annual invoices.

Average invoice payment time:

- The average time it takes SECO/WARWICK to settle an invoice from the start of the contractual or statutory payment period is estimated at approximately 45 days.

Currently, the SECO/WARWICK Group has no pending legal proceedings related to payment delays.

33.1.5 [G1-7] Cybersecurity

Taking into account the impacts and risks associated with cybersecurity and information security, the S/W Group has an Information Security Policy covering both the security of IT infrastructure and operational procedures regarding the confidentiality and integrity of information. We collect and process data (including personal data) in a responsible, reliable, and ethical manner, in compliance with applicable laws.

We have implemented the following security measures:
/ physical: monitoring, access control, a security company, additional security for key rooms (including the server room), and an emergency power supply for the IT infrastructure

/ technical IT: encryption with access-restricting labels, implementation of mandatory login using a unique username and password along with a second method of identity verification (MFA), antivirus software for servers and user workstations, VPN, continuous monitoring of key processes and IT services regarding security incidents, access to services only from authorized devices, monitoring of sensitive data processed within the Group's infrastructure, data backup
/organizational: Security policy and procedures and instructions related to the security of process execution. We uphold the rights of data subjects. We provide internal and external communication channels through which these rights can be exercised.
We conduct regular audits and test the measures adopted aimed at protecting processed data (annual penetration test)

Our goal is to ensure the continuity of business processes in the event of security incidents and to prevent the disclosure of confidential data. This goal was achieved in 2025.

This disclosure is specific to the entity due to recommendations from the Stock Exchange.

Date: April 23, 2026

President of the Management Board

Sławomir Woźniak

Member of the Management Board

Bartosz Klinowski

Member of the Management Board

Earl Good

Member of the Board

Piotr Walasek