



Sustainability Report KremsChem Austria GmbH

Reporting Year 2025

VSME – Standard Basic & Comprehensive Module

Preface by Management

KremsChem Austria GmbH, as a chemical company operating in Krems, recognizes its responsibility towards the environment, health, safety, and society. Sustainability considerations are incorporated into the company's governance structures, strategic decision-making, and operational processes.

Our sustainability strategy, "*Sustainable Connected*," provides the framework for addressing material environmental, social, and governance topics. Its focus areas include climate protection, emission reduction, resource efficiency, circular economy, occupational health and safety, equal opportunity, and responsible business conduct. These priorities are based on the company's materiality assessment and take applicable legal and regulatory requirements into account.

The development of future-fit products and processes is subject to a range of constraints and uncertainties. In particular, the limited availability of sustainable raw materials affects product design and innovation capabilities. Further challenges include reducing emissions and integrating sustainability requirements into existing technologies and plant infrastructure. In 2025, the commissioning of an additional power plant and a new photovoltaic installation expanded the company's on-site energy generation capacity.

The company continuously reviews and adapts its organizational and operational structures to ensure occupational safety, employee health, and equal opportunities. Employee involvement is considered essential for achieving sustainability objectives. Research, production, and management processes are guided by defined procedures aimed at risk minimization, operational efficiency, and continuous improvement.

This report provides an overview of the company's current performance, identified challenges, and measures implemented to support sustainable development.

Kind regards,

Dr. Michael Kunz, MBA

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Reporting Period and Boundaries ^{B1}

This report covers the calendar year 2025. In alignment with the reporting period of the financial statements, the reporting period begins in January 2025 and ends in December 2025.

Material topics were identified in 2024 through a formal materiality assessment. This sustainability report aims to provide transparent information on the topics, risks, and opportunities considered material to KremsChem Austria GmbH.

As this is the company's first sustainability report, all disclosed data relate to the reporting year 2025. The information has been compiled based on internal management system documentation as well as the company's financial reporting.

KremsChem Austria GmbH operates a single site located at Hafenstraße 77, 3500 Krems. This site represents the sole organizational boundary for the purposes of this report.

The report has been prepared in accordance with the requirements of the VSME (Voluntary Standard for Small and Medium Enterprises) for voluntary sustainability reporting and considers relevant European Union requirements, with reference to the Corporate Sustainability Reporting Directive (CSRD). Reporting follows Option B, including both the Basic and the Comprehensive modules. To enhance clarity and usability, both modules are presented in parallel, with relevant sections identified by the corresponding data point references.

Historical Development ^{B1 & C1}



- 1948 → Establishment of Krems Chemie at its current site in Krems an der Donau
- 1990 → Initial Public Offering
- 1997 → Acquisition by Neste Chemicals and strategic focus on the production of synthetic resins as in the future core business
- 2001 → Renaming to Dynea Austria GmbH
- 2013/14 → Integration into the Sorcy Investments Trust and renaming to Metadynea Austria
- 2024 → Renaming to KremsChem Austria GmbH

Business Activities and Value Chain ^{B1 & C1}

KremsChem Austria GmbH is an industrial manufacturer of synthetic resins and specialty chemicals with a fully business-to-business (B2B) oriented business model. The company's core activities comprise the production of synthetic resins, which are primarily used in the downstream wood-based materials industry.

A key process within the company's value creation is the production of formaldehyde from methanol. This represents a core technology that enables further developments in both production processes and circular economy approaches. Through the continuous optimization of these processes, the company contributes to improved energy efficiency, reduced emissions, and ongoing technological advancement in support of more sustainable production methods.

In the field of specialty chemicals, KremsChem Austria GmbH offers a diversified product portfolio that includes food flavourings, feed additives, flame retardants, impregnating resins, as well as applications for paints and coatings. This diversification strengthens resilience along the supply chain and enables the targeted development of customer-specific solutions.

Gesellschaft mit beschränkter Haftung (GmbH)

NACE Code: C 20.16
Revenue 2025: rd. EUR 225.000.000
Employees 2025: 232

Headquarter:
Hafenstrasse 77
3500 Krems/Donau

Sustainability Ratings & Certification ^{B1}

Sustainability has always been a key priority for KremsChem Austria GmbH. External certifications and rating processes support the company in systematically assessing its performance and identifying areas for continuous improvement.



In 2025, KremsChem Austria GmbH underwent an EcoVadis assessment, achieving a score of 65 points and receiving a bronze medal.

In addition, the company improved its rating in the CDP Supplier assessment to level "B".

Detailed Information about our
ecoVadis Rating:



Furthermore, in the procurement of raw materials, KremsChem Austria GmbH increasingly considers mass-balanced alternatives and prioritizes supply chains certified according to ISCC PLUS and ISCC EU standards to ensure the traceability and sustainability of the materials used.



The implementation and maintenance of certified management systems constitute a fundamental element of corporate governance at KremsChem Austria GmbH. The management systems for quality (ISO 9001), environment (ISO 14001), occupational health and safety (ISO 45001), and food safety (ISO 22000) are fully certified and support the structured management of the respective areas of responsibility.

Through these certifications, policies, processes, objectives, and operational measures are integrated into a unified, standards-based framework. This enables systematic performance monitoring, ensures the effectiveness of implemented measures, and provides the foundation for the continuous improvement of management systems across the organization.

Our Sustainability Strategy – „Sustainable Connected“ B2 & C2

The sustainability strategy “*Sustainable Connected*” of KremsChem Austria GmbH represents the central framework for the company’s long-term strategic direction. It is based on the results of the materiality assessment and integrates environmental, social, and economic objectives with the company’s core strategic values.

The strategy focuses on measures to address climate change, conserve resources, and protect water, as well as on the continuous improvement of the environmental performance of products and processes.

In addition, the strategy places a strong emphasis on advancing social responsibility within the organization. KremsChem Austria GmbH promotes the development of employee competencies and provides qualified education, training, and development opportunities for apprentices, workers and employees. Improving working conditions, ensuring health and safety, and promoting equal opportunity for all employees are key components of the company’s strategic approach.

The sustainability strategy also encompasses the strengthening of responsible business relationships along the value chain. Collaboration with suppliers and customers is based on mutual respect, adherence to ethical principles, and compliance with the Code of Conduct.

Transparency, integrity, and constructive dialogue are regarded as essential elements for ensuring sustainable value creation over the long term.

VISION

As a technology leader, we collaborate with our customers, suppliers, and employees to shape a sustainable future.

MISSION

Through technological leadership and innovation expertise, we create sustainable competitive advantages for our customers and contribute to a resilient ecosystem for future generations.

These strategic principles enable KremsChem Austria GmbH to address environmental, social, and economic challenges in a holistic manner and to develop sustainable solutions that deliver measurable value for the environment, society, and stakeholders.

This framework forms the basis for the projects and measures that support the implementation and achievement of the company’s sustainability objectives.

Double Materiality ^{C4}

In 2024, KremsChem Austria GmbH conducted a comprehensive double materiality assessment to identify the topics that are of key importance for the company's sustainability strategy and reporting.

The results of this assessment have since formed a fundamental basis for strategic decision-making and are systematically integrated into projects, management approaches, and continuous improvement processes.

Materiality Analysis	Targets	Measures	Status
Climate Change Climate Change Mitigation Energy	- Reduction of CO₂ Emissions - Continuous improvement of electricity and thermal energy supply efficiency	- Emissions monitoring and implementation of a Climate Transition Plan to 2050 - Expansion of mass-balanced fuels and raw materials - Use of 100% renewable electricity - Reduction of fossil-based feedstocks	ongoing
			ongoing
			finished
			ongoing
Environmental Pollution – Air & Soil Substances of Concern	- Prevention of harmful emissions to air and soil - Accident Prevention	- Use of state-of-the-art filtration systems in plant operation - Awareness raising	ongoing
			ongoing
Water Withdrawal Water Consumption	Optimization of cooling and water and process water efficiency	Responsible Use & Awareness raising	ongoing
Circular economy	Use of raw materials and energy carriers from non-fossil sources	- Implementation of ISCC Plus & EU certification schemes - Collaboration with research partners	ongoing
			ongoing
Waste	- Reduction of Waste generation - Improvement of waste segregation	- Awareness raising - Use of sustainable packaging systems	ongoing
			ongoing
Employees	- Promotion of a proactive error management culture - Occupational Health & Safety	- Training of safety representatives - Enhancement of communication on health promotion programs	ongoing
			ongoing
Corporate Policy	Transparency in Supply Chains	Enhancing engagement with suppliers	ongoing

Table 1: Summary of Material Topics, Objectives, and Implementation Measures KremsChem Austria GmbH

The priorities derived from this assessment support KremsChem Austria GmbH in proactively addressing risks, leveraging opportunities, and creating long-term sustainable economic, environmental, and social value.

Furthermore, the results of the double materiality assessment provide the basis for the structure and content of the sustainability report, as well as for the strategic development of corporate responsibility.

Environment

Energy and Greenhouse Gas Emissions ^{B3}

Energy represents a key input factor in the execution of chemical processes. Accordingly, energy management is of significant importance at KremsChem Austria GmbH. It supports the efficient and resource-conserving design of production processes and promotes the sustainable use of process-related by-products.

At the Krems site, a particular focus is placed on the energetic recovery of material streams generated during production processes or originating from neighbouring industrial operations. These include, in particular, hydrogen-rich gas (low-calorific gas) produced during formaldehyde manufacturing and tall oil pitch, a by-product of a regional industrial company. Both streams are converted into electricity and steam using state-of-the-art combustion technologies. This approach contributes significantly to improving energy efficiency and reducing the use of conventional fossil energy sources.

This approach enables the optimal use of available resources, reduces emissions, and strengthens the site's energy independence. In quantitative terms, this translates to:

	Renewable Energy (MWh)	Non-renewable Energy (MWh)	Total Quantity (MWh)
Total Quantity – Consumption	3.652	57.374	61.026

Table 2: Total energy consumption in 2025 (net of electricity exported to the grid)

Formaldehyde production represents one of the core technological processes at the site. During the oxidation of methanol, a gaseous, hydrogen-rich by-product stream (low-calorific gas) is generated because of the reaction. This gas mixture consists of approximately 20 vol% hydrogen and contains only minor amounts of organic carbon compounds.

Through continuous research and development activities, engine technologies specifically designed for this gas mixture have been developed and implemented. These technologies enable a particularly low-emission and resource-efficient energetic utilization of the low-calorific gas. The approach contributes significantly to the overall energy efficiency of the site and supports the responsible use of available resources.



In 2024/2025, an additional power plant was commissioned, designed to optimize the utilization of the low-calorific gas generated on site.

With the objective of continuously increasing the share of raw materials from renewable sources, KremsChem Austria GmbH also intends to further expand the production of self-generated renewable energy.



The construction of a new storage facility in 2024/2025 enabled the integration of a 200 kWp photovoltaic system, which was installed on the building's roof. This installation complements the existing portfolio of energy technologies and adds an additional source of renewable energy to the company's energy mix.

In 2025, the share of renewable energy accounted for approximately 6% of total energy consumption.

Greenhouse Gas Emissions **B3 & C3**

The recording and accounting of greenhouse gas emissions at KremsChem Austria GmbH are carried out in accordance with the standards of the Greenhouse Gas Protocol. All emissions are reported in tonnes of CO₂ equivalent (tCO₂e) to ensure consistent comparability across different emission sources. The data are documented in a structured data collection matrix and updated annually.

Scope 1 comprise all direct emissions arising from the company's own facilities, production processes, and company-owned vehicle fleet. These emissions are monitored and calculated within the framework of the EU Emissions Trading System (ETS).

Scope 2 include indirect energy-related emissions resulting from purchased electricity consumed at the site. KremsChem Austria GmbH sources 100% of its electricity from renewable energy sources, resulting in correspondingly low market-based and location-based emission factors.

Scope 3 cover all upstream and downstream emissions across the entire value chain. These are systematically identified and reported in accordance with the requirements of the Greenhouse Gas Protocol. The determination of relevance is based on the material impacts along the value chain.

Data availability, particularly regarding emission reduction, remains a key challenge and is continuously being addressed.

For KremsChem Austria GmbH, the most relevant Scope 3 categories include in particular:

- purchased goods and services,
- fuel- and energy-related activities (upstream and downstream),
- upstream and downstream transportation and distribution,
- waste treatment and disposal processes related to the annual production volumes at the end of the product life cycle.

Through this comprehensive approach, a transparent and traceable representation of the company's overall greenhouse gas inventory is ensured.

**Greenhouse Gas Intensity
According to VSME – standard:**
(= gross greenhouse gas emissions /
revenue)

5,9 t CO₂eq/1000 EUR

	Base year 2021	2022	2023	2024	2025
Scope 1	22 305	19 598	17 834	18 312	18 223
Scope 2	2159	1570	879	603	386
Scope 3	1 750 904	1 506 265	1 321 009	1 330 157	1 302 107
Unit: tons of CO ₂ equivalent					

Table 3: Corporate Carbon Footprint Trend (based on the Greenhouse Gas Protocol)

For the following emission reduction measures, KremsChem Austria GmbH focuses on those areas of the value chain that are represented within the most relevant Scope 3 categories and have the greatest impact on the company's carbon footprint.

Reduction of CO₂ Emissions ^{c3}

KremsChem Austria GmbH developed a structured greenhouse gas emission reduction plan in 2025. In line with the requirements of the VSME standard, this plan is based on the calculation methodologies of the Science Based Targets initiative (SBTi) version 1.2 and includes both short-term and long-term targets.

The targets are aligned with science-based reduction pathways consistent with climate protection objectives. The reduction plan is complemented by a dedicated action strategy that is aligned with the defined target horizons.

Short Term Targets until 2030

For Scope 1 and Scope 2 emissions, a reduction of 42% compared to the defined base year is targeted.

For Scope 3 emissions, a reduction of 25% by 2030 has been established.

These targets are aligned with the requirements for short-term reduction pathways up to 2030 and address emissions from the base year 2021.

Long Term Targets until 2050

For all three scopes defined under the Greenhouse Gas Protocol—Scope 1, Scope 2, and Scope 3—KremsChem Austria GmbH aims to achieve a 90% reduction in greenhouse gas emissions by 2050.

The remaining 10% of residual emissions are intended to be neutralized through appropriate mitigation measures over the course of the 25-year time horizon.

This target framework defines a long-term, science-based transformation pathway that addresses climate impacts across the entire value chain and meets the requirements of internationally recognized climate standards.

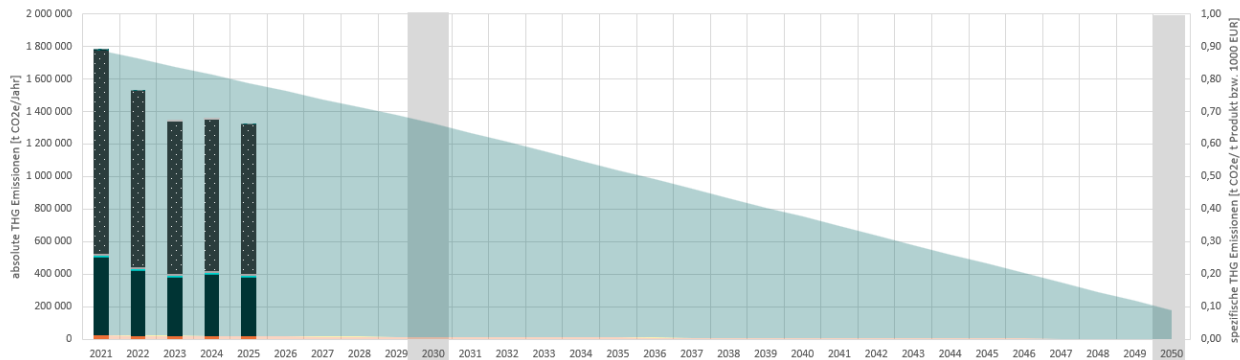


Figure 1: The climate strategy of KremsChem Austria GmbH is aligned with the targets of the Science Based Targets initiative (SBTi) and is based on both short-term and long-term objectives within the emission reduction plan, combined with a defined portfolio of measures to ensure target achievement.

Achieving Climate Targets – Measures and Action Plans ^{C3}

The achievement of the company's climate and energy targets is supported by a set of measures that are continuously developed and implemented. In recent years, the primary focus has been on optimizing energy supply systems.

Through improvements to existing combustion technologies, site-based emissions (Scope 2) have already been reduced by 72%.

In 2025, a photovoltaic system with a capacity of 200 kWp was commissioned on the roof of one of the company's production buildings. It expands the portfolio of in-house energy generation facilities and increases the share of self-generated renewable energy.

Purchased electricity is sourced entirely from renewable energy.

To reduce direct emissions (Scope 1), the company began installing charging infrastructure for electric vehicles in 2025. This enables a gradual transition of the KremsChem Austria GmbH vehicle fleet to electric mobility.

However, the majority of emissions continue to originate from Scope 3, particularly from the procurement of raw materials and from waste treatment at the end of the product life cycle. These insights form the basis for targeted measures aimed at the continuous reduction of greenhouse gas emissions across the entire value chain.

Since 2025, portions of key raw materials have been sourced through mass-balanced product streams derived from renewable sources within the circular economy. The ISCC PLUS certification system supports these processes by enhancing transparency in supply chains and promoting the use of sustainable raw materials, such as those derived from manure, slurry, or wood chips.

These inputs are further processed into essential feedstocks, including methanol, which serve as key inputs for the company's core production processes.



The gradual transition to non-fossil raw materials offers significant potential to strengthen circular economy models and contributes substantially to the reduction of Scope 3 emissions. At present, however, market potential is not yet fully utilized due to limited availability, and further scaling effects in cost structures are expected to support the broader implementation of non-fossil materials in key products.

Adhesives and impregnating resins are further processed by downstream companies into wood-based materials. Within the company's internal research and development activities, continuous efforts are made to improve the performance of these products in recycling processes, expand the use of renewable raw and base materials, and optimize the environmental impacts of the overall product portfolio.

To ensure structured management and the long-term integration of these measures, a comprehensive transition plan was developed in 2025. This plan outlines key areas of action, documents the associated climate-related risks, and provides a transparent basis for evaluating and further advancing the company's climate protection measures.

To this end, KremsChem Austria GmbH participated in 2025 in the two-year collaborative project "*Mission Klimaziele*" organized by the Plastics and Mechatronics Cluster of ecoplus, the Business Agency of Lower Austria (ecoplus. NÖ Wirtschaftsagentur GmbH).



The project was co-funded by the federal state of Lower Austria and supported KremsChem Austria GmbH in the identification of emissions across Scopes 1 to 3, the calculation of the corporate carbon footprint, and the development of the company's Climate Transition Plan.

Managing Climate Risks proactively ^{C4}

The company systematically monitors climate-related risks and integrates them into its strategic planning. In 2024, KremsChem Austria GmbH conducted a double materiality assessment to prepare for sustainability reporting requirements and to identify material risks and opportunities along the value chain.

Due to its geographical location between the Danube and Krems rivers, changing precipitation patterns, potential flood events, and related flood protection requirements are considered key physical climate risks. In addition, rising temperatures during the summer months are expected to require adjustments to workplace design to maintain health and safety standards.

To assess both transition and physical risks within the supply chain, a structured supplier risk assessment was implemented in the past year. This tool supports the systematic analysis of climate-related risks across global supply chains and contributes to strengthening the resilience of procurement processes.

Environmental Protection ^{B4}

The ISO 14001:2015 certification provides the structural framework for the environmental management system of KremsChem Austria GmbH. It supports the consistent implementation of the company's environmental policy and ensures that environmental aspects are systematically identified, monitored, and continuously improved.

The protection of air, water, and soil is a key component of the production processes and plant technologies employed at KremsChem Austria GmbH. Modern filtration systems and emission-reduction technologies ensure that emissions are minimized.

Emissions to the atmosphere are continuously monitored and documented and are controlled through regular inspections and maintenance of the facilities. Compliance with legal requirements is ensured through the timely fulfillment of all regulatory reporting obligations.

Raising employee awareness in the daily handling of chemicals and their potential ecotoxicological properties is a key component of protecting biological resources. Modern plant technology, appropriate structural measures, and the proper handling of all relevant equipment in production and logistics make a significant contribution to soil protection.

In this area as well, the company ensures strict compliance with all applicable legal requirements.

	Unit	2025
CO ₂	t CO ₂ eq	18.223
NO _x	kg	2247
CO	kg	2590
Organic Carbon	kg	85
Dust	kg	16

Table 4: Disclosure of emissions under data point B4 on environmental protection within the company 2025

Biodiversity ^{B5}

The operational site of KremsChem Austria GmbH has been located at the mouth of the Krems port area since the company's foundation, providing direct logistical access to the Danube waterway.

While the site was originally situated outside the urban area in the floodplain region of Krems, it is now surrounded by urban and industrial structures of the city of Krems to the north and west.

To the south, the site is bordered by the S5 expressway and the associated flood protection dam along the Danube. According to the World Database on Protected Areas ("Protected Planet"), this area includes the protected region of the Tullnerfeld Danube floodplains, which extends along the Danube into the greater Vienna area.

The current operational site is thus enclosed on all sides by urban and/or industrial infrastructure, while ecologically valuable, protected areas are in proximity.

	Unit	2025
Total side area	m ²	254.705
Total sealed area	m ²	124.944
Total semi-natural area at the site	m ²	129.761
Percentage of sealed area	%	49,1%

Table 5: Disclosure of land use at the KremsChem Austria GmbH site under the company's control

Water ^{B6}

According to the Water Risk Atlas of the World Resources Institute, the KremsChem Austria GmbH site is in an area without identified water stress. Nevertheless, the responsible use of water resources is considered a key environmental objective.

Comparable regulatory and internal requirements apply to water management. Legal requirements regarding water-related emissions are fully implemented and monitored through regular control processes. Water samples are analysed several times per day to exclude potential contamination from production processes.

The company's water supply is sourced from Danube bank filtrate and municipal groundwater. Most of the water consumption is attributed to production processes and is supplied via Danube bank filtrate. This water is primarily used as a cooling medium and, following comprehensive quality control and compliance with all regulatory requirements, is discharged to the city of Krems for further release into the Danube. The water does not meet process chemicals, cleaning agents, or household-type substances and therefore remains uncontaminated. After a multi-stage monitoring and control process, the uncontaminated water is returned to the Danube.

Municipal groundwater is mainly used for supplying office buildings and for drinking water purposes. Wastewater requiring treatment is, where necessary, pre-treated on-site and subsequently discharged to the municipal wastewater treatment plant. All relevant legal requirements are strictly complied with and implemented with an appropriate level of environmental and safety awareness.

To minimize potential environmental impacts, KremsChem Austria GmbH, in cooperation with neighbouring companies, has access to a retention basin that can be used when required. This basin represents a key instrument for preventive water protection.

	Einheit	2025
Water Consumption	m³	29.244
Cooling water sourced from Danube bank filtration	m³	8.272.961

Table 6: Collection of data points on water use in accordance with B6

Circular Economy and Resource Management ^{B7}

Approach and Management Methods

KremsChem Austria GmbH pursues a holistic approach to promoting the circular economy across the entire value chain. A key focus lies on collaboration with customers and research partners to improve the recyclability of products and the materials derived from them.

Development potential is identified particularly in downstream applications, such as wood-based materials used in the construction and furniture industries.



However, significant opportunities for the reuse of by-products arise in energy supply. Through a certified supply chain in accordance with ISCC EU, tall oil pitch—a by-product from the processing of biogenic raw materials—can be sourced from a neighbouring company within the chemical park and is used as a renewable energy carrier for steam generation.

In addition, low-calorific gas generated on site as a by-product of formaldehyde production is utilized for energy recovery and converted into electricity. These measures contribute to substituting fossil fuels, closing material loops between neighbouring facilities, and reducing energy-related emissions at the site.

Product Development and Material Innovation



In product development, measures aimed at the continuous improvement of the sustainability of the product portfolio have been a key focus for many years. This is guided by the overarching principle of *Safe and Sustainable by Design*.

A central objective is the gradual substitution of fossil raw materials with renewable alternatives. To ensure the performance, environmental compatibility, and economic viability of new formulations, the company develops innovative testing methods and evaluates a wide range of material combinations.

Product Carbon Footprint



KremsChem Austria GmbH ensures the provision of product-related greenhouse gas data as a key service within the scope of environmental reporting. For the largest product group, resins, a quantified Product Carbon Footprint (PCF) has already been calculated for approximately 85% of the product portfolio.

The systematic calculation of product-specific emission values supports both internal processes aimed at the continuous improvement of environmental performance and customers who use this data for their own sustainability assessments or Scope 3 accounting. The expansion of PCF calculations to additional product groups over the next two years forms part of the ongoing development of the company-wide climate strategy and contributes to increasing transparency along the value chain.

Research Programs and long-term Initiatives

The overall strategy focuses on two main approaches. The first approach aims to further develop currently established products by incorporating sustainable raw materials (e.g., bio methanol, green urea) into conventional production processes. The second approach seeks to expand existing technology fields using innovative and renewable raw materials such as lignin, proteins, and carbohydrates.

To this end, colleagues from the company's internal research teams collaborate with external partners, including the Christian Doppler Laboratory "Cellulose High Tech Materials," WoodK Plus, Graz University of Technology, the Institute for Wood Technology Dresden (IHD Dresden), the University of Natural Resources and Life Sciences Vienna, and numerous industry partners.

Publication from 2025
on one of our research
initiatives



Certification of Raw Materials

Through certification in accordance with ISCC PLUS, the company can utilize raw materials from transparent, certified, and non-fossil supply chains, thereby systematically expanding the use of sustainable material flows.

Packaging Materials



Packaging represents a relevant lever for resource conservation. While the main products—particularly adhesives and resins—are predominantly delivered in tank trucks to ensure consistent product quality, additional optimization potential exists for smaller sales units.

In the procurement of IBC containers, the company places a strong focus on sustainable solutions. Currently, 37% of the IBCs in use consist of sustainable or circular materials.

Waste management

Waste management is based on a structured waste management concept that ensures the proper handling, segregation, and disposal of all waste generated within the company. Both hazardous and non-hazardous waste are collected by authorized regional waste management companies and treated in accordance with applicable legal requirements.

Site-wide waste separation systems support employees in the correct implementation and contribute to the continuous improvement of waste-related environmental performance.

Waste	Unit	2025
Non-hazardous waste	t	246
Hazardous waste	t	1.097
Total waste generation	t	1.344
Share of waste directed to recycling	t	47
Share of waste diverted from landfill	%	99,44%

Table 7: Waste Generation of KremsChem Austria GmbH

Procurement & Logistic

The logistics processes of KremsChem Austria GmbH include both inbound logistics and the distribution of goods produced at the site. Within transport planning, multiple modes of transport are available. In addition to road transport by truck, the existing site infrastructure also allows for the use of rail and the Danube waterway.

The selection of the respective mode of transport depends on specific product characteristics, safety requirements, and the availability of suitable transport capacities. The integration of alternative transportation routes enables the systematic optimization of logistics operations and the reduction of environmental impacts associated with freight transport—particularly emissions-intensive road transport.

These multimodal options support the company's objective of minimizing negative environmental impacts within the supply chain and continuously improving the efficiency of logistics processes.

Procurement of Raw Materials

During the reporting period, procurement activities focused primarily on the key raw materials methanol, urea, and melamine. For these material flows, rail transport is predominantly used to reduce transport-related environmental impacts.

KremsChem Austria GmbH collaborates with the logistics partner RailCargo to consolidate existing transport capacities and systematically leverage synergies within freight transport.

Overall, 78% of inbound raw materials were transported to Krems by rail, while 20% were delivered by road. The increased use of rail transport contributes to reducing transport-related greenhouse gas emissions compared to conventional road transport and thereby supports the company's targets for emission reductions in Scope 3, particularly in transport and logistics.

A key focus within procurement is also placed on the integration of sustainability-related criteria. The incorporation of the principles of the Code of Conduct into procurement frameworks and tender processes requires upstream business partners to implement key elements of sustainability management.

By embedding the principles of the Code of Conduct into procurement conditions, KremsChem Austria GmbH ensures that these requirements are directly communicated to its suppliers. The objective is to involve a high proportion of key suppliers and to foster long-term, partnership-based business relationships founded on transparency and mutual respect.

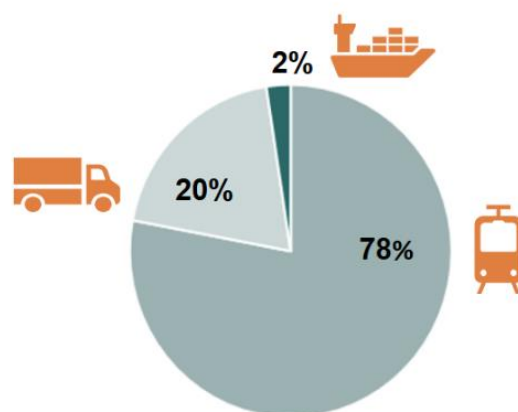


Figure 2: Percentage Distribution of Transport Modes in Procurement

Code of Conduct for
Suppliers and Service
Providers of
KremsChem Austria
GmbH:



New suppliers are provided with the company's Code of Conduct by the procurement team to reach a broad range of business partners.

The company successfully achieved its 2025 target of actively raising awareness of the Code of Conduct among 80 suppliers.

Logistics of Finished Products

The distribution of finished products is planned based on the respective requirements for product quality, handling, and available transport options. Although rail transport presents several operational challenges, approximately 40% of shipments are carried out by rail through its increased use.

Experienced logistics providers are used for the delivery of products to customers. These ensure compliance with product-specific quality standards as well as the implementation of safety-related requirements during transport.

The use of short transport distances and a high degree of flexibility in delivery contribute to meeting requirements for delivery reliability and product protection along the distribution chain. At the same time, logistics processes are continuously evaluated to identify efficiency potential and to reduce environmental impacts wherever possible.

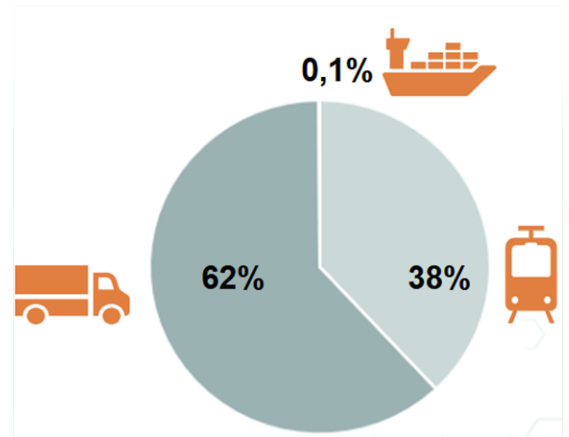


Figure 3 Percentage Distribution of Transport Modes in the Sale of Finished Products to Customers

Rail Transport as a Key Driver of Sustainable Procurement

Through the increased use of rail transport in both procurement logistics and product distribution, KremsChem Austria GmbH shifted a total transport volume of 213,742 tonnes to rail during the 2025 reporting period. The consistent prioritization of rail over road transport resulted in a significant reduction in transport-related greenhouse gas emissions within Scope 3.

The volumes shifted to rail correspond to an emission reduction of 6,125.05 tonnes of CO₂ equivalent compared to transporting the same volume by truck.

Future measures will focus on further optimizing logistics processes and expanding cooperation models with transport and logistics partners to unlock additional emission reduction potential.



The environment loves

KremsChem Austria GmbH

Every transported tonne on rails is a big step towards a green future.

This **emission statement** confirms that, by choosing the sustainable rail for its transports, **KremsChem Austria GmbH** emitted only **420.49 tonnes of CO₂(EQ)** with a transport volume of 213,742 net tonnes in 2025*.

The same transport service by road would have had an environmental impact of **6,545.54 tonnes CO₂(EQ)**. The positive contribution thus amounts to

6,125.05 Tonnen CO₂ (EQ)

With **KremsChem Austria GmbH** we not only act today, but also think about tomorrow.
Together for a Europe worth living in.



Christoph Grasl
Vorstand Markt & Vertrieb | Rail Cargo Group



Wolfgang Riedl
Business Unit Manager WP&CE | Rail Cargo Group

* This emission statement was prepared according to common standards and to the best of our knowledge. The necessary calculations are based on the best available data. The necessary calculations are based on the best available data. The necessary calculations are based on the best available data.

* To the extent possible, we have verified the data provided by the company. We have not, however, conducted an independent audit. The data provided by the company is the basis for the calculations. We have not, however, conducted an independent audit. The data provided by the company is the basis for the calculations.

2025-01

Figure 4: Confirmation by the Logistics Partner Rail-Cargo Group on the Successful Reduction of CO₂ Emissions using Rail Freight Transport in 2025

Our Employees ^{B8, B10 & C5}

Employment and Organizational Structure

KremsChem Austria GmbH is a key regional employer and employed a total of 232 people during the 2025 reporting year. A flat organizational structure and a corporate culture based on core values such as respect, teamwork, flexibility, and openness provide both the framework and the environment for structured, quality-oriented, and science-based working practices.

Working Time Modules

Working time arrangements are structured in accordance with operational requirements: a four-shift system is implemented in production, while employees in administrative functions work under flexible working time models (flexitime).

These arrangements support both efficient operational processes and a balanced work-life balance.

Total number of employees:
232

Gender distribution:

- 20% Female
- 80% Male

Permanent employment contracts: 98,7%

Employees covered by collective bargaining agreement: 100%

Employment turnover rate: 7,8%

Gender Pay Gap: 12,86%

Leadership Structure

A six-member management team, led by the Managing Director, oversees the operations of KremsChem Austria GmbH.

Fair Compensation

As a company in the chemical industry, 100% of KremsChem Austria GmbH employees are employed in accordance with the applicable collective bargaining agreement. This ensures fair and adequate remuneration for the work performed. In addition, employees are comprehensively covered by statutory occupational accident insurance and public health insurance schemes.

Furthermore, after three years of service, the company provides an occupational pension scheme, which contributes significantly to the long-term social security of its employees.

The works council of KremsChem Austria GmbH is firmly integrated into the company's organizational structure as an institutionalized employee representation body and exercises its rights of co-determination and participation in relation to the company. In addition, the works council actively contributes to the planning and implementation of numerous measures and projects in the field of occupational health management, with the aim of continuously promoting employee health and well-being.

Shaping the Working Environment

Numerous initiatives shape the daily working environment and combine social responsibility with the objective of retaining employees within the company and supporting and planning their career development.

In a chemical production environment, the safety and health of employees are the highest priority. The Health, Safety, Security, Environment and Quality (HSSEQ) department oversees activities aimed at maintaining high standards of workplace quality and safety. In addition to health promotion through occupational medical services and company physicians, various initiatives—such as the company's idea management program, which supports continuous improvement, and a broad range of sports and wellness activities—contribute to everyday working life.

Employee Suggestion Scheme



As part of the employee suggestion scheme, employees are encouraged to contribute proposals for improvement measures related to workflows, plant technology, processes, and accident prevention.

In 2025, a total of 81 improvement proposals were submitted, of which 50 were rewarded with a financial incentive.

Sports Association of the Krems Chemical Park

Companies located at the Krems Chemical Park jointly promote the health and well-being of their employees across sites through a comprehensive program of physical activity and community engagement.

The initiative includes a wide range of sports disciplines and training opportunities and is open to all employees, regardless of their individual level of performance or experience. Participation in these activities not only supports physical health but also strengthens social cohesion within the workforce.



In May 2025, KremsChem Austria GmbH was once again awarded the Great Place to Work® certification and is therefore recognized among the top 100 employers in Austria. The certification is based on an anonymous employee survey and provides valuable insights into employee satisfaction with daily tasks, working conditions, and the corporate culture.

The results serve as an important foundation for the continuous improvement of the working environment and for the further development of internal measures aimed at enhancing employee satisfaction and employer attractiveness.

Training and Accident Prevention ^{B9 & B10}

Well-trained and qualified employees form the foundation for the successful and sustainable development of the company. Their expertise and competencies contribute significantly to economic and technological progress while supporting the development of individual career pathways.

In 2025, employees of KremsChem Austria GmbH each spent an average of 12 hours in training and development activities to support their professional interests and career progression. Additionally, 2% of employees participated in training on topics related to equality and diversity, while 100% of employees and managers completed in-house training on business ethics and anti-corruption.

Apprenticeship and Vocational Training



Our apprentices complete a 3.5-year training program as chemical process technicians. During this period, they rotate through all relevant areas of the company required for professional qualification, gain experience with different plants and fields of activity, and develop the technical competencies needed to pursue a professional career at KremsChem Austria GmbH upon successful completion.

In addition to comprehensive chemical and technical core knowledge, the apprenticeship program also includes personal development training as well as supplementary qualification modules that contribute to the holistic development of apprentices.

Currently, 17 apprentices at different stages of their training are employed at KremsChem Austria GmbH, representing 7.3% of the total workforce.

Occupational Safety & Industrial Fire Brigade

A further key priority is ensuring the safety of all employees. Working with chemical substances requires extensive qualifications at all functional levels, as well as a strong awareness of personal health, the safety of colleagues, and the responsible handling of potential environmental releases.

In the 2025 reporting year, a total of five occupational accidents were recorded, including both commuting accidents and workplace incidents. This corresponds to a Lost Time Injury Rate (LTIR) of 2.7. No fatal accidents or work-related illnesses occurred within the company.

To strengthen the safety culture, KremsChem Austria GmbH implements a comprehensive training concept. Internal training programs are complemented by external qualification measures and are tailored to the specific roles and responsibilities of employees. These continuous training and development activities promote preventive safety measures and provide essential contributions to minimizing accident risks.

In addition, near misses are systematically recorded and analysed. This analysis enables the early identification of potential safety risks and the implementation of appropriate preventive and corrective measures. The prevention of accidents and injuries is a central element of the

company's occupational health and safety strategy and forms a key foundation for the continuous development of a strong safety culture within the organization.

A significant contribution to site safety is made by the industrial fire brigade of KremsChem Austria GmbH. Its core responsibilities include preventive fire protection, comprehensive emergency and rescue services in the event of incidents, and operational readiness for active fire suppression.

In addition to modern technical equipment, its scope of responsibility includes continuous training and development as well as regular emergency drills conducted within the facilities of the Krems Chemical Park.



Employees also engage, in addition to their regular duties, in training, exercises, and operational deployments of the industrial fire brigade. The organizational management and execution of key responsibilities are ensured by full-time professional firefighters.

Effective accident and fire response additionally requires close cooperation with external fire brigades and safety organizations. This includes membership in the Transport, Accident, Information and Assistance System (TUIS) of the Austrian chemical industry, which provides expert support in complex hazardous materials incidents.

As part of the long-standing cooperation with the volunteer fire brigade of the city of Krems, donations and firefighting helmets were handed over during the open day event in 2025. This initiative aims to further support local emergency services and strengthen the close, partnership-based collaboration.

Safe Handling of Chemicals



The responsible handling of chemicals requires not only sound technical expertise but also modern technical systems for accurate classification and labelling. Reliable and legally compliant product labelling is no longer feasible without specialized software solutions. Against this background, KremsChem Austria GmbH invested in a new, future-oriented system in 2025.

As part of the continuous development in the areas of product safety and legal compliance, a comprehensive modernization project was initiated in 2024 and successfully completed in 2025. The objective of this project was to replace the previously largely manual system for the preparation of safety data sheets and labels with a high-performance, digitally integrated solution, thereby strengthening internal governance structures in a sustainable manner.

The newly implemented Chemdox software significantly reduces operational effort and enhances data quality and consistency throughout the entire documentation process. Through automated functionalities, extended approval workflows, integration with the ECHA database, and multilingual text modules, the system substantially improves the efficiency and reliability of product documentation.

Human Rights Policy ^{B11, C6 & C7}

The protection and safeguarding of the rights of our employees are of the highest priority for KremsChem Austria GmbH. This commitment also extends to our business partners along the entire value chain. A Code of Conduct has been established for the company and all suppliers, which is aligned with internationally recognized standards and value frameworks. The core principles of this Code include respect for human rights, ethical business conduct, and fair working conditions.

Key provisions of the Code of Conduct explicitly prohibit child labour, forced labour, human trafficking, all forms of discrimination, and corruption. In addition, other essential topics such as employee safety and the responsible handling of information and data are clearly defined and regulated.



In the event of potential violations, both employees and external stakeholders can report concerns confidentially and securely via the whistleblower system available on the website of KremsChem Austria GmbH.

In recent years, zero confirmed incidents, violations, or reports related to breaches of the Code of Conduct have been identified through the whistleblower system. Similarly, no cases have been identified within the supply chain that indicate human rights violations or other significant deviations from the standards defined in the Code of Conduct.

As part of the company-wide awareness program, the compliance management system of KremsChem Austria GmbH also includes measures aimed at preventing corruption. A central focus lies on the continuous training of employees in the appropriate handling of potential corruption attempts and the communication of relevant behavioural principles.

Accordingly, 100% of employees in administrative and management positions are required to complete mandatory online training on an annual basis. This regular qualification supports the strengthening of organizational integrity, enhances awareness of compliance risks, and improves the ability to identify and appropriately respond to corruption-related situations at an early stage.

Compliance

Gender Distribution in the Management Body ^{C9}

Currently, the management body is composed exclusively of male members and consists of the executive management and the five-member management team.

Compliance - REACH

Compliance with the REACH and CLP regulations is a fundamental prerequisite for the business activities of KremsChem Austria GmbH and constitutes a key element of the company's "license to operate" in the chemical industry. The company's regulatory responsibility includes the complete and timely registration, evaluation, and continuous updating of all relevant REACH dossiers.

In addition, authorization requirements in accordance with Annex XIV and existing as well as new restrictions under Annex XVII are systematically monitored. Updates to the SVHC Candidate List are continuously tracked, and potential impacts on products, tonnage bands, and the portfolio are assessed within a structured evaluation process and translated into appropriate measures.

The consistent implementation of REACH requirements across the entire value chain is an integral part of the company's governance and compliance structures. The objective is to fully meet the comprehensive legal requirements of chemicals legislation and thereby ensure the protection of employees, the environment, and downstream users.

As REACH registration obligations within the European Union apply from a volume threshold of one tonne per year, particular emphasis is placed on the legally compliant and transparent documentation of all relevant substances and supplier relationships. In the case of imports into the EU, KremsChem Austria GmbH provides procedural and technical support to partners, where required, to ensure compliance.

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