FAKRO®

SUSTAINABILITY REPORT

2025

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Foreword

Dear Stakeholders,

It is with great pleasure that we present the latest Sustainability Report of the FAKRO Group – a document that reflects our approach to responsible business and long-term value creation.

From the very beginning, FAKRO's development has been built on solid foundations: innovation, quality, and care for people and the environment. The 35th anniversary of our company is a particularly important milestone for us – an opportunity to reflect on the journey we have taken and on what has shaped our organisation to the greatest extent. This journey has been defined not only by business decisions, but above all by relationships, trust and cooperation, which over the years have helped us build lasting social capital around our company.

At FAKRO, we believe that business success cannot be measured solely by financial performance. Equally important are our responsibility towards the environment and society, our care for employees, and our commitment to building lasting relationships with our partners and the communities in which we operate. For us, ESG is not merely a reporting obligation – it is a natural direction for our development, rooted in our values.

The past year has been a time of further strengthening these foundations, both within our organisation and in our relationships with stakeholders. We continue to foster a culture based on responsibility, mutual respect and cooperation.

I would like to thank all our employees, business partners and stakeholders for their commitment and contribution to creating the values that form the foundation of FAKRO. I believe that our 35 years of experience, together with the strength of the relationships we have built, will enable us to continue developing our company in a responsible and sustainable manner.

With kind regards,

Ryszard Florek

President of FAKRO Management Board

01

About us

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FAKRO is a Polish company specialising in the manufacture of roof windows, loft ladders, and solutions designed to enhance the comfort of living spaces worldwide.

FAKRO was established in 1991 as a privately owned company with 100% Polish capital.

FAKRO's 35-year history is one of dynamic growth, continuous innovation, and the consistent strengthening of its position in international markets.

FAKRO's origins date back to a time when Ryszard Florek, a young graduate of the Cracow University of Technology, recognised the potential of transforming attics into functional spaces filled with natural light. His childhood experiences played a key role in shaping this vision, as he watched with fascination how a single glazed roof tile could transform the character of an interior.

The combination of these memories, his knowledge, and the growing interest in roof windows in Western Europe led to a decision that, in the years that followed, helped shape one of the key directions in the development of the entire industry.

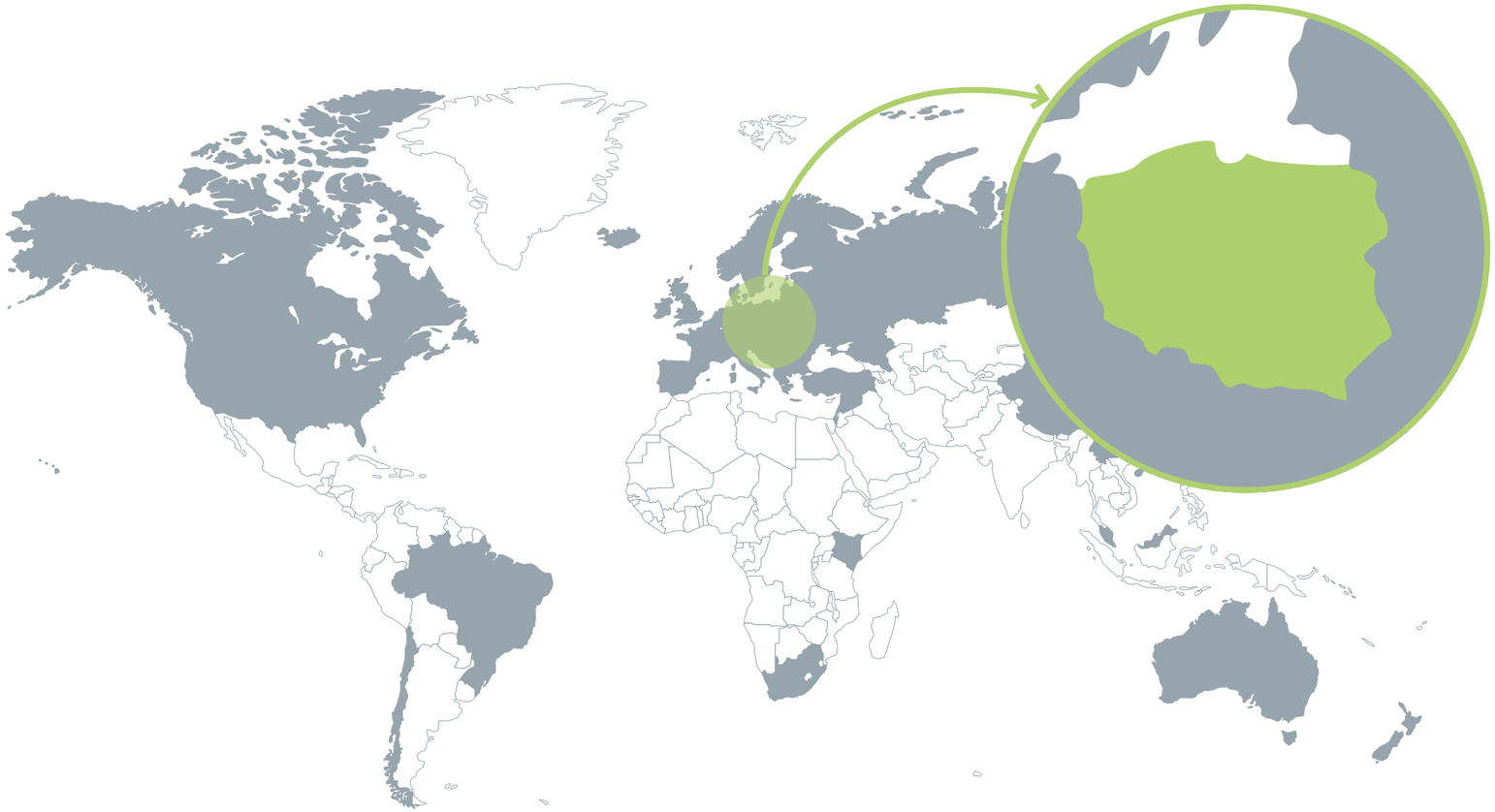
A key element of our strategy is building trust by developing products designed with quality, durability and ease of use in mind. At the same time, we consistently invest in developing our employees' skills and competencies, thereby supporting the stable, long-term growth of the entire organisation.

SBM-1

The FAKRO Group employs approximately 4,000 people and comprises 12 manufacturing companies and 17 distribution companies.

FAKRO's product portfolio includes roof windows, loft ladders, external and internal window accessories, as well as **INNOVIEW** vertical joinery. Drawing on many years of experience, we deliver high-quality, innovative products that meet the needs of customers across various market segments. Examples of this approach include the new generation of GREENVIEW roof windows and GREENSTEP loft ladders.

More information is available at:
https://www.fakro.com/greenview/



FAKRO products are available **in more than 70 countries worldwide,** wherever there is demand for this type of product. **Export sales account for 70% of the company's total sales.**

MAIN PRODUCTION COMPANIES	
FAKRO PP Sp. z o.o.	Poland
FAKRO GP Sp. z o.o.	Poland
FAKRO WDF Sp. z o.o	Poland
STOLART Sp. z o.o	Poland
FLORAD Sp. z o.o	Poland
FAKRO ORBITA	Ukraine
FAKRO – TL	Ukraine

MAIN DISTRIBUTION COMPANIES	
FAKRO Sp. z o.o	Poland
KRONMAT Sp. z o.o	Poland
FAKRO DACHFENSTER GMBH	Germany
KRONMAT GMBH	Germany
FAKRO AMERICA L.L.C	USA
FAKRO Lwów	Ukraine

MAIN DISTRIBUTION COMPANIES	
FAKRO GB LIMITED	United Kingdom
FAKRO DANMARK A/S	Denmark

GOV-1

FAKRO was founded 35 years ago by natural persons:

Ryszard Florek,
Krystyna Florek,
Krzysztof Kronenberger,
Krystyna Kronenberger.

ROLE OF THE MANAGEMENT BOARD

The Management Board plays a key role in the company's management structure, dealing with administrative, management and supervisory functions. Its main task is to define the strategic direction of the company and make decisions that affect its development and the achievement of its goals. The Management Board represents the company to external stakeholders such as investors, customers, suppliers and business partners.

The Management Board is also involved in key operational decisions concerning the company's day-to-day activities, including finance, production, sales, supply, investments and human resources management.

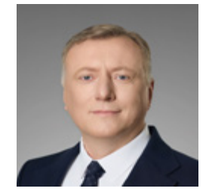
MANAGEMENT BOARD STRUCTURE

When making decisions, the Members of the Management Board take into account a variety of factors such as risk, profitability, operational efficiency, and long-term strategy. The Board is involved in developing, approving, and updating the organization's goals, including those related to the company's impact on the economy, the environment, and society. All activities of related entities are coordinated by the members of the Management Board of leading companies – their responsibilities are presented in the chart below.

DIVISION OF COMPETENCES OF THE MEMBERS OF THE MANAGEMENT BOARD

Ryszard Florek

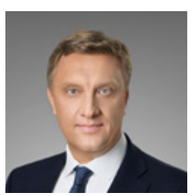
President of the Management Board



Paweł Dziekoński

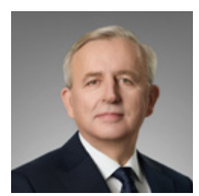
Vice President of the Management Board

Area of Responsibility	Responsible for setting and overseeing the implementation of the FAKRO Group strategy. Supervision of the operations of distribution companies – FAKRO USA and FAKRO DE.	Supervision of the operation of all areas of the company that are not within the exclusive remit of the President of the Management Board and direct management of units supporting the company's organisation. Business process management.
Supervision of Divisions/Departments	» Renovation and investment department » Asset management and property insurance	» Business Process Management » Human Resources Management » Organisation and Administration Division » Legal Office » Export » Domestic Market Operations » Purchasing Division



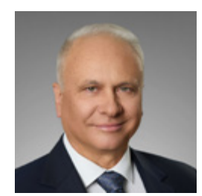
Piotr Bieniek

Board Member for Sales



Wojciech Klimek

Board Member for Production

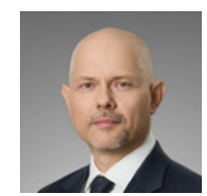


Janusz Komurkiewicz

Board Member for Marketing

Agnieszka Kronenberger

Board Member for Finance



Krzysztof Krzysztoń

Board Member for IT and Logistics

Sebastian Talarczyk

Board Member for Development and Product Management

Area of Responsibility	Sales Development – Kronmat	Management and development of production at FAKRO and supervision of production companies at FAKRO.	Evelopment and implementation of a marketing strategy at FAKRO	Supervision of company finances at FAKRO.	IT Management Management of Commercial Goods Logistics within the FAKRO Group Personal Data Protection	Management of the FAKRO Group's product portfolio, supervision of the product life cycle, quality control, and after-sales service.
Supervision of Divisions/Departments	» Kronmat	» Technology and Production Organisation Department » Machine Construction and Maintenance » Wood Management Team » Roof Window Production » Building Joinery Production	» Marketing	» Finance – FAKRO PP » Finance – FAKRO Sp. z o.o. » Accounting Services Centre	» IT Division » Logistics Division » GDPR	» Research and Development » Certification and Quality Control » Product Management » Service » Master Data » Customer Service Offices

KEY ROLES OF THE MANAGEMENT BOARD

The President and Vice-President of the Management Board play a leading role in setting the overall direction of the company's activities. Their responsibilities include overseeing operations, addressing strategic risks, representing the company externally, and cooperating with other members of the Management Board and the company's governing bodies.

The other Members of the Management Board have clearly defined roles and areas of responsibility. Collectively, the Management Board makes decisions concerning the company's day-to-day operations.

The Management Board is responsible for overseeing the company's activities, safeguarding its interests and ensuring compliance with applicable laws and regulations.

The Management Board monitors the company's financial performance, development strategy and key risks, and prepares reports for shareholders and supervisory bodies. It represents the company in its relations with customers, suppliers, investors and public authorities, enters into agreements and takes actions on behalf of FAKRO.

FAKRO's management structure also includes Directors and senior-level Managers (Heads of Departments), who are assigned responsibility for specific areas of the company's operations.

GOV-2

Sustainability matters fall within the remit of the Sustainability Team, which has been operating for several years as part of FAKRO's strategic Green Transformation project.

The Team is continuously involved in initiating and supporting activities aimed at the responsible development of the organisation, taking into account environmental, social and governance aspects and thereby contributing to the company's long-term development priorities.y.

As part of the project, the Sustainability Team prepared periodic reports for the Management Board, summarising the activities undertaken, progress towards established objectives, and key challenges and future directions in the area of ESG.

These reports served as an important tool supporting decision-making and monitoring the organisation's progress in its transformation.

Sustainability activities are cross-functional in nature and therefore involve other departments and organisational units across the company. Cooperation between these units supports the effective implementation of initiatives, facilitates the exchange of knowledge and experience, and enables activities to be better aligned with the specific characteristics of individual areas of the company's operations.

IRO-1

During the current reporting period, no formal double materiality assessment was conducted. Consequently, the report does not include a materiality matrix or a formalised assessment of impacts, risks and opportunities.

FAKRO's current ESG activities are broad in scope and focus primarily on:

- ensuring compliance with applicable laws and regulations,
- activities related to business ethics,
- monitoring regulatory developments and market trends.

GOV-5

Responsibility for the control of sustainability reporting risks rests with the FAKRO Green Transformation Project Team, which is supported at every stage of the project by members of the Project Steering Committee

SBM-3

At this stage, FAKRO does not report in detail on the impacts, risks or opportunities related to environmental, social and governance (ESG) issues that affect the company's business model, strategy or value chain.

The company plans to conduct a structured analysis of ESG impacts in subsequent reporting periods, taking into account materiality principles and stakeholder expectations. The company's intention is to ensure compliance with future reporting requirements under the CSRD and ESRS standards, while adapting the pace and scope of its activities to the scale and nature of its operations.

1.1 GO GREEN Philosophy

At FAKRO, we believe that the way we design and manufacture our products matters not only today, but also for future generations. By creating solutions for homes around the world, we seek to combine comfort, quality and durability with a responsible approach to the resources we use.

For us, the GO GREEN philosophy represents a direction that we are developing gradually through specific actions, experience and a growing awareness of the challenges facing the modern construction industry. This approach combines responsibility for our products with consideration for the environment in which we operate.

More information is available on the FAKRO website: GO GREEN.

1.2 What makes us different

SBM-1

A MISSION THAT INSPIRES US TO ACT

In our daily work, we strive to ensure that FAKRO's innovative solutions contribute to creating homes filled with light, comfort and a sense of security. Our mission is more than just words – it provides direction and purpose for our activities and reflects our responsibility towards people.

OUR VALUES

Development, innovation, responsibility and reliability are the values that guide us. They are reflected at every stage of our operations – from design to the finished product. These values shape the way we work, our approach to quality and our relationships with partners.

SBM-1

COMPANY VALUES

DEVELOPMENT

Continuous growth ensures that we have a strong position among the global leaders in the construction industry

Products: We are constantly improving our products in line with trends and market expectations.

Partners: We build solid and effective business relationships and provide our partners with extensive access to our product knowledge.

Staff: We develop the professional competence of our employees. Highly qualified and committed employees are the strength of our company.

INNOVATION

We are one of many innovative companies in Poland.

Products: We have authored nearly 260 patents and patent applications, and our products go to more than 70 countries. In this way, the company has set new directions for the roof window industry in the world.

Partners: We streamline our customer collaboration, ensuring it is of the highest standard, by continually modelling sales and marketing strategies.

Staff: We encourage employees to come up with ideas, and their innovative thinking is the basis of the company's development and relationship with the environment, and influences the products created.

RESPONSIBILITY

We care about our employees, customers, business partners and the environment

Products: We design our products with safety, user comfort and model-specific technical performance in mind.

Partners: We create responsible business relationships based on transparent business conditions, ethical values and company values.

Staff: We provide stable jobs and initiate and engage in activities to support employees and their families..

RELIABILITY

We are a reliable company that meets its obligations.

Products: The quality of selected FAKRO products is supported by relevant certificates and technical documentation applicable to specific product groups.

Partners: Since our inception, we have been working with business partners all over the world and we are consistently increasing their number.

Staff: We are trusted by more than 4,000 employees. We are one of the largest employers in the region.

Find out more at: https://www.fakro.com/information-about-the-company/company-mission/

SELECTED FAKRO AWARDS

Over its 35 years of operation, FAKRO has received numerous awards and distinctions. Some of the most prestigious include:

- Dobry Wzór 2020
- Building Brand of the Year 2025
- Kotler Award – “Impact Brand” 2024
- EkoProdukt 2023
- Regional Employer of the Year 2023
- Top Builder 2021
- Entrepreneur of the 35 Years of Economic Freedom 2024
- Economic Awards of the President of the Republic of Poland
- Wilczek Award 2024
- Construction Company of the Year 2015
- Wprost Eagles 2016
- Green Industry Diamonds 2022
- Eco-Hero of Małopolska 2022

1.3 Respect for customer rights

At FAKRO, we identify key stakeholder groups based on the nature of our business activities. The main stakeholder groups include customers, employees, suppliers and business partners.

With regard to relations with external stakeholders, FAKRO has developed the "Principles for Engaging with External Stakeholders", which sets out the basic communication standards and principles for interactions with parties outside the organisation.

Every employee plays an important role in building stakeholder relationships, particularly by performing their duties diligently, providing information within their area of responsibility, and maintaining high standards of cooperation.

SBM-2

FAKRO places strong emphasis on building lasting and positive relationships with external stakeholders, particularly customers. To support this approach, formal documents setting out communication and service standards have been implemented, including the "Principles for Engaging with External Stakeholders" and the "Customer Service Principles".

These documents define stakeholder groups and establish guidelines for communication by telephone, email and in person.

Employees who have direct contact with customers play a key role in shaping stakeholder relationships. At the same time, all employees of the FAKRO Group share responsibility for the quality of customer service, including those who support customer service processes in technical, production, logistics, information and marketing areas. Employees' conduct and the way in which they perform their duties directly influence the company's image and contribute to building the reputation of the FAKRO brand.

Customer service is provided in accordance with established standards, with particular emphasis on responding promptly to customer needs, addressing individual expectations and ensuring access to preferred communication channels.

The company places particular emphasis on ethical and reliable communication, as well as on ensuring that the information provided is accurate and of high quality.

The customer service process begins with the first contact with the company and continues after the purchase of its products, supporting the development of long-term customer relationships.

Insights into customer needs and expectations gathered through these interactions are used to improve customer service processes, enhance product quality and strengthen stakeholder relationships.Pozyskiwana podczas kontaktów z klientami wiedza na temat ich potrzeb i oczekiwań jest wykorzystywana do doskonalenia procesów obsługi, poprawy jakości produktów oraz wzmacniania relacji z interesariuszami.

S4-1 S4-2

FAKRO considers customer care to be one of the key elements of its business. Every reported issue is reviewed, and the relevant organisational units take appropriate action to investigate its causes and help prevent similar situations from occurring in the future.

Feedback from complaints and customer suggestions provides an important source of information used to improve products and services. The insights gathered through this process support the development of FAKRO's product offering and the continuous improvement of customer service quality.

At FAKRO, we have implemented transparent principles governing our approach to customers and end users, covering in particular our privacy policy, complaint handling procedures and responsible marketing practices. These documents are regularly updated to ensure compliance with applicable laws and alignment with market best practices.

S4-3

We provide customers and end users with access to a comprehensive system for reporting issues and concerns. To facilitate effective communication, a range of contact channels is available, including a helpline, online forms, dedicated email addresses and customer service offices.

In addition, the organisation has an internal system for monitoring reported issues, enabling their ongoing tracking and analysis, as well as the timely implementation of corrective actions. This solution supports effective complaint management and helps ensure a consistent complaint handling process.

Customer reports are systematically analysed, and the resulting insights are used to improve products, optimise processes and enhance the quality of customer service.

S4-5

We also care for our customers' right to privacy by complying with applicable laws and the guidelines and recommendations of supervisory authorities in this area. Our activities are fully compliant with EU Regulation 2016/679, known as the GDPR, and with national data protection law. In the interests of information transparency, we publish a privacy policy and a cookie policy, which contain a set of information about the processing of personal data.

FAKRO has implemented comprehensive organisational and procedural measures to ensure a high level of security for customer and employee data. These include, among others, a personal data security policy, data breach reporting procedures, rules governing the protection of individuals' image rights, and regulations concerning video surveillance and the disclosure of recordings.

Data protection procedures are regularly monitored and updated to ensure compliance with applicable regulations and alignment with information security best practices. The company continuously seeks to improve its data protection systems and minimise the risk of data security incidents.

During the 2025 reporting period, no breaches relating to customer privacy or cases of human rights violations in the context of consumers and end users were identified.

FAKRO's objective is to maintain high standards of personal data protection and to build trust among customers, employees and business partners through transparent and responsible information management practices.

1.4 Marketing communication

At FAKRO, we continue to develop our approach to marketing communications by ensuring high quality, consistency and transparency in the messages addressed to customers and end users. The company seeks to ensure that all communication activities accurately reflect the actual characteristics of its products and are consistent with its current product offering and the standards applicable within the organisation.

Marketing communications are carried out in accordance with internal principles and standards governing the preparation, verification and publication of content. Particular attention is paid to ensuring consistency of messaging across different communication channels, such as printed materials, the company website and direct communication with customers. As a result, recipients receive consistent information regardless of their point of contact with the brand.

An important element of FAKRO's approach is employee responsibility for the quality of marketing communications. Employees involved in the creation and distribution of content are required to provide information that is consistent with current product data and to ensure that communications remain aligned with company materials and applicable standards.

The company also places importance on maintaining continuity of communication at different stages of the customer relationship – from the first contact with marketing communications, through the purchasing decision-making process, to after-sales service. This approach supports the development of transparent and long-term relationships and strengthens the credibility of the brand.

Marketing communication activities form part of a broader approach to conducting business in a credible and responsible manner and support the development of customer trust and a positive image of the FAKRO brand.

For us, responsible marketing communication is not only a way of presenting our products, but above all a means of building lasting relationships based on trust. We ensure that every message addressed to our customers is consistent, reliable and reflects the genuine values of our brand. We believe that transparent and consistent communication provides a foundation for long-term development and strengthens FAKRO's credibility in the market.

Sławomir Gawlik
Marketing Director, FAKRO Group

CLIMATE COMMUNICATION

At FAKRO, climate-related communication is directly linked to the process of creating and verifying marketing content. Information concerning the environmental aspects of products is prepared on the basis of data derived from operational processes and is subsequently subject to internal verification prior to publication.

The company focuses on ensuring that environmental claims are consistent with product technical documentation and actual product performance. As a result, climate-related communication does not function as a separate element of marketing but forms an integral part of product information.

An important element of this approach is also ensuring that the information communicated remains up to date. Information concerning environmental characteristics is updated on an ongoing basis to reflect changes in products, production processes and regulatory requirements.

Climate-related communication at FAKRO covers various stages of the customer's interaction with the product – from informational and promotional materials, through sales communications, to after-sales materials. This helps ensure continuity and consistency of messaging throughout the entire customer relationship lifecycle.

This approach enables environmental information to be presented in a structured manner, grounded in product data and tailored to the needs of its intended audience, without overly simplifying or generalising the message.

Climate-related communication must be based on actual data and processes within the organisation, rather than serving merely as an element of marketing narrative. At FAKRO, we focus on ensuring that environmental information forms an integral part of product information, remains consistent at every stage of customer interaction and is based on up-to-date, verified data. This approach enables us to build credibility and long-term trust in our brand.

Janusz Komurkiewicz
Management Board Member for Marketing

02 Environment

2.1 We tackle climate change 20

2.2 Actions to reduce pollution 28

2.3 We monitor water consumption 31

2.4 We study our impact on biodiversity and ecosystems 32

2.5 Circular economy 33

2.1 We tackle climate change

E1-1 E1-2

Climate change is one of the key challenges of the modern world and, at the same time, an area of particular responsibility, regardless of the nature and scale of the activities conducted.

As a responsible business partner, we are aware of the impact of our activities on the natural environment. Therefore, we systematically identify and analyse the potential environmental impacts resulting from the company's operations.

We monitor greenhouse gas emissions in Scopes 1 and 2 and implement measures aimed at increasing energy efficiency and the share of renewable energy sources.

We believe that real and lasting change begins with consistent actions, even small ones, which in the long term can translate into measurable environmental effects. Therefore, our climate initiatives are based on the principles of continuous improvement and responsibility for future generations.

As part of these activities, we have adopted an **Environmental Policy** and developed a **Climate Policy.**

CLIMATE POLICY

At FAKRO, we address issues related to the impact of our activities on the climate within the framework of our adopted Climate Policy. The document defines the company's approach to managing climate-related matters and identifies the areas covered by the actions undertaken. The Climate Policy covers, among others:

- **analysis of emissions from FAKRO's activities, energy efficiency,**
- **use of raw materials and materials from verified sources,**
- **transport and mobility issues,**
- **climate education,**
- **cooperation with partners in the area of climate and environmental protection,**
- **monitoring and reporting of environmental indicators,**
- **continuous improvement of activities in the areas covered by the Policy.**

Information on the activities actually carried out during the reporting period and their results is presented in the relevant sections of this report.

More information on the Climate Policy is available on the FAKRO website: https://www.fakro.com/information-about-the-company/corporate-governance/.

The Climate Policy serves as a reference point for the planning and implementation of operational activities in the area of climate.

ENVIRONMENTAL POLICY

Environmental aspects at FAKRO are managed in accordance with the principles set out in the Environmental Policy adopted by the Management Board and developed based on the requirements of the ISO 14001 standard. The Policy defines the direction of our activities aimed at minimising environmental impact and ensuring compliance with applicable regulations.

The Environmental Policy calls, in particular, for:

- reducing the amount of waste generated and the consumption of water and energy,
- reducing emissions of pollutants generated by technological processes and transport,
- complying with environmental legal requirements as well as other regulations and requirements applicable to the company,
- carrying out ongoing activities arising from identified environmental aspects,
- promoting environmental awareness among employees,
- continuous improvement.

The Environmental Policy is an integral part of our systematic approach to environmental management and provides the basis for setting objectives and operational activities in this area. It is available to all stakeholders on the website: https://www.fakro.com/information-about-the-company/corporate-governance/

Taking into account significant environmental and climate-related aspects, we are working on an Environmental Programme aimed at structuring tasks and indicators related to reducing selected environmental impacts:

- reducing waste generation,
- reducing water consumption,
- reducing exhaust emissions,
- reducing emissions of harmful substances and particulate matter into the air,
- reducing VOC emissions,
- reducing negative impacts on the ozone layer,
- reducing the consumption of energy from non-renewable sources,
- reducing CO_2 emissions.

We continuously monitor key environmental aspects, including energy and water consumption. For several years, we have regularly monitored Scope 1 and Scope 2 greenhouse gas emissions in accordance with the applicable international methodology.

E1-5

ENERGY CONSUMPTION

Energy is a key resource for our operational activities, and its availability is essential to ensuring business continuity. Energy consumption is a significant aspect both in terms of CO_2 emissions and operating costs.

Therefore, we undertake measures aimed at increasing the share of renewable energy sources in both electricity and heat generation.

In 2025, we used 40,523.83 MWh of energy, including electricity, heat and fuel consumption, of which 13,820.05 MWh came from renewable sources, i.e

34%

ENERGY CONSUMPTION AND MIX	UNIT	2023	2024	2025
Consumption of fuel from coal and coal products	MWh	543.96	905.97	2 734.92
Consumption of fuel from crude oil and petroleum products	MWh	17,118.55	16,584.39	15,894.63
Natural gas fuel consumption	MWh	167.24	135.13	160.16
Other fossil sources fuel consumption	MWh	0	0	0
Consumption of purchased or procured electricity, heat, steam and cooling from fossil sources	MWh	8,460.93	13,375.42	7,914.06
Total fossil energy consumption	MWh	26,290.68	31,000.91	26,703.78
Share of fossil sources in total energy consumption	%	66%	69%	66%
Nuclear source energy consumption	MWh	0	0	0
Share of energy from nuclear sources in total energy consumption	%	0	0	0
Consumption of fuel from renewable sources, including biomass (also including industrial and municipal bio-waste, biogas, renewable hydrogen, etc.)	MWh	8,406.65	8,760.54	8,230.83
Consumption of purchased or procured electricity, heat, steam and cooling from renewable sources	MWh	4,528.85	4,611.39	4,454.22
Consumption of renewable energy produced without fuel	MWh	492.96	498.72	1,135.00
Total renewable energy consumption	MWh	13,428.45	13,870.65	13,820.05
Share of renewable sources in total energy consumption	%	34%	31%	34%
Total energy consumption	MWh	39,719.14	44,871.56	40,523.83

*data of FAKRO PP Sp. z o.o. and FAKRO Sp. z o.o.

Energy intensity per net revenue MWh/PLN 1 million

32.11

The following activities are planned in the area of energy management:

- purchase of an energy storage system,
- analysis of the parameters of available energy supply offers, including information on their emissions,
- use of biomass in heat generation.

As part of our energy consumption optimisation efforts:

- we have a system for monitoring open gates in production halls during the heating season,
- we have implemented low-temperature heating in production halls using infrared heaters,
- we monitor heating temperatures in office buildings and production halls,
- we use heat recovery from compressors,
- we use heat recovery systems in wood drying kilns,
- we provide training on the efficient use of electricity and air conditioning.

GREENHOUSE GAS PROTOCOL

E1-6

FAKRO'S CARBON FOOTPRINT

At FAKRO, we have been monitoring greenhouse gas emissions since 2022. We calculated the carbon footprint according to the rules of the Greenhouse Gas Protocol.

SCOPE 1 – Scope 1 emissions from sources owned or directly controlled by the company were calculated using emission factors for individual fuels from the DEFRA database (2025). In our case, these include fuels used to generate heat for the facility, fuels consumed by the company fleet, and fugitive emissions from refrigerants.

SCOPE 2 – Indirect Scope 2 emissions associated with the consumption of purchased electricity and heat were calculated using two methods: market-based and location-based, in accordance with the GHG Protocol guidelines.

Emissions calculated using the market-based method were determined based on emission factors obtained from energy suppliers, taking into account the fuel mix used to generate the energy.

The location-based method is general in nature and is based on average data on the emission intensity of electricity generated in individual countries. To calculate the Scope 2 carbon footprint using the location-based method for FAKRO PP and FAKRO Sp. z o.o., the emission factor published by the National Balancing and Emissions Management Centre (KOBiZE) was used.

SCOPE 3 – Scope 3 includes indirect greenhouse gas emissions generated throughout the entire value chain, covering both upstream and downstream activities. Due to the complexity of this scope and the limited availability of comparable and complete data, its full quantification requires advanced tools and cooperation with external entities.

In previous reporting periods, we undertook analytical and preparatory activities aimed at gaining a better understanding of the structure of Scope 3 emissions and the challenges associated with their measurement. At the current stage, based on applicable regulatory requirements and data availability, quantitative reporting focuses on Scope 1 and Scope 2 emissions.

At the same time, we monitor regulatory developments and advances in reporting methodologies, remaining prepared for a potential expansion of the reporting scope in the future.

GREENHOUSE GAS EMISSIONS

	UNIT	AMOUNT 2023	AMOUNT 2024	AMOUNT 2025
Scope 1 gross greenhouse gas emissions	Mg CO_2e	4,574.35	4,650.83	6,020.45
Scope 2 gross greenhouse gas emissions by location-based method	Mg CO_2e	6,665.75	7,985.13	6,340.68
Scope 2 gross greenhouse gas emissions by market-based method	Mg CO_2e	5,991.21	6,918.83	5,452.48

*Carbon footprint calculated for FAKRO PP Sp. z o.o. and FAKRO Sp. z o.o

GREENHOUSE GAS EMISSION INTENSITY INDICATORS

	UNIT	AMOUNT 2023	AMOUNT 2024	AMOUNT 2025
Total GHG emissions 1+2 (location-based) per net revenue	Mg CO_2e / 1 mln PLN	10.4	9.6	9.8
Total GHG emissions 1+2 (market-based) per net revenue	Mg CO_2e / 1 mln PLN	9.4	8.8	9.1
Total GHG emissions 1+2 (locationbased) per own employee	Mg CO_2e / osobę	5.4	5.3	5.1
Total GHG emissions 1+2 (marketbased) per own employee	Mg CO_2e / osobę	4.8	4.9	4.8

E1-3

ELECTRICITY – PHOTOVOLTAICS

In previous years, in cooperation with our Partner, Columbus Energy, we completed an investment involving the expansion of three existing photovoltaic installations and the installation of five new ones, which currently have a total capacity of 2,105 kWp.

All installations were located on the roofs of production halls, which made it possible to limit interference with land surfaces and preserve green areas in an unchanged condition.

We continue to invest in the installation of photovoltaic panels, thereby increasing electricity generation from renewable energy sources.

THERMAL ENERGY – ENERGY WILLOW AND BIOMASS

One of the pillars of our approach to thermal energy is the use of biomass in building heating processes. For this purpose, in 2015 we established an energy willow plantation near our headquarters in Nowy Sącz, which currently covers **more than 35 hectares.** The natural ability of this raw material to grow and regenerate rapidly makes it an effective support for renewable energy generation.

We used

more than twice

as much energy willow as in 2024.

In 2025, a new boiler was commissioned, increasing the technical capacity to use biomass for thermal energy generation. Coal is used as a supplementary fuel.

The new boiler increases the capacity to use biomass in thermal energy generation and may gradually reduce the share of fossil fuels, in line with the principles of the circular economy. The use of energy willow in thermal energy generation increased by more than 100% in the previous year.

Despite investments in renewable energy sources, due to climatic conditions and the availability of raw materials, a complete phase-out of coal is not currently possible. Coal is used as a supplementary fuel. The increase in coal consumption in 2025 was related to the temporary use of coal as a substitute fuel during the winter period, while the sawdust-fired boiler was being replaced with a higher-capacity unit.

CONSUMPTION OF BIOMASS FROM OUR OWNPLANTATION

	UNIT	AMOUNT 2024	AMOUNT 2025
Amount of energy willow used for thermal energy generation:	Mg	212	429

PRODUCTION

When designing our products, we take into account their quality, potential for long-term use and selected environmental aspects. **These efforts are reflected in the environmental declarations obtained for our products.**

Type III **Environmental Product Declarations** (EPDs) are documents that provide information on the environmental impact of a product throughout its life cycle, from raw material extraction through production, transport, installation and use to end-of-life treatment and recycling.

FAKRO has developed Environmental Product Declarations (EPDs) for most of its products in accordance with ISO 14025 and EN 15804+A2. They have enabled us to identify the environmental impacts of product, including its carbon footprint.

In 2025, we obtained two additional declarations issued by authorised bodies and verified by an independent third party.

We currently have Environmental Product Declarations for the following product groups: wooden and aluminium-clad plastic roof windows, flat roof windows, access roof lights for unheated spaces, loft ladders, external accessories for windows, and flashing kits for roof windows.

Products with EPDs can support the documentation of projects assessed under certification systems such as BREEAM, LEED or DGNB, depending on the requirements of the respective system and the scope of the project. At the same time, EPDs increase the transparency of the environmental impacts of building materials and support informed design decisions aimed at reducing the environmental impact of buildings.

FAKRO holds FSC® Chain of Custody certification. The certification covers the specific scope of materials and products specified in the current certificate scope. As part of our cooperation with suppliers, we use questionnaires, audits and the Supplier Code, which cover selected quality, organisational and environmental aspects.

The cardboard used in our packaging predominantly contains recycled material. Once separated from other components, the cardboard can be recycled in accordance with local waste sorting rules.

FAKRO products are covered by warranty periods specified in the applicable warranty terms and conditions. For selected products, certain components can be repaired or replaced: https://www.fakro.com/service/guarantee/.

FAKRO holds 26 product certificates confirming the compliance of its solutions with technical and quality requirements as well as standards applicable to the industry. This reflects the consistent efforts undertaken to improve the product portfolio, enhance process transparency, and ensure high quality and safety of the products offered.

262 patent applications

GREENVIEW window packaging is designed so that it can be sent for recycling in accordance with local waste sorting rules and the availability of recycling infrastructure.

TO CONTINUOUSLY IMPROVE OUR PRODUCTS, WE UNDERTAKE THE FOLLOWING ACTIVITIES:

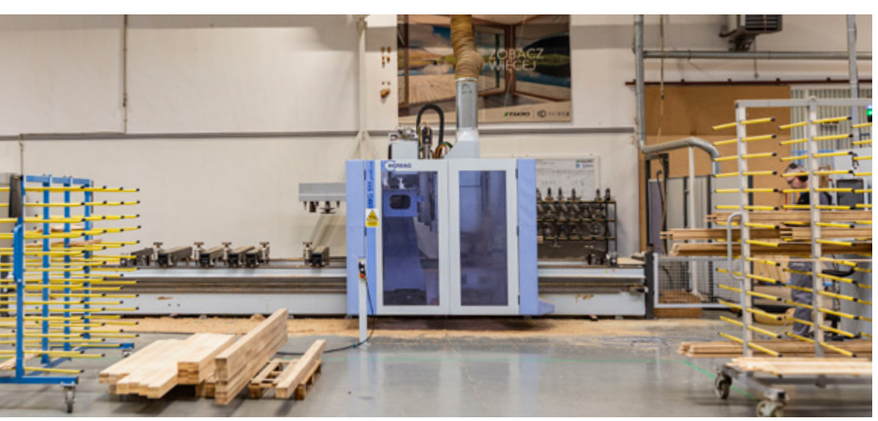
Innovation and research: We invest in research and development to create innovative products. This includes developing new technologies that can reduce selected environmental impacts of products or production processes.

Life Cycle Assessment (LCA): We conduct life cycle assessments of our products to examine their environmental impacts from raw material extraction, through production, to recycling or disposal.

Optimisation of production processes: We continuously improve our production processes to increase energy efficiency, reduce waste generation and reduce emissions.

In 2025:

- we optimised the coating process for wooden windows. The optimisation involved modifying the parameters of the coating application process, which improved material efficiency without affecting the performance properties of the products and contributed to reducing the amount of waste generated and pollutants released into the environment, while maintaining the required performance properties of the products.
- we implemented an innovative, automated dust extraction system, which enabled the operation of the installation to be adjusted to actual production needs. This solution allows the system to operate more closely in line with actual production requirements, which may contribute to reducing energy consumption and CO_2 emissions, while also improving process efficiency and extending the service life of filtration systems.



- we optimised the method of protecting selected semi-finished products during the production process, which contributed to reducing the amount of packaging waste generated.

Cooperation with suppliers: New suppliers are required to complete questionnaires, while key suppliers are subject to periodic audits covering selected ESG criteria.

Education and training: We provide regular training for our employees on sustainability to increase awareness and engagement in these activities.

Monitoring and reporting: We monitor and report on our sustainability progress to support continuous improvement.

As part of our production processes, all chemical substances used are verified for compliance with the REACH Regulation. Substances posing the greatest hazards are systematically replaced with safer alternatives.

Chemical substance management activities are carried out in accordance with the “Chemical Substance Management” procedure developed in 2023. The procedure also sets out rules for the safe use, storage and transport of chemical substances.

All finished products and their packaging comply with the legal requirements and standards applicable in the markets in which they are placed on the market.

2.2 Actions to reduce pollution

E2-1 E2-2 E2-3

One of the key environmental challenges remains air, water and soil pollution, which can have a negative impact on both human health and the functioning of ecosystems. Reducing emissions to the environment is therefore an important aspect of FAKRO's production activities.

The company's processes generate, among others, nitrogen and sulphur oxides, particulate matter and volatile organic compounds (VOCs). Emission levels are regularly monitored in cooperation with accredited laboratories, and the results obtained confirm compliance with applicable environmental standards and the provisions of administrative decisions.

FAKRO's activities are carried out in accordance with the Environmental Management System and the Climate and Environmental Policies, which define the directions and principles for reducing pollution. On this basis, the company is committed to reducing emissions to air and water arising from both technological processes and transport.

Monitoring covers all processes and activities that generate harmful emissions, including:

- pollutant emissions from fuel combustion for energy purposes,
- pollutant emissions from fuel combustion by vehicles, machinery and equipment,
- pollutant emissions from production processes,
- refrigerant emissions.

Reducing negative environmental impacts is part of our requirements both for our own operations and for cooperation with business partners. The principles of conduct and expectations for suppliers in the area of environmental protection are set out in the Supplier Code of Conduct, available at:

https://www.fakro.com/information-about-the-company/corporate-governance/

The installations operated by the company are not subject to the requirement to obtain an integrated permit, as their parameters do not exceed the technological or production thresholds specified in applicable regulations. They are also not subject to a formal requirement to apply Best Available Techniques (BAT).

Nevertheless, we consistently undertake measures aimed at reducing the environmental impact of our installations. Emissions are reduced, among other measures, through the use of effective filtration systems, regular maintenance and technical inspections of equipment and the vehicle fleet, as well as the modernisation of machinery and the implementation of technological solutions that improve the environmental efficiency of processes.

- Environmental competencies are systematically developed by specialists responsible for these matters, in particular through participation in industry-specific training and ongoing monitoring of regulatory changes. This helps ensure that our activities comply with current environmental requirements and supports responsible management of operational processes.

E2-4

At FAKRO, emissions of pollutants are generated from sources such as:

- stationary combustion
- mobile combustion
- technological processes.

Based on the processes currently analysed and the location of our facilities, we have not identified any emissions of pollutants to water or soil requiring reporting in this area.

AIR POLLUTANT EMISSIONS FROM FUEL COMBUSTION IN STATIONARY INSTALLATIONS

TYPE OF POLLUTION	UNIT	AMOUNT 2023	AMOUNT 2024	AMOUNT 2025
CO (carbon monoxide)	kg	37,384.40	35,225.09	34,970.70
NO_2 (nitrogen dioxide)	kg	3,226.32	3,824.96	3,602.64
SO_2 (sulphur dioxide)	kg	748.51	1,351.22	2,043.57
totdal dust	kg	800.64	928.44	251.12
Bap	kg	0.24	0.46	1.37

FAKRO offers a comprehensive window replacement programme, including solutions that enable older windows to be replaced with products whose technical parameters are selected according to user needs and the requirements of a given building. The programme covers the replacement of roof windows, vertical windows and garage doors.

Replacement can be carried out as part of a comprehensive thermal modernisation of a building or as a separate replacement of windows and doors.

E2-5

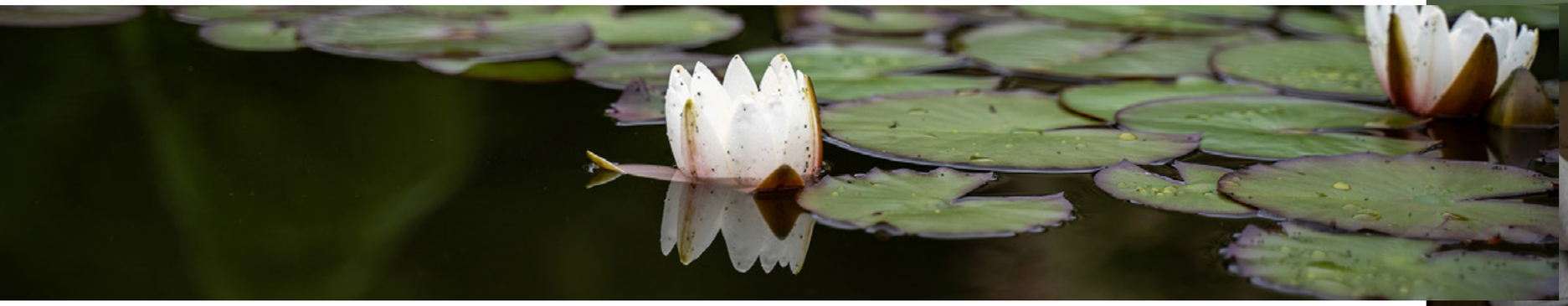
We operate in accordance with generally applicable requirements concerning chemical substances. In our production processes, we use substances that are checked for compliance with the REACH Regulation. We maintain a database containing up-to-date Safety Data Sheets for chemical substances and mixtures used across all FAKRO sites in Poland.

With environmental considerations in mind, we actively seek and implement safer alternatives to chemical substances. The purchase of each new substance is reviewed in terms of its safe use and environmental impact, in accordance with the internal “Chemical Substance Management” procedure.

To date, we have not recorded any releases of chemical substances into the environment. Preventing such releases is an important element of responsible management of the company’s operations.

All goods supplied to FAKRO, including raw materials used in production and packaging, comply with European and national laws, regulations, directives and guidelines applicable at the time of delivery.

Within the scope of activities analysed, we have not identified any additional significant sources of pollution associated with the chemical substances used. We have also not identified any technological processes within our operations that could result in microplastic emissions into the environment.



2.3 We monitor water consumption

E3-2

Water resource management is an important element of our approach to environmental responsibility. Taking into account the growing pressure on water availability and the impacts of climate change, we focus on monitoring water consumption and seeking solutions that support more efficient use of this resource.

E3-4

We have a system in place for monitoring daily water consumption. It helps us identify potential failures more quickly and reduce the risk of uncontrolled water consumption.

We implement solutions aimed at reducing water consumption. **An investment in water treatment from our own source is planned in order to reduce demand on the local water supply network and make use of internal water resources.**

2.4 We study our impact on biodiversity and ecosystems

E4-1

As wood is a key raw material used in our production, we focus on reducing the environmental risks associated with its sourcing.

FAKRO holds FSC® Chain of Custody certification. The certification covers the specific scope of materials and products specified in the current certificate scope.

E4-5

This approach helps reduce the risk of using wood sourced from areas affected by deforestation and ecosystem degradation. Within our own operations, we conduct our activities in accordance with applicable environmental regulations, including those relating to biodiversity.

We do not carry out activities that directly interfere with areas of high environmental value or habitats of protected species. We analyse the potential impact of our processes on the surrounding environment and take preventive measures in areas where we have direct operational influence.

E4-3

FAKRO operates in accordance with applicable environmental laws and regulations, including requirements relating to nature conservation and biodiversity.

As of the reporting date, the company does not implement separate programmes or activities specifically dedicated to biodiversity protection. At the same time, in conducting its operations, FAKRO takes applicable environmental requirements into account and seeks to limit its potential impact on the natural environment.

At FAKRO, we monitor changes in legal requirements and take environmental aspects into account when planning and implementing investments.

2.5 Circular economy

The circular economy aims to reduce the consumption of raw materials and the generation of waste by keeping materials in use for as long as possible through reuse and recycling. This helps reduce demand for primary raw materials and, consequently, limit environmental impact.

In waste management, we prioritise solutions that help close material loops in line with circular economy principles. Only when reuse or recycling is not possible is waste sent for disposal.

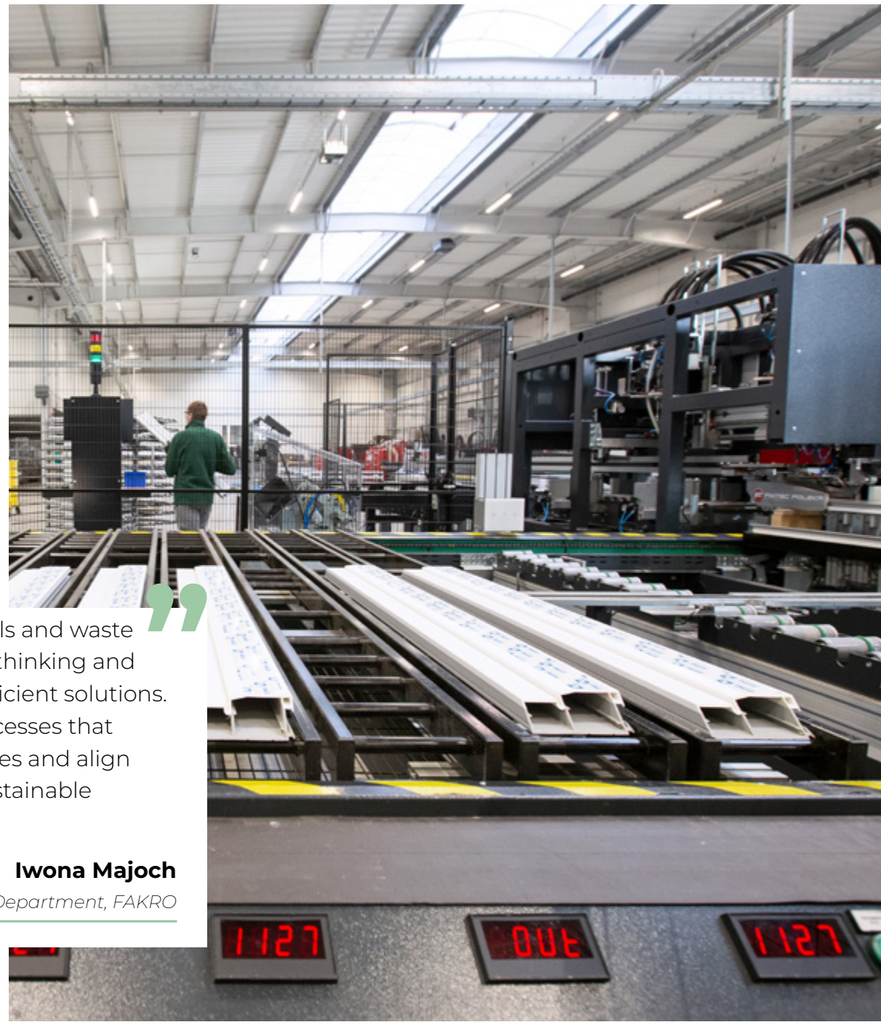
CIRCULARITY OF FAKRO PRODUCTS

Circular economy principles are addressed in our Environmental Policy and Climate Policy. We do not have a separate circularity policy. We develop our circular economy activities through specific operational solutions:

- we use secondary raw materials in production,
- we design products with repairability and extended product life in mind,
- we provide access to spare parts,
- we provide maintenance and repair services (FAKRO Service),
- we use packaging containing recycled materials, which can be recycled in accordance with local waste sorting rules and the availability of recycling infrastructure.

Reducing waste and using resources efficiently are key priorities — we treat waste as a potential secondary raw material. As part of this approach, we have already implemented several circular economy solutions.

Example: PVC profile waste generated during window production is sold to a plastics processing company. Following recycling, it is processed into PVC profiles, which we reuse in the production of window frames.



A responsible approach to materials and waste management requires long-term thinking and the continuous pursuit of more efficient solutions. At FAKRO, we seek to develop processes that support the rational use of resources and align with the direction of a modern, sustainable organisation.

Iwona Majoch
Head of the Administrative Department, FAKRO

E5-4

RESOURCES ENTERING FAKRO

In 2025, a variety of products as well as technical and biological materials were introduced into FAKRO's operations. These were necessary both for production processes and to support auxiliary activities and ensure business continuity.

Products include, among others, equipment such as furniture, machinery and production equipment, as well as IT equipment. Technical and biological materials primarily include raw materials used in production processes, including wood, aluminium, steel, cardboard and films. This category also includes construction materials, office supplies and other resources necessary for the company's day-to-day operations.

E5-5

RESOURCES LEAVING FAKRO

Resources leaving the organisation in 2025 include finished products sold, such as roof windows, vertical joinery products, flat roof windows, flashing kits, access roof lights, tubular skylights, window accessories and loft ladders, as well as packaging.

The table below presents a breakdown of packaging leaving the organisation.

RESOURCES ENTERING THE ORGANISATION	UNIT	2025
Total packaging weight	Mg	2,808.17
Total recyclable packaging content	Mg	2,808.17
Share of recyclable materials in packaging	%	100

E5-2

WASTE GENERATED AT FAKRO

We systematically undertake measures aimed at reducing the volume of waste generated, in particular through the continuous improvement of production process organisation.

In the area of waste management, we prioritise cooperation with partners located as close as possible to our facilities, which may reduce transport distances associated with waste management. In addition, we undertake measures to optimise waste transport logistics, including increasing the efficiency of cargo space utilisation while ensuring compliance with applicable transport and environmental regulations.

E5-3

We aim to reduce the amount of production waste and increase its reuse through:

- careful analysis of raw materials,
- designing with circularity in mind,
- reducing waste at source,
- seeking to increase the share of secondary raw materials used in production,
- introducing mono-material packaging that can be sent for recycling in accordance with local waste sorting rules and the availability of recycling infrastructure,
- extending the life cycle of our products.

We aim to reduce production waste through selective collection, recycling and, where reuse is not possible, other permitted forms of waste management. The waste we generate comes mainly from production, investment and renovation processes. Typical waste generated in the course of our operations includes wood waste, cardboard packaging waste and plastic film waste. Continuous monitoring of the amount of waste generated provides a basis for analysing ways to reduce it. Waste whose generation could not be prevented and which we cannot reuse is collected separately and then transferred to entities holding the relevant permits to manage the specific type of waste.

RESOURCES LEAVING THE ORGANIZATION	UNIT	2023	2024	2025
NON-HAZARDOUS WASTE				
Amount of non-hazardous waste generated	Mg	1,838.46	1,895.51	2,088.96
Waste recycled	Mg	1,325.06	1,453.63	1,209.31
Waste recovered	Mg	248.92	258.22	593.29
Waste incinerated	Mg	48.15	49.92	242.64
Waste subjected to chemical treatment	Mg	65.35	33.91	43.72

RESOURCES LEAVING THE ORGANISATION – HAZARDOUS WASTE	UNIT	2023	2024	2025
Amount of hazardous waste generated	Mg	44.325	39.751	33.710
Waste recycled and recovered	Mg	44.006	39.751	33.710

03

People

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At FAKRO, we believe that people – their knowledge, experience, commitment and day-to-day collaboration – are the foundation of organisational development. It is thanks to our employees that we can consistently grow our business, develop innovative solutions and strengthen the company's position in international markets.

We create a working environment based on mutual respect, accountability and openness to dialogue. We support competence development, safeguard employee health, safety and well-being, and develop solutions that address the needs of the modern workplace. We believe that engaged teams and a collaborative organisational culture are essential to FAKRO's long-term sustainable development.

Our activities are guided by the values that have shaped the company's organisational culture for many years: development, innovation, responsibility and credibility.

These values determine the direction of our initiatives and the way we build relationships both within the organisation and with the wider community

S1-1

Issues related to preventing discrimination, promoting equal opportunities, diversity, and social inclusion are addressed in corporate governance documents, which comprehensively regulate these areas:

- **Work Regulations**
- **Procedure of hiring and dismissing employees**
- **Principles of renumeration and bonuses**
- **Anti-mobbing policy in the FAKRO Group**
- **FAKRO Employee Guidepost**
- **Code of Conduct**

The ANTI-MOBBING POLICY at FAKRO is an extremely important part of our commitment to creating a healthy and safe working environment for all our employees. We believe that every employee has the right to respect, dignity and equal treatment, and that any form of discrimination and bullying is totally unacceptable. At FAKRO, every possible effort is made to prevent, identify and eliminate any instances of mobbing. Every employee has the right to feel safe and comfortable in the workplace, without fear of mistreatment. We aim to create an atmosphere where everyone is aware of their rights and feels responsible for ensuring a safe working environment.

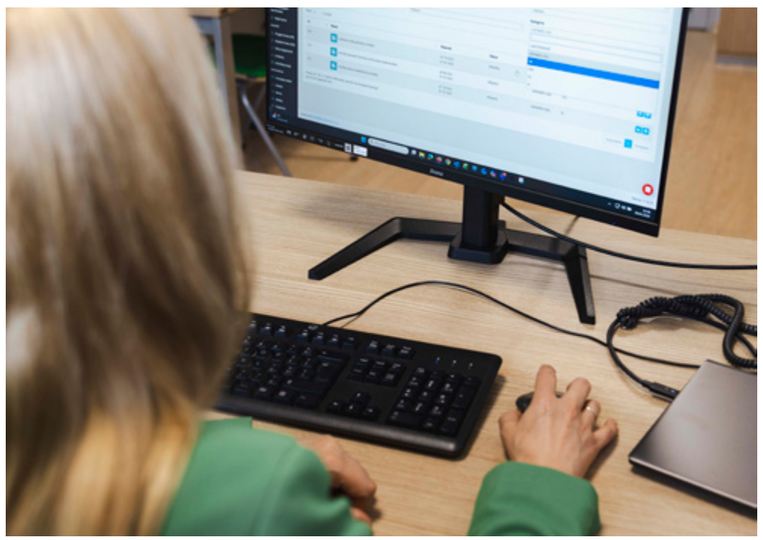
The EMPLOYEE GUIDEPOST, is a guide to help employees orient themselves within the company and understand its culture, values and principles.

The CODE OF CONDUCT is an expression of our commitment to building transparent relationships, both within the company and with external partners. It shows that our actions are based on mutual respect, honesty and values that support the internal order and consistency of the company.

WE LISTEN TO ACT EFFECTIVELY

Sustainable development requires us to constantly monitor our environment and respond consciously to changing needs. We focus on building an organisation that is ready for the future, open to dialogue and flexible in meeting stakeholder expectations.

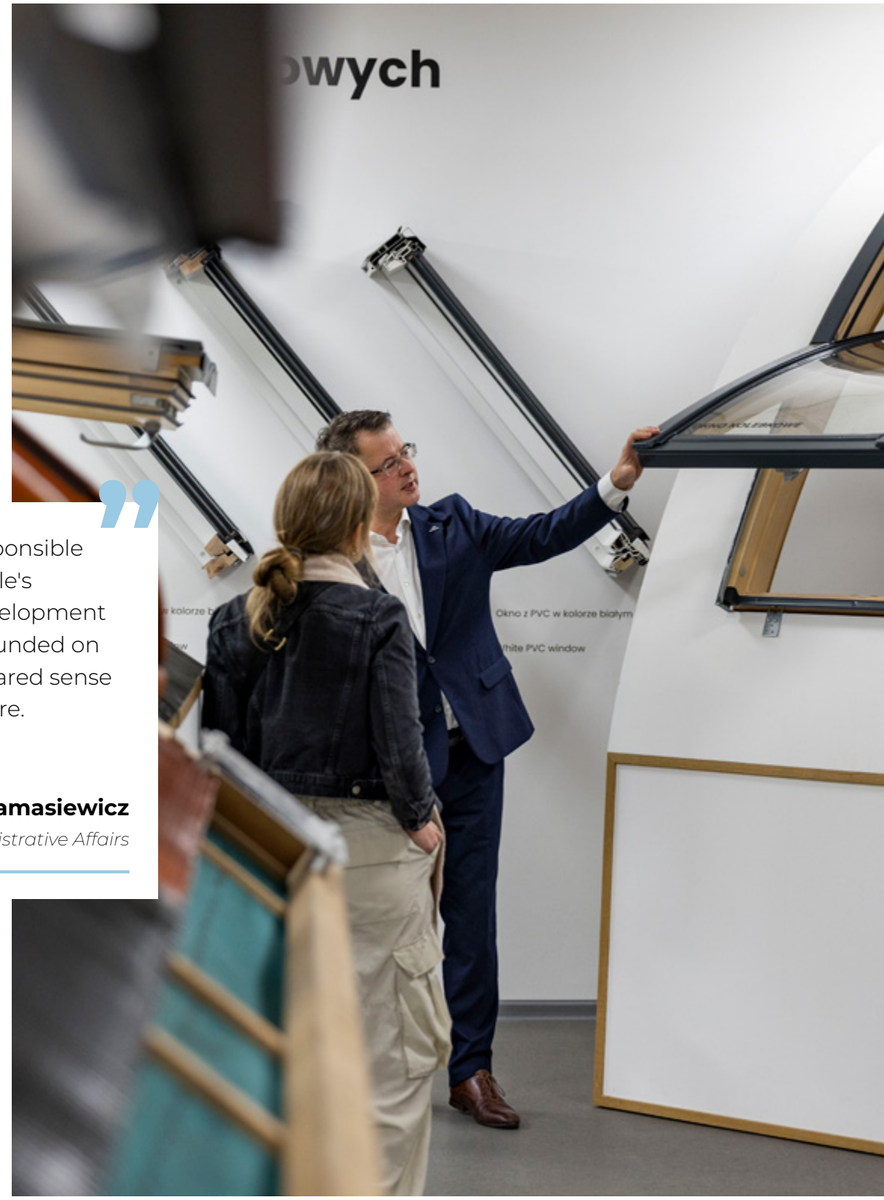
We attach particular importance to our relationships with our employees since we find their opinions as a valuable source of knowledge. We regularly conduct satisfaction surveys and listen carefully to the voice of our team in order to implement changes that have a real impact on the quality of work and our company's growth.



The Employee Opinion Survey is an important tool of our internal communication that allows us to better understand employees' needs and expectations. With the information obtained, we can verify how effectively we fulfil our company's commitments, especially those related to shaping a conscious organisational culture. Listening carefully to employees and responding to their voices plays a key role in building a strong organisation and maintaining a partnership between the employer and the team.

Our objective is to build a modern, responsible organisation that is responsive to people's needs. We believe that sustainable development begins with a working environment founded on collaboration, mutual respect and a shared sense of responsibility for the company's future.

Bożena Damasiewicz
Director of Organisational and Administrative Affairs



3.1 We act ethically

S1-3

FAKRO has an internal whistleblowing system in place that enables employees to report cases of misconduct, including workplace bullying, discrimination, abuse and other activities that violate applicable laws and internal regulations. The system supports the development of a safe, ethical and transparent work environment.

Employees are required to report any practices that violate the principles set out in internal documents and the standards applicable within the organisation. Reports can be submitted through several available channels:

- personally to your immediate superior or to members of the Ethics Committee
- in writing to the following address: FAKRO, ul. Węgierska 144a, 33-300 Nowy Sącz, marked "Ethics Committee" (Komisja Etyki)
- by e-mail to: etyka@fakro.pl

All reports are reviewed by the Ethics Committee in accordance with applicable internal procedures and confidentiality principles. In cases involving workplace bullying, the provisions of the "FAKRO Anti-Bullying Policy" apply. If the Ethics Committee is unable to review a particular case, the President of the Management Board appoints a dedicated team responsible for further proceedings.

The principles for preventing misconduct are set out in the "Misconduct Prevention Policy", which defines the procedures to be followed when potential violations are identified. The organisation undertakes initiatives aimed at fostering an organisational culture based on accountability, mutual respect and adherence to ethical principles.

S1-4

FAKRO undertakes initiatives to support employees' professional development and foster a safe and responsible work environment. The organisation invests in development programmes, supporting employees in enhancing their professional competencies, including through co-financing higher education and providing language courses.

The company provides training and workshops aimed at reinforcing behaviours aligned with the organisation's established principles and values. These educational initiatives are addressed to all employees, including management.

FAKRO also implements specific measures aimed at improving working conditions, occupational safety, employee health and professional development. The organisation monitors progress against its objectives and regularly updates initiatives designed to support the continued development of the work environment.

Our objectives in this regard include:

- compliance with procedures
- active cooperation with employees
- effective problem reporting processes

S1-5

The FAKRO Group focuses on implementing specific initiatives that support the development and well-being of employees throughout the entire value chain. These activities are essential for building an engaged, motivated, and satisfied team, which directly contributes to the organization's long-term success.

Priority areas include:

- maintaining employment stability
- promoting diversity and equality in the workplace
- updating documents
- strengthening of work-life balance
- reduction of minor accidents

Our activities aim to create a work environment where people can feel safe, develop, and realize their potential.

3.2 We employ inclusively

The diversity of experience, perspectives and competencies strengthens the organisation and supports its long-term development. At FAKRO, we foster a work environment built on mutual respect, equal treatment and openness, providing employees with equal opportunities for professional development regardless of age, gender or position.

We strive to build an inclusive workplace where everyone can feel safe, develop their competencies and actively participate in the life of the organisation. Our initiatives support team integration and strengthen an organisational culture based on collaboration and responsibility.

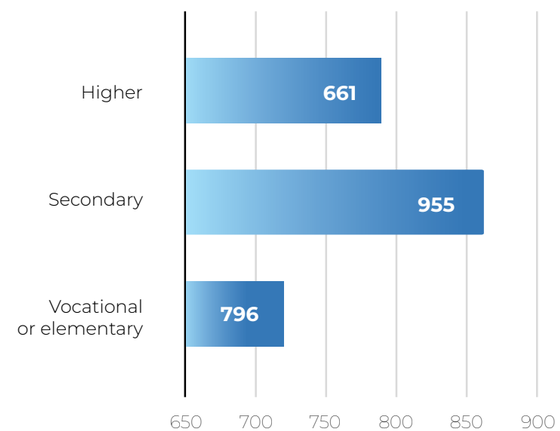
S1-6

In 2025, our team structure at FAKRO PP Sp. z o.o. and FAKRO Sp. z o.o., would be as follows:

Number of employees by gender in 2024

GENDER	NUMBER OF EMPLOYEES
Women	670
Men	1,742
Other	0
Not disclosed	0
Total employees	2,412

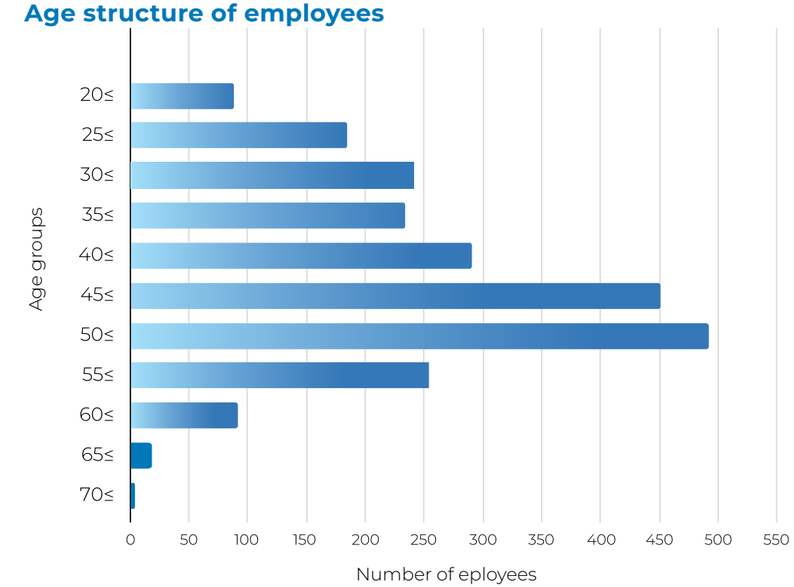
Number of employees by level of education in 2025:



The age structure of our workforce reflects its generational diversity, which is an important factor in building a stable and effective working environment. Collaboration between employees with different levels of professional experience facilitates knowledge sharing, competence transfer and the development of innovative solutions. The organisation promotes intergenerational cooperation, recognising the benefits of combining the experience of long-serving employees with the fresh perspectives and skills of younger people.

S1-9

Age structure of employees



Number of employees who left during the reporting period and the employee turnover rate in 2025

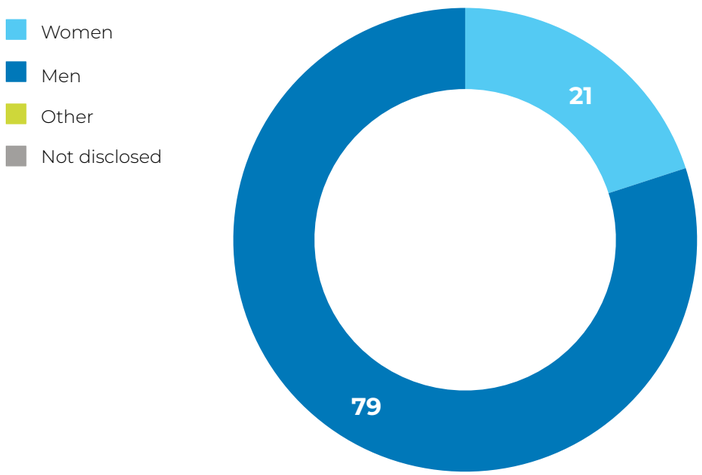
Number of employees who left the organisation during the reporting period	265
Turnover rate	9,90%

S1-12

Percentage of employees with disabilities among all employees in 2025:

Percentage of employees with disabilities	1,20%

Gender distribution by number and percentage in senior management in relation to staff in 2025:



S1-7

In addition to permanent staff, our organisation also works with a number of people on a different basis. These include contracts of mandate, task-specific contracts, B2B, interns and apprentices and numerous subcontractors.

Number of employees by contract type, working hours and gender in 2025*

Number of employees (total number)	2,412
Number of employees employed foran unspecified term (total number)	2,004
Number of employees employed for a fixed term (total number)	408

**Values for FAKRO PP Sp. z o.o. and FAKRO Sp. z o.o. combined.*

Average length of service in our organisation is

13 years

which is indicative of employment stability and employee satisfaction.

An engaged and diverse team is one of the organisation's greatest assets. We therefore foster a working environment in which mutual respect, openness and opportunities for development matter, irrespective of role or experience. This approach helps build strong relationships, strengthens collaboration and supports a modern organisational culture.

Beata Martuś-Kołbon
FAKRO Vice-Director of Human Resources

INTERNSHIPS AND APPRENTICESHIPS AT FAKRO

At FAKRO, we invest in young people – we believe that they are the driving force behind change and development. That is why we have for many years been running an extensive internship and apprenticeship programme which gives students and graduates the opportunity to gain practical skills, and us – the opportunity to look at the company from a new perspective. Every year, over 20 participants join us, learning from us and teaching us in return. We build a team based on the company values of innovation, responsibility, development and credibility. These values shape our actions and the atmosphere at work every day.

We believe that collaboration with young talent supports the development of both programme participants and the organisation as a whole. By exchanging experiences and embracing diverse perspectives, we foster a work environment built on development, engagement and collaboration.

Working with young people brings energy, fresh perspectives and a strong willingness to learn into the organisation. We are pleased to support participants as they gain their first professional experience, while creating opportunities for knowledge sharing and mutual inspiration.

Agnieszka Ślęzak-Śmietana
Specjalista ds. Rekrutacji FAKRO

S1-2 S1-8

WE CO-CREATE A CULTURE OF OPEN COMMUNICATION AND MUTUAL RESPECT

Open communication and partnership-based relationships are key elements of FAKRO's approach to building a responsible and modern organisation. The company fosters a work environment that supports knowledge sharing, collaboration and active employee engagement. FAKRO continues to develop communication channels and solutions that facilitate the effective flow of information and strengthen dialogue between employees and management.

The organisation has a range of initiatives in place to support internal communication and employee engagement.

- **Management Board and Executive Board meetings** – Regular meetings of the Management Board, management team and operational teams are held to discuss the organisation's current activities, operational challenges and future development priorities. These meetings facilitate information sharing and strengthen collaboration across different areas of the organisation.
- **F1 Group** – Regular meetings of the F1 group are one of the ideas to support communication with the Management Board. The overarching aim of this team is to build shared responsibility for the management of the organisation. At the same time, direct communication between employees and the Management Board influences many aspects, such as access to information, credibility, the possibility of constructive discussion. Employees have the opportunity to take part in the decision-making process, develop teamwork skills and feel a genuine impact on the company's operations.

- **The "FAKRO Brand Ambassador** – Employee" is one of the key employee programmes. Its aim is to recognise and appreciate valuable employee attitudes. The ambassadors, a total group of more than 50 people, meet periodically during workshops and training sessions. In this way, they gain upto-date knowledge of the company and ongoing projects and strengthen relationships, which translates into effective cooperation.
- **Open Door Policy** – As part of promoting accessibility and transparency, any member of staff, after prior notification of the topic of discussion, may arrange a meeting with a Board representative This is a space for sharing ideas, suggestions and needs.
- **Management Enquiry Boxes** – Special boxes are located at selected locations within the company where employees can anonymously submit questions, comments and suggestions. This is an alternative to face-to-face meetings, allowing everyone to have their say.
- **Internal communication** – To ensure that every employee has access to up-to-date information, we use various communication tools, such as Intranet, FAKROteam, information corners in the production halls and FAKROnews services.

We strive to create a work environment based on mutual respect, collaboration and engagement. We believe that active dialogue with employees supports the organisation's development, strengthens its organisational culture and contributes to building a responsible and inclusive workplace.

3.3 We care about employees and support their development

People are the organisation's most important asset and the foundation of its long-term development. It is through the commitment, knowledge and experience of our employees that we are able to consistently grow our business and strengthen the company's position in international markets. We therefore strive to create a work environment that fosters professional development, collaboration and mutual respect.

Our approach is guided by the values that have shaped FAKRO's organisational culture for many years – innovation, responsibility, development and credibility. We believe that supporting employees in developing new competencies and providing them with stable and safe working conditions contributes to the development of the organisation as a whole. We create an environment where employees can fulfil their potential, share knowledge and actively contribute to shaping the company's future.

We support professional development through training, development programmes, language courses and initiatives that enable employees to gain new experience and enhance their qualifications. At the same time, we take steps to foster a work environment based on partnership, open communication and a healthy work-life balance.

S1-13

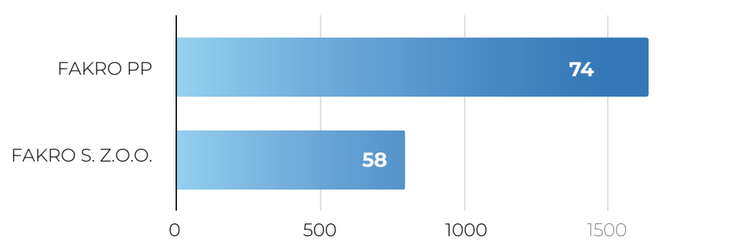
In 2025, the training courses were attended by
2,395 employees

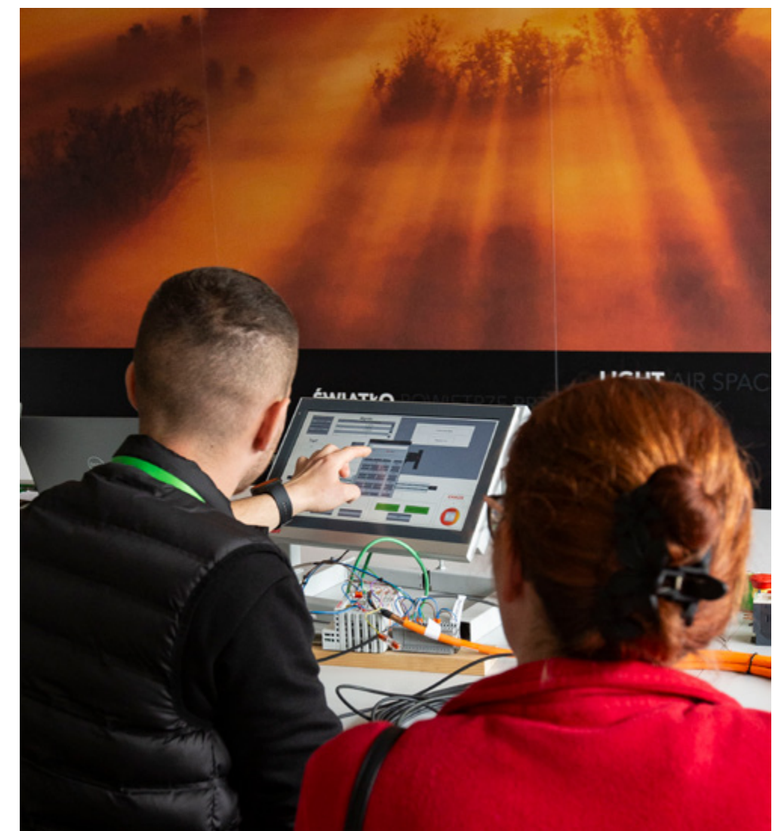
Number of introductory training courses delivered

11	11
FAKRO PP Sp. z o.o	FAKRO Sp. z o.o

1,427
training hours

Number of staff training courses delivered (training, conferences, courses, studies) in 2025:





Selected training activities implemented in 2025:

'The Power of Appreciation' conference

Production Managers Congress in Niepolomice

'REACH and CLP 2025 Regulations: Current and Forthcoming Legislative Changes'

'Competency Matrices' training

3D printing using FDM technology

Safety systems and devices in industrial automation

Introduction to industrial automation and control

Workshop metrology

Electrical engineering and control cabinet equipment

Advanced TwinCAT 3 PLC training; Basic configuration and programming of Beckhoff devices – five-day course

PRINCE2 examination

Design and operation of power hydraulics components and systems

SIGMA software training: Nest, Color Offload and Load Manager

Introduction to industrial automation and control

The new Construction Products Regulation (CPR): changes to EU rules governing the placing of construction products on the market

Production Director Conference

Glass Horizons: standards, research, trends and outlook

Electrohydraulics and proportional hydraulics

RCM2 – Reliability-Centred Maintenance

Fundamentals of machine design for mechanics

Design and operation of power hydraulics components and systems

3D printing using FDM technology

Measurements of electrical infrastructure and equipment

Industrial electropneumatics

Fundamentals of industrial pneumatics

19th Business Intelligence Congress

Industrial electropneumatics

Measurements of electrical infrastructure and equipment

8D Problem Solving

'Advanced Financial Statement Analysis' training

Customs classification of goods: assigning CN codes and using the Common Customs Tariff

semKRK Conference

Tax Changes 2024/2025

Creative Typography online course

'The Power of Appreciation' conference

Price Defence Techniques training for the Export Department

Personal Data Protection Day in Marketing and Sales

Personal Data Protection Day in Employment

Customer Service Office workshop: 'From professional service theory to relationship building, problem solving and soft selling in practice'

In-person workshop for directors and managers

Personal Data Protection and Artificial Intelligence Day

SEO Festival 2025

Personal Data Protection Day: Mobile Applications and Cybersecurity

Situational Leadership

Foreign language learning is provided through the eTutor platform.

Number of employees

689

FAKRO ACADEMY – ITS ROLE AND IMPORTANCE WITHIN THE ORGANISATION

FAKRO Academy is an internal e-learning platform that supports employee competence development and the onboarding process. It provides access to training in areas including product knowledge, digital skills, information security, company processes and HR.

The Academy's primary objective is to systematically enhance employee qualifications. The platform supports both the development of current competencies and preparation for future business challenges, while enabling employees to update their knowledge of the company's internal areas and processes.

FAKRO Academy also plays an important role in onboarding, enabling new employees to integrate quickly by providing access to key information about the company, its products, values and operating principles. It also makes it possible to assess employees' level of knowledge through tests and assessment materials.

The Academy's e-learning format provides:

- standardisation of the training process,
- the ability to monitor employee progress and engagement, and
- support for building an organisational culture based on development and continuous learning.

In the ESG context, FAKRO Academy supports human capital development, strengthens future-oriented skills and contributes to building an aware and responsible organisation.

Training catalogue – FAKRO Academy

	number of modules
1. Digital and AI competencies	8
2. Information security and data protection (Compliance / Governance	8
3. Organisation, processes and company culture	6
4. HR, benefits and employee developmen	4
5. Office skills and productivity	3
6. Sales, marketing and the market	4
7. FAKRO products and solutions	7
8. Operations and logistics	1
9. Sustainable development and social programmes	1

Number of FAKRO Academy users

996

HEALTH AND SAFETY FIRST

Employee health and safety are key elements of responsible management at FAKRO. The company is committed to providing a safe and healthy work environment and to supporting employee well-being across all levels of the organisation.

We undertake measures aimed at reducing occupational risks, raising awareness of workplace safety and fostering an organisational culture based on responsibility and mutual care. These measures include training, preventive activities and initiatives designed to support compliance with applicable occupational health and safety (OHS) rules and procedures.

At FAKRO, we believe that workplace safety is a shared responsibility across the organisation. We therefore consistently develop solutions that protect employee health and foster a working environment conducive to safety, engagement and the company's long-term development.

As part of our health promotion activities, we organise and support initiatives that give employees access to preventive examinations and specialist health knowledge. Employees were able to participate, among other initiatives, in the Prevention 40+ programme, which supports diagnostic testing and health monitoring.

Our educational activities also included health prevention workshops and meetings, including:

- the 'Beautiful Because Aware' workshop,
- cancer prevention workshops, and
- educational initiatives raising awareness of the importance of regular check-ups and a healthy lifestyle.

Employees could also access free genetic testing supporting cancer prevention. These initiatives are intended to promote an informed approach to health and support employees in safeguarding their own health, safety and well-being. Our concern for employee health encompasses preventive and educational initiatives as well as the monitoring of occupational safety.

Analysis of occupational health and safety indicators enables the organisation to track safety performance and identify areas requiring particular attention.

There are **6 occupational** accidents per **1 milion** man-hours

S1-14

Employee accident frequency rates:

PERIOD	2025
Accident frequency rate (number of people injured per 1,000 employees)	12.84
Occupational accident severity rate (number of days of incapacity per injured person in an occupational accident)	40
Overall work accident severity rate (number of days of temporary incapacity per all employees)	0.51

S1-14

Number of accidents among employees, non-employees and employees of subcontractors:

PERIOD	2023	2024	CHANGE Y/Y
Accidents among employees			
Minor accidents	27	31	14.81%
Major accidents	0	0	0
Fatal accidents	0	0	0
Mass accidents	1	0	0
Total number of accidents	28	31	14.81%
Non-employee accidents			
Minor accidents	0	0	0
Major accidents	0	0	0
Fatal accidents	0	0	0
Mass accidents	0	0	0
Total number of accidents	0	0	0
Accidents among employees of subcontractors working on site			
Minor accidents	0	0	0
Major accidents	0	0	0
Fatal accidents	0	0	0
Mass accidents	0	0	0
Total number of accidents	0	0	0

Other health and safety data for employees and non-employees for 2025:

Employees	
Number of cases of recorded occupational diseases	1
Number of days of incapacity due to work injury/ill health due to work	1,242
Occupational accident rate*	6.44
Non-Employees	
Number of cases of recorded occupational diseases	0
Number of days of incapacity due to work injury/ill health due to work	0
Occupational accident rate	0

S1-10

REMUNERATION BASED ON CLEAR PRINCIPLES

We aim to develop a remuneration system that supports employment stability, employee development and the creation of engaged teams. Remuneration principles take account of the scope of responsibilities, level of accountability, competencies and the specific nature of individual roles

The remuneration model comprises base salary and additional pay components, including performance-related bonuses and incentive-based elements linked to the achievement of objectives and work performance. The system was developed based on a job evaluation process conducted in cooperation with an external partner and representatives from various areas of the organisation.

Based on the analysis, a structure of job positions and grading levels was developed to support a consistent approach to remuneration across the organisation. In production areas, additional remuneration mechanisms are in place to reflect employees' competency levels and the nature of the work performed.

The remuneration system is subject to regular review and is adjusted to reflect changing market conditions and the broader economic environment. The process involves teams responsible for human resources management, while selected solutions are also consulted with employee representatives.

Employee benefits and solutions that support employee well-being and development are also an important component of our approach to remuneration. The organisation continues to expand its non-pay benefits offering, taking into account team needs and changing labour-market expectations.

At FAKRO, we believe that a transparent and responsible approach to remuneration supports a working environment based on mutual respect, engagement and long-term cooperation.

WE SUPPORT EMPLOYEE WELL-BEING AND SOCIAL PROTECTION

FAKRO employees are covered by extensive social security both through public schemes offered by the state and numerous forms of internal support. Public benefits are supplemented by material assistance from the Company Social Benefits Fund, directed to employees who are in a difficult life, family or material situation.

S1-11

The organisation also has a Savings and Loan Fund offering financial assistance in the form of loans and grants. We offer various types of financial support, such as co-funding for kindergartens and nurseries, school textbooks, holidays including family holidays in the Activa Hotel.

Initiatives aimed at supporting team integration include family and employee events, such as Children's Day, the Carnival Ball, employee Christmas gatherings and International Women's Day.

In order to ensure the health of our employees, we offer access to group insurance and private medical care provided by PZU with the option of quick appointments via an app or a helpline. We also support an active lifestyle by offering Vanity Style sports cards that allow our employees to participate in sports activities and use recreational facilities.

S1-15

SUPPORTING WORK-LIFE BALANCE

We find work-life balance crucial as it leads to more productive, engaged and loyal employees. We are aware that such support attracts and retains talent. We are committed to creating a friendly working environment and looking after the well-being of our employees.

Depending on the position and scope of responsibilities, employees can start work within a flexible time window between 7:00 and 8:30. For production teams, a two-shift system is in place, adapted to the operational specifics of the plants.

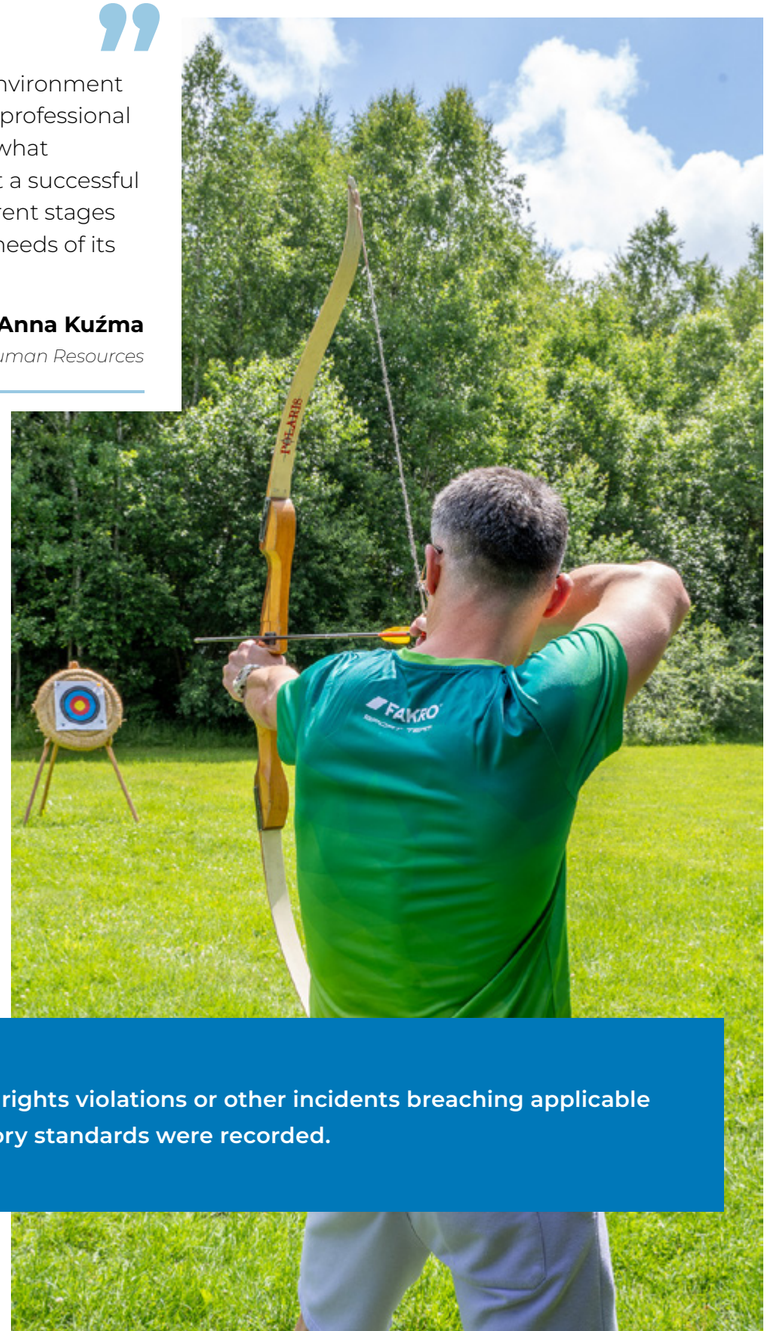
FAKRO operates a remote work model – either fully or partially – for selected positions where the nature of the role allows tasks to be performed outside the office. Employees eligible for this arrangement may also take occasional remote work of up to 24 days per calendar year, in accordance with applicable regulations and internal policies.

FAKRO develops organisational solutions that help employees maintain a balance between their professional and private lives and adapt working arrangements to their changing needs. These improvements are designed to support team well-being, increase comfort at work and foster a working environment conducive to engagement and long-term cooperation.

S1-17

Our objective is to create a working environment in which employees can pursue their professional ambitions without having to give up what matters outside work. We believe that a successful organisation supports people at different stages of life and responds to the changing needs of its teams.

Anna Kuźma
FAKRO Vice-Director of Human Resources



WE RESPECT HUMAN RIGHTS AND ETHICAL PRINCIPLES

At FAKRO, we place great importance on creating a working environment based on mutual respect, responsibility and compliance with ethical principles. Our approach in this area is grounded in applicable law, internal regulations and the principles set out in the Code of Ethics.

The principles of respect for human rights apply both to the organisation's employees and to the business partners, suppliers and other stakeholders with whom we cooperate. The organisation does not tolerate practices that violate human dignity, including discrimination, forced labour, child labour or other practices inconsistent with applicable standards and regulations.

During the reporting period, no serious human rights violations or other incidents breaching applicable ethical and regulatory standards were recorded.

3.4 We are involved in the community

S3-1 S3-2

For 35 years, FAKRO has developed relationships with local communities by supporting social, educational, sporting and charitable initiatives. The company engages in projects that respond to the needs of its local environment and supports initiatives implemented in cooperation with institutions, organisations and social partners.

Cooperation with the wider community forms part of our responsible approach to business and supports the development of lasting stakeholder relationships.

FAKRO develops relationships with local communities through cooperation with organisations and educational, social, sporting and cultural initiatives. These activities support local community development and the creation of long-term relationships based on cooperation and mutual engagement.

Among the local organizations supported by FAKRO are, among others:

Education:

- Academy of Applied Sciences in Nowy Sącz
- WSB – National Louis University in Nowy Sącz
- Cracow University of Technology
- SGH Warsaw School of Economics

S3-4

- Schools of Construction Trades in Nowy Sącz
- Complex of Electrical and Mechanical Schools in Nowy Sącz
- Numerous primary schools and kindergartens

Sports:

- Polish Football Association (PZPN) – FAKRO has been an Official Sponsor of the Polish National Football Team since 2004.
- Infinitas Hockey Club KTH
- UKS 3 FAKRO Jelna
- "I Too Have a Dream" Foundation
- Global Cheer
- Sądecki Grappling
- Łukasz Grabowski – rally driver

Culture:

- The Ada Sari Centre for Culture and the Arts in Stary Sącz
- "Sokół" Małopolska Culture Centre
- International Festival of Children's Folk Ensembles
- "Pamiętajcie o Ogrodach" Festival
- Autumn Theatre Festival

Charitable activities

- "Theatre for One Smile"
- "Sursum Corda" Association
- People4People Foundation
- Run4aSmile
- "Little Theatre for Great Patients"

S3-3

We are in regular contact with representatives of local communities. We collaborate with them on valuable projects. As we are a large company, we are also asked for support by organisations from all over Poland. The scope of cooperation is therefore nationwide. These activities are aimed at building a positive image of FAKRO as a socially responsible company actively engaged in community development.

An important aspect of this cooperation is openness to exchanging views and the opportunity to submit comments on the organisation's activities and initiatives. Feedback from social partners and local institutions supports the development of long-term relationships and initiatives that respond to the needs of local communities.

The organisation aims to communicate transparently and build positive relationships with the wider community, treating dialogue and cooperation as important elements of responsible business conduct.

THINK OF THE FUTURE FOUNDATION

The Think of the Future Foundation was established at the initiative of Ryszard Florek, President of the FAKRO Management Board, as an expression of commitment to social development, education, and the promotion of economic and civic awareness. The Foundation focuses on supporting initiatives that promote entrepreneurship, social responsibility and long-term thinking about Poland's economic and social development.

The Foundation carries out educational, social and expert projects addressed to young people, students, entrepreneurs and representatives of various social groups. Its initiatives include conferences, debates, workshops and meetings devoted to economic and social issues and the development of future-oriented competencies.

One of these projects is the Summer School for Leaders, an initiative for young people interested in developing leadership, social and entrepreneurial competencies. The programme enables participants to acquire knowledge, develop teamwork skills and attend meetings and workshops led by experts and business representatives.

An important area of the Foundation's work is supporting dialogue on the role of responsible business, the development of Polish enterprises and the building of an informed civil society. The Foundation also undertakes activities promoting economic education, civic engagement and cooperation between business, academia and the wider community.

Through its initiatives, the Think About the Future Foundation supports the development of knowledge, entrepreneurial attitudes and a responsible approach to social and economic challenges.

The Foundation's activities are an investment in people, their knowledge, development and social awareness. We seek to create a space for discussion about the future, responsible leadership and the role of entrepreneurship in building a strong and modern society. We believe that education and cooperation have a tangible impact on the development of future generations of leaders.

Bożena Damasiewicz
President of the Think of the Future Foundation

S3-4 S3-5

People have always been the foundation of FAKRO's development and one of the most important factors in building a strong and responsible organisation. We create a working environment based on collaboration, mutual respect and engagement, while supporting employee competence development, safety and well-being.

Our activities encompass professional development, initiatives supporting health and workplace safety, solutions promoting work-life balance, and measures that foster an open and inclusive organisational culture. At the same time, we develop relationships with local communities by engaging in educational, social and development projects.

Our objective is to continue building a socially responsible organisation in which people have opportunities to develop, collaborate and actively participate in shaping the future of the company and its wider environment.

Organisational development begins with people – their engagement, competencies and sense of being an important part of the working environment we build together. We therefore attach great importance to creating an organisational culture based on collaboration, openness and mutual respect. It is people who co-create FAKRO's strength and future every day.

Halina Podgórny
FAKRO HR Director

04

How we operate

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4.4 Engagement in industry initiatives 63

4.1 Our corporate culture and business practices

G1-1

APPROACH TO BUSINESS ETHICS

FAKRO conducts its business in accordance with ethical principles and applicable legal regulations, which provide the foundation for business decision-making and stakeholder relations. This approach applies both to the company's operations and to its cooperation with entities across the value chain.

The company seeks to ensure that its activities comply with the adopted standards by developing and maintaining appropriate internal regulations and by promoting responsible conduct among employees and associates.

FAKRO regards social capital as an important element of the organisation's long-term development. Building relationships based on trust, cooperation, responsibility and dialogue supports the development of organisational culture and strengthens relations with employees, business partners and the wider community.

INTERNAL POLICIES AND REGULATIONS

The standards of conduct applicable at FAKRO are set out in internal documents, particularly the Code of Ethics and the Anti-Mobbing Policy. These documents govern key areas of business activity, including business integrity, the prevention of misconduct, workplace relations and procedures for responding to potential violations.

Policies and procedures are communicated to employees and made available through the applicable internal channels. The organisation ensures that they remain up to date through periodic reviews and adaptation to changing legal, regulatory and market requirements.

REPORTING IRREGULARITIES AND VIOLATIONS

At FAKRO, we uphold the highest ethical standards and provide safe, internal channels for reporting violations through the FAKRO Fair Play system. This platform is available not only to employees and collaborators but also to business partners and all representatives of the value chain (form available at: (https://fakrofairplay.vco.ey.com/).

The system enables reports to be submitted confidentially, while ensuring the protection of the reporting person's identity. Reports may concern, among other matters, breaches of ethical standards, workplace irregularities, and other situations that may constitute a violation of applicable internal regulations or legal requirements.

In a dynamic business environment, accountability for the manner in which business is conducted is of particular importance. Within the FAKRO Group, we regard compliance with established principles as an element of building the organisation's long-term credibility and stability. Our objective is to create an environment in which making the right decisions is the natural choice and every report of potential misconduct receives due attention. This approach strengthens trust both within the organisation and in relations with business partners.

Paweł Dziekoński
Vice President of the Management Board

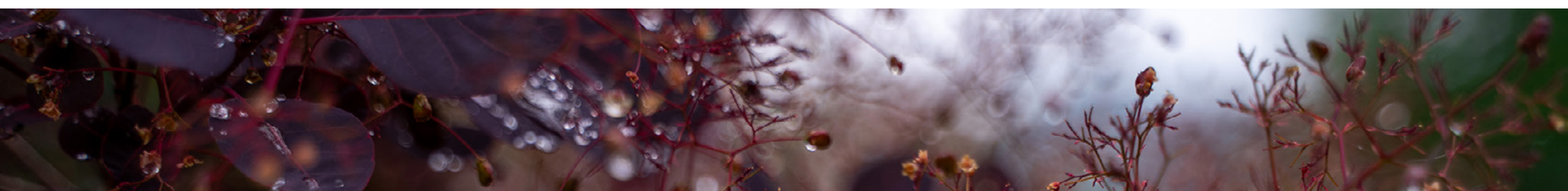
4.2 Counteracting corruption and bribery

G1-3

FAKRO conducts its business in accordance with the principles of integrity and business ethics and with applicable law, including regulations on preventing corruption, fraud and money laundering. The organisation does not tolerate any form of corruption or bribery, or any conduct that breaches the principles of fair competition. The applicable rules of conduct are set out in internal documents, in particular the Code of Ethics (https://www.fakro.com/information-about-the-company/corporate-governance/), which addresses matters including conflicts of interest, the acceptance and offering of financial or other benefits, and relations with business partners. Mechanisms for identifying and reporting irregularities have been implemented to mitigate the risk of misconduct. These include the FAKRO Fair Play system (https://fakrofairplay.vco.ey.com/), which supports the detection of potential violations and the conduct of investigations. In addition, the organisation has an AML procedure designed to minimise the risk of the company being used for money laundering or terrorist financing.

G1-4

During the reporting period, FAKRO recorded no confirmed cases of corruption or bribery resulting in final court judgments or financial penalties for breaches of anti-corruption legislation. The organisation continuously monitors compliance with applicable regulations and analyses potential violations reported through its internal mechanisms, including the FAKRO Fair Play system. Where irregularities are identified, the company undertakes appropriate investigations and implements corrective and preventive measures.



4.3 We build lasting relationships with suppliers

G1-6

Cooperation with suppliers is an important element of FAKRO's operations and of building a stable value chain. The company develops business relationships on the basis of transparent principles, responsibility and mutual commitment. FAKRO seeks to work with partners that meet its quality, organisational and environmental requirements, while supporting the development of long-term and durable business relationships.

The FAKRO Group has internal regulations governing the purchasing process, including the document 'Purchasing Management in the FAKRO Group'. Social and environmental responsibility in the supply chain is governed by the 'FAKRO Group Supplier Code of Conduct'. The organisation also has procedures supporting the timely fulfilment of obligations towards contractors, including the 'Accounting Policy – Payment Processing', which reduces the risk of late payments, and the 'Cost Processing Procedure', which governs the circulation and approval of cost documents. FAKRO promotes responsible standards of cooperation among suppliers, including through the Supplier Code, questionnaires and audits covering selected legal, social, quality and environmental aspects.

The Supplier Code of Conduct is a reflection of our values and the foundation for transparent, fair relationships throughout the supply chain. This document sets out the minimum standards that we expect all our partners to uphold.

S2-3

OUR COMMITMENTS

FAKRO is committed to building responsible and transparent relationships with partners throughout the entire value chain.

Requirements concerning respect for human rights, ethical principles, occupational safety and compliance with the law are set out in the FAKRO Group Supplier Code of Conduct. We expect our partners to conduct their business in a socially and environmentally responsible manner.

Workers in the value chain may report potential violations or irregularities through the available communication channels or by contacting representatives of the FAKRO Group directly. Each report is assessed individually and, where justified, investigative and remedial action is taken.

S2-5

SUPPLIER SELECTION

FAKRO is committed to building responsible and transparent relationships with partners throughout the entire value chain.

Key suppliers undergo regular assessments covering, among other matters:

- the quality of products and services supplied,
- delivery performance,
- the level of operational cooperation,
- occupational health and safety matters, and
- environmental aspects of their activities.

Each supplier should participate in the questionnaire process at least once every three years. In addition, FAKRO conducts supplier audits directly at the premises of its business partners. Approximately 20 audits of key suppliers are carried out each year.

S2-5

Partners of the greatest business significance, as well as companies requiring additional verification in connection with ongoing operational cooperation, are selected for audits as a priority. Assessment and audit results are archived in internal systems and support purchasing decisions and the further development of supplier relationships.

FAKRO seeks to build long-term business relationships based on transparent cooperation, a responsible approach to business conduct and mutual trust. In its cooperation with business partners, the company promotes an approach that takes account of quality, environmental and organisational aspects throughout the supply chain.

FAKRO's purchasing process also takes account of environmental aspects relating to supplier activities. New contractors undergo an assessment that includes environmental matters, while key suppliers are subject to periodic assessments and on-site audits. These activities support the development of a responsible supply chain and cooperation with business partners that takes environmental and organisational considerations into account.

S2-2

FAKRO cooperates with suppliers on the basis of applicable purchasing procedures and business partner assessment principles. The qualification of new contractors and periodic supplier assessments include, among other matters, compliance with labour law, occupational health and safety, and environmental considerations.

S2-1

Key suppliers are subject to regular audits and ongoing assessment of their cooperation. The company uses an internal supplier assessment and classification system based on defined quality, organisational and environmental criteria. The scoring results support purchasing decisions and the continuation of cooperation with business partners.

As part of its cooperation with suppliers, FAKRO promotes responsible business conduct and compliance with applicable regulations and the cooperation standards adopted by the organisation. The company seeks to build long-term business relationships based on transparency, the quality of cooperation and mutual trust.

G1-2

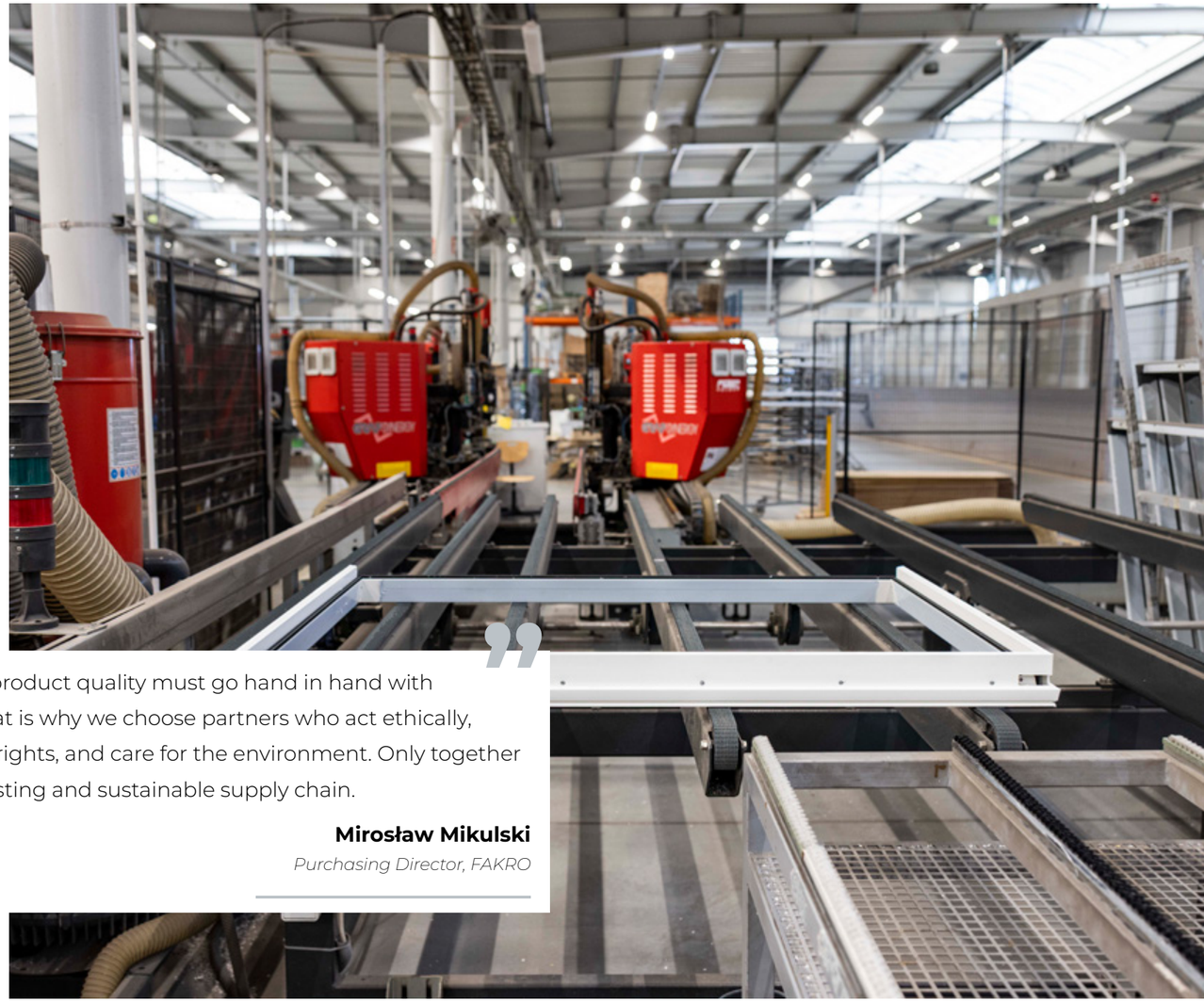
COOPERATION VERIFICATION

In accordance with the applicable "Procurement Management in the FAKRO Group" standards, the Company conducts supplier assessments and audits covering selected aspects related to human rights, working conditions, and the environmental impact of their operations.

The applicable Supplier Code sets out the basic ESG requirements for business partners in the supply chain. As part of its purchasing processes, FAKRO carries out supplier verification activities that include:

- assessing supplies from higher-risk regions,
- analysing safety data sheets for chemical substances,
- conducting periodic supplier audits and questionnaires, and
- assessing selected environmental and organisational aspects of suppliers' activities.

The company's purchasing process also takes logistical and organisational aspects into account, including the location of suppliers in relation to production facilities, thereby supporting the optimisation of transport and ordering processes. Business partners are informed of the cooperation standards applicable at FAKRO, while supplier assessment results support continued cooperation and purchasing decisions.



We believe that product quality must go hand in hand with responsibility. That is why we choose partners who act ethically, respect workers' rights, and care for the environment. Only together can we build a lasting and sustainable supply chain.

Mirosław Mikulski
Purchasing Director, FAKRO

4.4 Engagement in industry initiatives

FAKRO participates in the activities of industry and business organisations and in initiatives supporting the development of the construction and manufacturing sectors and areas related to sustainable development. Engagement in industry organisations enables the company to exchange experience, monitor market trends and cooperate in developing technical and quality standards within the industry.

Participation in industry organisations and initiatives also supports dialogue between businesses, academia and representatives of the construction market. As part of this cooperation, FAKRO takes part in meetings, conferences, educational activities and initiatives relating, among other matters, to energy efficiency, product quality, user safety and environmental aspects of the construction industry.

List of sample associations and lobbying activities in which we were a member in 2025:

- Sącz Chamber of Commerce
- Polish Roofers' Association
- Association of Polish Windows and Doors
- Galician Chamber of Construction
- Association of Home Builders
- Polish Chamber of Construction Industry
- Polish Chamber of Commerce of Low Cost Social Housing
- UN Global Compact
- Business Club of the Cracow University of Technology
- Executive Club

Participation in industry initiatives and activities undertaken jointly with business organisations and academia also supports the development of social capital through knowledge sharing, enhanced cooperation and relationship building among market participants.

ESG

05

About the report

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5.1 About the report

This FAKRO Sustainability Report provides a comprehensive overview of the Company's activities, performance and development directions across environmental, social and governance (ESG) areas. The document has been prepared to ensure transparent communication with stakeholders, including customers, employees, business partners, local communities, as well as financial and regulatory institutions.

BP-1

This Report provides a summary of the FAKRO Group's non-financial activities for the period from 1 January to 31 December 2025. The document covers data relating to two key operating companies: FAKRO Sp. z o.o. and FAKRO PP Sp. z o.o.

The Report presents the Group's approach to managing environmental, social and governance (ESG) matters, with particular emphasis on the implementation of the GO GREEN strategy. It outlines the measures undertaken to reduce environmental impact, develop human capital, and build transparent and responsible governance structures.

This publication reflects FAKRO's established practice of annual non-financial reporting. The 2025 Report marks another step in the Group's ongoing development of ESG reporting standards and in improving the quality and scope of the information disclosed.

The scope of greenhouse gas (GHG) emissions reporting remains consistent with that adopted in the previous reporting period and covers data for FAKRO Sp. z o.o. and FAKRO PP Sp. z o.o. This approach enhances data consistency and year-on-year comparability.

At the same time, the Group continues its efforts to gradually expand the scope of environmental information collected and reported.

The data presented in the Report is derived from internal systems and information provided by individual organisational units. In selected cases, estimates have been applied based on available data and the methodological assumptions adopted.

The purpose of the Report is to present the FAKRO Group's performance and activities in the following areas:

E (Environmental) **S (Social)** **G (Governance)**

as well as to present progress in implementing the Group's sustainability objectives and the direction of future activities.

Although FAKRO is not currently subject to mandatory reporting requirements under the Corporate Sustainability Reporting Directive (CSRD) or the European Sustainability Reporting Standards (ESRS), selected ESRS references have been used in this Report as a framework for structuring and presenting ESG information.

The use of ESRS indicators and references is voluntary and is intended to enhance the transparency of the Report, facilitate data comparability, and gradually prepare the organisation for future regulatory requirements and stakeholder expectations. This does not imply full compliance with the ESRS or fulfilment of all requirements set out in these standards.

Thank you for taking the time to read the FAKRO Group ESG Report. We hope that the information presented provides a clear overview of our approach to environmental, social and governance matters, as well as the actions we undertake in the area of sustainability.

We value the interest of our stakeholders and their engagement in dialogue on responsible business practices. We believe that transparent communication is an important element in building long-term relationships based on trust.

We regard this Report as an important step in the continued development of our ESG practices and as a tool supporting the ongoing improvement of our approach to non-financial reporting and data management.

Contact regarding the report content

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5.2 Project team

The FAKRO Group ESG Report was prepared by an interdisciplinary team of employees representing various areas of the organisation's operations. The preparation process involved units responsible for, among other areas, environmental matters, human resources, operations and management.

The preparation of the Report involved data collection, analysis and content development based on available information and the adopted approach to non-financial reporting. Collaboration between teams enabled a comprehensive presentation of ESG matters and helped ensure the consistency of the information disclosed.

The process was coordinated by a designated project team responsible for overseeing the work and ensuring the timely completion of each stage of the Report preparation process.

We would like to thank everyone involved in preparing the Report for their contribution, collaboration and commitment to advancing the FAKRO Group's approach to sustainability.

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5.3 Reporting indicators

IRO-2

Selected ESRS disclosures used as a reference in the report

Disclosure no.	Name of disclosure	Place in the Report
ESRS 2 General disclosures		
BP-1	General basis for preparation of the sustainability statements	p. 65
GOV-1	Roles and responsibilities of the administrative, management and supervisory bodies	p. 7
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	p. 9
GOV-4	Statement on due diligence	p. 10
GOV-5	Risk management and internal controls over sustainability reporting	p. 10
SBM-1	Market position, strategy, business model and value chain	p. 6, 12, 13
SBM-2	Views, interests and expectations of stakeholders	p. 15
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 10
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	p. 10
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	p. 70

Disclosure no.	Name of disclosure	Place in the Report
ESRS E1 Climate change		
E1-1	Transition plan for climate change mitigation	p. 20
E1-2	Policies related to climate change mitigation and adaptation	p. 20
E1-3	Actions and resources in relation to climate change policies	p. 24
E1-5	Energy consumption and mix	p. 22
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	p. 23
ESRS E2 Pollution		
E2-1	Policies related to pollution	p. 28
E2-2	Actions and resources related to pollution	p. 28
E2-3	Targets related to pollution	p. 28
E2-4	Pollution of air, water and soil	p. 29
E2-5	Substances of concern and substances of very high concern	p. 30

Disclosure no.	Name of disclosure	Place in the Report
ESRS E3 Water and marine resources		
E3-2	Actions and resources related to water and marine resources	p. 31
E3-4	Water consumption	p. 31
ESRS E4 Biodiversity and ecosystems		
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	p. 32
E4-3	Actions and resources related to biodiversity and ecosystems	p. 32
E4-5	Impact metrics related to biodiversity and ecosystems change	p. 32

Disclosure no.	Name of disclosure	Place in the Report
ESRS E5 Resource use and circular economy		
E5-2	Actions and resources related to resource use and circular economy	p. 34
E5-3	Targets related to resource use and circular economy	p. 35
E5-4	Resource inflows	p. 34
E5-5	Resource outflows	p. 34
ESRS S1 Own workforce		
S1-1	Policies related to own workforce	p. 37
S1-2	Processes for engaging with own workers and workers' representatives about impacts	p. 43
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	p. 39
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	p. 39

Disclosure no.	Name of disclosure	Place in the Report
ESRS S1 Own workforce		
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 40
S1-6	Characteristics of the undertaking's employees	p. 41
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	p. 42
S1-8	Collective agreement and social dialogue	p. 43
S1-9	Diversity metrics	p. 41
S1-10	Adequate wages	p. 50
S1-11	Social protection	p. 51
S1-12	Persons with disabilities	p. 41
S1-13	Training and skills development metrics	p. 45
S1-14	Health and safety metrics	p. 49
S1-15	Work-life balance metrics	p. 52
S1-17	Incidents, complaints and severe human rights impacts	p. 52
ESRS S2 Workers in the value chain		
S2-1	Policies related to value chain workers	p. 61
S2-2	Processes for engaging with value chain workers about impacts	p. 61
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	p. 60

Disclosure no.	Name of disclosure	Place in the Report
ESRS S2 Workers in the value chain		
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 61
ESRS S3 Affected communities		
S3-1	Policies related to affected communities	p. 53
S3-2	Processes for engaging with affected communities about impacts	p. 53
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	p. 54
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	p. 56
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 56
ESRS S4 Consumers and end-users		
S4-1	Policies related to consumers and end-users	p. 16
S4-2	Processes for engaging with consumers and end-users about impacts	p. 16
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	p. 16

Disclosure no.	Name of disclosure	Place in the Report
ESRS G1 Governance		
G1-1	Corporate culture and business conduct policies and corporate culture	p. 58
G1-2	Management of relationships with suppliers	p. 62
G1-3	Prevention and detection of corruption and bribery	p. 59
G1-4	Confirmed incidents of corruption or bribery	p. 59
G1-6	Payment practices	p. 60

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